



Our Bankers

Canara Bank, Sasthamangalam Branch, Tvm Federal Bank, Kannur Branch, Kannur. South Indian Bank, Corporate Branch, Tvm South Indian Bank, Mattannur Branch, Kannur. Central Bank of India, Rishimangalam Branch, Tvm. State Bank of Travancore, Chacka Branch, Tvm.

Statutory Auditors

P N Krishna Mani & Co. Chartered Accountants TC 24/2005, C V Raman Pilllai Road Thycaud (P.O), Thiruvananthapuram-695014

Registered Office

Parvathy, T.C 36/1, Chacka, NH Bypass Thiruvananthapuram-695024 Ph: 0471 2508668/70, Fax: 0471 2508669

Project Office

New Municipal Building, 2nd Floor, Maruthayi Road, Mattannur, Kannur - 670702. Ph: 0490 2474464, Fax: 0490 2474463



PRESENT BOARD OF DIRECTORS

**************************************	TRECENT BOARD	
3	Shri. OOMMEN CHANDY Hon'ble Chief Minister of Kerala Chairman	Shri. K. BABU Hon'ble Minister for Fisheries, Ports & Excise, Director
2	Shri. K. M MANI Former Minister Director	Shri. K. C. JOSEPH Hon'ble Minister for Rural Development, Planning & Culture, Director
	Shri. K. P. MOHANAN Hon'ble Minister for Agriculture & Animal Husbandry, Director	Dr. M. K MUNEER Hon'ble Minister for Panchayath & Social Justice, Director
6	Shri. JIJI THOMSON IAS Chief Secretary to Govt. of Kerala Director	Shri. V. J. KURIAN IAS Addl. Chief Secretary (Water Resources & Aviation), GoK, Director
	Shri. MADAVAN NAMBIAR Retd: IAS Officer Independent Director	Shri. B. SREENIVAS IAS Secretary (Expenditure) Finance, GoK Additional Director
	Shri. M M SOMAYA Executive Director (Aviation), BPCL Nominee Director	Dr. G. C. GOPALA PILLAI Managing Director, KINFRA Director
	Shri. M. A. YUSUFFALI Managing Director, EMKEE Group Director	Smt. PARVATHY AMMAL Chartered Accountant, Independent Director
0	Dr. SHAMSEER V. P. Managing Director, VPS Healthcare Additional Director	Shri. G. CHANDRAMOULI Managing Director
	Shri. PRASAD K PANICKER ED, Kochi Refinery, BPCL Nominee Director	Shri. RAJESH BHANDARI ED, Finance, Air Port Authority of India, Nominee Director



DIRECTORS VACATED THE OFFICE DURING THE PERIOD



Shri.RAJESH KUMAR SINHA IAS
Secretary (Expenditure) Finance,
GoK
Director



NOTICE

NOTICE is hereby given that the 6th Adjourned Annual General Meeting of Kannur International Airport Limitedwill be held on Wednesday, 13th April 2016, 11.00 am at Symphony Hall, Mascot Hotel Thiruvananthapuram-695033 to transact the following business:

ORDINARY BUSINESS:

To consider and adopt the Annual Accounts of the Company for the year ended 31 March 2015, together with Directors' Report and Auditors' Report thereon.

By order of the Board For Kannur International Airport Limited

Sd/-Gnanendrakumar G Company Secretary

Date: 23/03/2016 Thiruvananthapuram

Notes:

- 1. A member entitled to attend and vote at the Adjourned Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company. A person can act as a proxy on behalf of members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company. However, a member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member. Form of proxy is attached at the end of the Annual Report.
- 2. Instrument of Proxies, in order to be effective must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting.
- 3. Proxies submitted on behalf of companies, societies etc. must be supported by an appropriate resolution/authority, as applicable.
- 4. Admission strictly restricted to members / proxies only and members / proxies are advised to bring the attendance slip, duly filled up and signed, and handover the same at the entrance and collect the entry pass.
- 5. The register of members and share transfer books of the company will remain closed from 06th April 2016 to 13th April 2016 both days inclusive.



VOTING THROUGH ELECTRONIC MEANS

In compliance with the provisions of the Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules 2014 as amended or re-enacted from time to time, the Company is pleased to provide members facility to exercise their votes for all the shareholder resolutions detailed in the notice of the 12th Extra ordinary General Meeting of the Shareholders by electronic means and the business may be transacted through remote e-voting. The Company has engaged the services of CDSL as the authorized agency to provide the remote e-voting facilities as per the instructions below.

Please read the instructions for the members for remote e-voting before exercising the votes. This communication forms an integral part of the notice of the 12th Extra ordinary General Meeting of the Shareholders dated 13th April 2016, which is being sent to you along with the said notice. The notice of the 12th Extra ordinary General Meeting and this communication are also available on the website of the company www.kannurairport.in

Instruction to members for remote e-voting as under:

- 1. Date and time of commencement of voting through electronic means: 10th April 2016 10:00AM.
- 2. Date and time of end of voting through electronic means beyond which voting will not be allowed: 12th April, 2016 at 5:00 PM.

Details of web site: www.evotingindia.com

Details of persons to be contacted for issues relating to e-voting: M/s SKDC Consultants Ltd., Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore -641 006 Phone +91 422 6549995, 253 9835-836, Fax +91 422 2539837, e-mail: info@skdc-consultants.com, website: www.skdc-consultants.com

The remote e-voting module shall be disabled for voting on 12th April, 2016 at 5:00 PM. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The voting right of shareholders shall be in proportion to the shareholding in the paid up equity share capital of the Company as on 6th April 2016 (cut-off date).

The Chairman of the Meeting shall, at the Extra-ordinary general meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting by use of ballot or polling paper for all those members who are present at the general meeting but have not cast their votes by availing the remote e-voting facility.

The Board of Directors has appointed ABVR& Associates, Company Secretaries, Ist Floor, Room No.107, Hudson Building, Opp: LIC, Pattom, Trivandrum, Kerala as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner.

The instructions for shareholders voting electronically are as under:

(i) The voting period begins on 10th April 2016 10:00 am and ends: 12th April, 2016 at 5:00 PM During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 6th April 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter



- (ii) The shareholders should log on to the e-voting website www.evotingindia.com
- (iii) Click on 'shareholders' tab
- (iv) Now Enter your User ID
 - a. Members holding shares in Physical Form should enter Folio Number registered with the Company
- (v) Next enter the image Verification as displayed and Click on Login.
- (vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
·PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format
Dividend Bank details or Date of Birth (DOB)	Enter the Dividend Bank Details or date of Birth (in dd/mm/yyyy format) as recorded in the Company records in order to login. If the both the details are not recorded with the Company please enter the folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach "Password Creation" menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be used by the demat holders for voting for resolutions at any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN relevant to Kannur International Airport Ltd.
- (xi) On the voting page, you will see 'RESOLUTION DESCRIPTION' and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES



- implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTION FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to change your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If demat account holder has forgotten the changed password then Enter the User ID and image verification code and Click on Forgot Password and enter the details and prompted by the system.
- (xvii) Note for non individual shareholders and custodians
- Non-individual shareholder (I.e. other than individuals, HUF, NRI, etc.) and Custodian are required to log on to www.e-votingindia.com and register themselves as Corporates.
- ➤ 'A scanned copy of the registration form bearing the stamp and sign of the entity should be e-mailed to helpdesk.evoting@cdslindia.com
- After receiving the log in details, a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- > The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts, they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (PoA) which they have issued in favour of the Custodian, if any, should be uploaded in the pdf format in the system for the scrutinizer to verify the same
- (xviii)In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQs) and e-voting manual available at www.evotingindia.com under help section or write an e-mail to helpdesk.evoting@cdslindia.com



DIRECTORS' REPORT

To the Members,

Your directors have pleasure in presenting the 6th Annual Report and Audited Accounts of your Company for the financial year ended 31st March, 2015.

1. Financial Highlights

The Company is yet to commerce commercial operations and no income was generated from the business activity and details of other income is as follows.

Particulars	For the year ended 31/03/2015.
Revenue from operations	Nil
Other Income	10,89,16,051.35
Net Profit Before Tax	6,85,23,353.24
Net Profit After Tax	6,85,23,353.24
Depreciation	8,33,506.17

2. Review of Operations

Your Directors are glad to state that the company has awarded Airside works for runway ,apron etc to M/s Larsen & Toubro (Infra) for an amount Rs.694 crores on 5 November 2013 and as on the date of this report, 75% of airside works has been completed. Further KIAL has awarded Engineering & Design Consultancy to M/s KITCO ,Cochin for preparing the detailed design for city side facilities ,Passenger terminal Building ,connecting flyover, ATC & Technical Block as on 25 June 2014.

The Terminal building and associated works for cityside works has been awraded to M/s Larsen & Toubro (B&F) for an amount Rs.498 crores and 65% of city side works has been completed. Further as on 17 September 2014 a Memorandum of Understanding (MoU) between Indian Meteorological Department (IMD) and KIAL has been signed at Delhi for the provision of aviation meteorological services.

A Memorandum of Understanding (MoU) between Airports Authority India (AAI) and KIAL was signed on 24 June 2015 for investing Rs 100 crores in the equity capital of KIAL and on subscription, equity shares were allotted to AAI. Also an agreement for the provision of CNS/ATM facilities has been executed with Airports Authority of India at Delhi on 17 November 2014.

Further, it is to state that Baggage Handling system has been awarded to M/s Vanderlande Industries Private Limited, Pune for an amount of Rs 15.49 crores on September 2015. Aircraft crash fire tender contract has been awarded to M/s Rosenbauer International, Austria on 17 september 2015 at a total cost of Rs. 21,11,63,398/- (including customs duty)



The Elevators & Escalators system contract has been awarded to M/s Omega Elevators ,Kochi and and M/s Johnsons Lifts Private Limited ,Chennai for an amount of Rs 6.17 crores and Rs 6.41 crores respectively on 20 May 2015. Further Apron Drive type Passenger Boarding Bridges (PBBs) has been awarded to M/s M/s Shenzhen CMC Tianda Airport Support Limited ,China for an amount of Rs 11.45 crores (including customs duty) on October 2015.

It is further to state that the total debt requirement of the project is Rs. 892 crores for which a joint term loan agreement was entered upon on 20 May 2015, with a consortium of three banks namely Canara Bank(Rs 692 crores), South Indian Bank(110 crores) and Federal bank(90 crores) which is being utilized.

The other major achievements of the Airport project during the period are:-

- ➤ Kerala Water Authority and Kerala State Electricity Board has completed 80% of the work awarded to them with respect to the water and electricity supply to the Airport.
- ➤ The survey for extending the runway length from 3050m to 3400 m has been completed
- As a part of the Green Belt Programme developed by the KIAL, 3.48 lakhs saplings were planted in Mattannur/Keezhallur Panchayath area as on date.
- As the part of the CSR activities of the Company, an amount of Rs. 290.46 lakhs has been sanctioned to implement Health Schemes under Self-Governing Departments and for solid waste treatments.
- ➤ The second phase of land acquisition includes 1281.41 acres of land. The process of direct acquisition by KIAL is under progress which includes the balance land under phase III and land required for emergency Road. Necessary applications for allocation of fund required for the aforesaid acquisitions were already taken up with the concerned authorities.

Your Directors are glad to state that as on date 70% of the Airport project is completed and the establishment and operation of Kannur Airport will boost up the fast development of Commercial as well as Tourism sector in the Northern part of Kerala, apart from providing more transport and cargo handling facilities to the Non Resident Keralite will also bring more employment opportunities and foreign exchange by facilitating the export business, especially the handloom sector which is unique and having a good demand all over the world.

Moreover the Company expects to start its Commercial operations of the Airport by the end of 2016.

3. Authorized and Paid-up Capital

The authorized capital of the Company is Rs. 1000 Crores and as on 31 January 2016, the Company has issued 625,56,966 equity shares of Rs 100 each and the paid up capital of the Company is Rs. 625,53,81,600 /-



4. Directors.

Under the provisions of the Companies Act, 2013 and Articles of Association of the Company, Shri. Manatham Kandy Muneer Hon'ble Minister for Panchayat & Social Justice, Shri, Jiji Thomson, Chief Secretary, Government of Kerala, Dr Gopala Pillai Chandrasekhara Pillai MD KINFRA and Shri M.A Yusuffali MD EMKEY Group was appointed as Additional Directors on 23/04/2014, 23/03/2015 and 18/12/2014 respectively and subsequently as per the provisions of the Companies Act 2013 they were re-appointed as Directors at its 6th Annual General Meeting held on 29th September 2015 and Shri Somayya Muttana Maneypanda was appointed as Nominee Director by BPCL into the Board of Directors of KIAL as on 25/06/2014 during the period under consideration.

5. Audit Committee.

The Audit Committee of the Board of Directors of the Company was reconstituted vide its Board meeting held on 16th September 2015 and consists of the following members:

- 1. Smt K. Parvathy Ammal–Independent Director Chairperson
- 2. Shri M. Madhavan Nambiar Independent Director Member
- 3. Shri V.J Kurian, IAS (Addl. Chief Secretary, Water Resources & Aviation) Member
- 4. Dr. G.C. Gopala Pillai, Managing Director, KINFRA Member

6. Statutory Auditors

M/s Krishnamani & Co Chartered Accountants, Thiruvananthapuram was appointed as Statutory Auditors of the Company by the C & AG, Thiruvananthapuram for the Financial Year 2015-16.

7. Directors Responsibility Statement:

As per the provisions of Section 134(3) (c) of the Companies Act, 2013

We state that:-

- i. In the preparation of accounts, the applicable Accounting Standards have been followed.
- ii. Accounting policies selected were applied consistently, reasonably and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the company as at the end of March 31st 2015, and of the profit of the company for the period from 01/04/2014 to 31/03/2015.
- iii. Proper and sufficient care has been taken for the 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.
- iv. The annual accounts of the company have been prepared on a going concern basis.



8. Conservation Of Energy, Technology Absorption And Foreign Exchange Earnings And Outgo

The particulars as required under the provisions of 134 (3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review. Further during the year under review, the Company has not earned any foreign exchange.

Foreign Exchange Earnings - Nil.

Foreign Exchange Outgo - Nil.

9. Deposits

The Company has not accepted deposit from members or the general public as on 31st March 2015. There are no small depositors in the Company.

10. Abstract of The Annual Return

The Abstract of the Annual Return in Form No. MGT – 9 for the year ending 31st March 2015 is being attached with the Directors Report as Annexure.

11. Acknowledgment

Your directors wish to thank the Government of Kerala, Government of India, Bharat Petroleum Corporation Limited, Airport Authority of India and various other statutory authorities of Government of India and Government of Kerala for their keen interest in the progress of the Company and for their timely help and guidance. Your Directors place on record their gratitude to the bankers viz., Central Bank of India, South Indian Bank and State Bank of Travancore, m Canara Bank and Federal Bank for their whole-hearted support and look forward to their continued assistance, co-operation and support. Your Directors are thankful to the esteemed shareholders for their continued patronage and the confidence reposed in the Company and its management. Your Directors also take this opportunity to acknowledge the loyal and sincere work put in by the employees of the Company during the year under report.

For and on behalf of the Board

Sd/-

Oommen Chandy Chairman

Thiruvananthapuram





Form No. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st March 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To, The Members, KANNUR INTERNATIONAL AIRPORT LIMITED 'Parvathy', T.C.36/1 Near Ananthapuri Hospital, NH Bye pass Pettah, Kerala

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KANNUR INTERNATIONAL AIRPORT LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2015, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment.
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Not applicable as the company is an unlisted public company





- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; Not applicable as the company is an unlisted public company
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not applicable as the company is an unlisted public company
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not applicable as the company is an unlisted public company
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable as the company is an unlisted public company
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; Not applicable as the Company is not registered as Registrar to issue and share Transfer Agent during the during the financial year under review
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable as the Company has not delisted/propose to delist its equity shares from any stock exchange during the financial year under review and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable as the Company has not bought back or propose to buy back any of its securities during the financial year under review.
 - (vi) The Company has obtained following clearances and approvals from various authorities and the project work is progressing and since its operations are not yet commenced, various laws applicable to it are not commented.
- a) Environmental clearance for the project from Ministry of Environment & Forest.
- b) NOC from Ministry of Defence, GOI renewed for a period of 5 years
- c) Security clearance from Ministry of home affairs.
- d) Director General of Civil Aviation accorded site clearance for the proposed airport and a master plan was submitted to DGCA and other concerned authorities.
- e) Security vetting first inspection carried out by Regional Deputy Commissioner of Security, Bureau of Civil Aviation Security along with IB, Customs, CISF and Local police.
- f) Keezhallur Grama panchayath accorded its clearance
- g) Mattannur Municipality accorded its clearnace
- h) Kerala State Pollution Control Board has given consent to establish Airport and to commence the work.

we have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

The Institute of Company Secretaries of India (ICSI) had issued secretarial standards numbering 1 to 10 with reference to the provisions of the Companies Act 1956 which were recommendatory in nature and the Company had voluntarily adhered to them. During the period under review ICSI had not issued Standards corresponding with reference to the provisions of the Companies Act 2013; nonetheless, the Company continue to adhere to Standards issued earlier.



During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. Neither Independent Directors nor women directors were appointed by the company during the period under scrutiny. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines

• And as informed, the company has responded to notices in time issued by statuary/regulatory authorities and initiated action whatever necessary.

we further report that during the audit period the company has

- (i) Subject to the provisions of section 42 and 62 of the companies Act, 2013 offered a total of 5,89,85,000 (Five crore eighty nine lakhs eighty five thousand) equity shares on private placement basis, to aggregate Rs 589,85,00,000.00 (Five hundred and eighty nine crores and eighty five lakhs only) and complied with the provisions of Rule 13 and Rule 14 of the Companies (share Capital and Debentures) and (Prospectus and Allotment of Securities) Rules, 2014 respectively.
- (ii) Decided to register a Joint Venture Company with Bharat Petroleum Corporation Limited and the name proposed was BPCL-KIAL Fuel Farm Private Limited and

Apart from these there are no specific events/actions having a major bearing on the company's affairs in pursuance of the laws, regulations, guidelines, standards, etc, referred to above.

Place: Trivandrum Date: 07/09/2015

M.No. 8108 CP No. 9059

G. Gnanendra Kumar. FCS Company Secretary M.No. 8108

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Form No.MGT-9

EXTRACTOFANNUALRETURN Asonthefinancialyearendedon 31.03.2015

[Pursuanttosection 92(3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

I.	REGISTRATION AND O	THER DETAILS:
1	CIN	U65910KL1998SGC012160
2	Registration Date	03/12/2009
3	Name of the Company	KANNUR INTERNATIONAL AIRPORT LIMITED
4	Category/Sub-category of the	Company Limited by Shares
	Company	Unlisted public Company
5	Address of the Registered of-	"Parvathy" TC 36/1, Chacka, NH Bypass,
)	fice & contact details	Thiruvananthapuram 695024
6	Whether listed company	No
	Name, Address & contact	CVDC Concultants Limited Ironanathy Tayyons 2nd Floor
7	details of the Registrar &	SKDC Consultants Limited, kanapathy Towers, 3rd Floor, 1391/A-1, SathyRoad, Ganapathy Coimbatore- 641006.
	Transfer Agent, if any.	1391/A-1, Sathy Koati, Ganapathy Compatore- 041000.

II. PR	II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY									
(All th	(All the business activities contributing 10 % or more of the total turnover of the company shall be									
stated)										
S. No.	Name and Description of main	NIC Code of the Product/	% to total turnover of							
S. 1NO.	products / services	service	the company							
1	Supporting services to air transport, like operation of airports flying facilities, radio beacons, flying control centres, radar stations, etc.	5222 and 52242	NIL (Commercial Operations not commenced)							

III.	PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES									
SN	Name and Holding/ % of shares Section									
1		NA	NA	NA	NA					
2										
3										



IV. SHAREHOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

i) Category-	місе	Share Holdi	ina						
		of Shares held		ning of the					% Change
Category of Share holders	110.		year 01-April-2014]	O	No. of Shares held at the end of the year [As on 31-March-2015]				
	De mat	Physical	Total	% of Total Shares	De mat	Physical	Total	% of Total Shares	the year
A. Promoters									
(1) Indian									
a) Individual/HUF		-	-	0.00%		-	-	0.00%	0.00%
b) Central Govt			-	0.00%		-	-	0.00%	0.00%
c) State Govt(s)		13001000	13001000	35.34%		16406962	16406962	33.92%	7.04%
d) Bodies Corp.		-	-	0.00%		-	-	0.00%	0.00%
e) Banks / FI		-	-	0.00%		-	-	0.00%	0.00%
f) Any other(Top 50 Shareholders)				%				%	0.00%
Sub Total (A) (1)				.00%				.00%	0.00%
(2) Foreign									
a) NRI Individuals			-	0.00%			-	0.00%	0.00%
b) Other Individuals			_	0.00%			-	0.00%	0.00%
c) Bodies Corp.			-	0.00%			-	0.00%	0.00%
d) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	-	-	-	0.00%	_	-	-	0.00%	0.00%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds			-	0.00%			-	0.00%	0.00%
b) Banks / FI			-	0.00%			-	0.00%	0.00%
c) Central Govt			-	0.00%			-	0.00%	0.00%
d) State Govt(s)			-	0.00%			-	0.00%	0.00%
e) Venture Capital Funds			-	0.00%			-	0.00%	0.00%
f) Insurance Companies			-	0.00%			-	0.00%	0.00%
g) FIIs			-	0.00%			-	0.00%	0.00%
h) Foreign Venture Capital Funds			-	0.00%			-	0.00%	0.00%
i) Others	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(1):-	-	-	-	0.00%	-	-	-	0.00%	0.00%



		l	T	1	1	I	ı	1	
2.Non-Institutions									
a) Bodies Corp.									
i) Indian			-	0.00%			-	0.00%	0.00%
ii) Overseas			-	0.00%			-	0.00%	0.00%
b) Individuals									
i) Individual share- holders holding nominal share capi- tal uptoRs. 1 lakh		164800	164800 -	0.45%		346500	346500	0.71%	0.38%
ii) Individual shareholders hold- ing nominal share capital in excess of Rs 1 lakh		22242404	22242404	60.45%		27153604	27153604-	56.13%	10.15%
c) Others (specify)									
Non Resident Indians		1384500	1384500 -	3.76%		4469500	4469500-	9.24%	6.38%
Overseas Corporate Bodies			-	0.00%			-	0.00%	0.00%
Foreign Nationals			-	0.00%			-	0.00%	0.00%
Clearing Members			-	0.00%			-	0.00%	0.00%
Trusts			-	0.00%			-	0.00%	0.00%
Foreign Bodies - D R			-	0.00%			-	0.00%	0.00%
Sub-total (B)(2):-	-	-	-	0.00%	-	-	-	0.00%	0.00%
Total Public (B)	-	-	-	0.00%	-	-	-	0.00%	0.00%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00%	-	-	-	0.00%	0.00%
Grand Total (A+B+C)	-	367,92704	367,92704	100.00%	0%	483,76,566	483,76,566	100.00%	23.95%

(ii)	Share holding of	Share holding of Promoters							
Sl No.	Share holder's Name	Share hol	Share holding at the beginning of the year			Share holding at the end of the year			
		No. of Shares	% of Shares No. of Shares		No. of Shares	% of Shares No. of Shares			
2	Governor of Kerala, (On behalf of Govt. of Kerala)	13001000	35.34%	0%	16406962	33.92%	0%	7.04%	



(iii)	Change in Promo	ters' Share h	olding (plea	se specify, if the	reIs no char	nge)	
SN	Particulars	Liare Reason		Share holding beginning of th		Cumulative holding dur year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the begin- ning of the year			13001000	35.34%	13001000	35.34%
	Changes dun			3405962	7.04%	16406962	33.92%
	Changes dur-				0.00%		0.00%
	ing the year				0.00%		0.00%
	At the end of the year			16406962	33.92%	16406962	33.92%

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

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year Cumulative Shareholding during the year		Cumul Shareholdir the y	ng during
				No. of shares	% of total shares	No. of shares	% of total shares
1	Bharat Petroleum Corporation Limited						
	At the beginning of the year	01/04/2014		170,00,000		170,00,000	46.20
	Changes during the year			0		0	
	At the end of the year					170,00,000	35.14
2	The Federal Bank Ltd						
	At the beginning of the year	01/04/2014		25,00,000		25,00,000	6.79
	Changes during the year			0		0	
	At the end of the year					25,00,000	5.17
3	M A Yusuffali						
	At the beginning of the year	01/04/2014		0	0	0	0
	Changes during the year	15/11/2014	Allotment	25,00,000		25,00,000	



	1				1	25.00.000	5.17
1	At the end of the year Canara Bank					25,00,000	J.1/
4							
	At the beginning of the year	01/04/2014		0	0	0	0
	Changes during the year	18/12/2014	Allotment	10,00,000		10,00,000	
	At the end of the year					10,00,000	2.07
5	State Bank of						
)	Travancore						
	At the beginning of the year	01/04/2014		0	0	0	0
	Changes during the year	18/12/2014	Allotment	10,00,000		10,00,000	
	At the end of the year					10,00,000	2.07
6	Kerala StateBeverages (M & M) Corp Ltd						
	At the beginning of the year	01/04/2014		5,00,000	0	5,00,000	1.36
	Changes during the year					0	
	At the end of the year					5,00,000	1.03
7	The South Indian Bank Ltd						
	At the beginning of the year	01/04/2014		5,00,000	0	5,00,000	1.36
	Changes during the year					0	
	At the end of the year					5,00,000	1.03
8	The Kerala Minerals And Metals Ltd						
	At the beginning of the year	01/04/2014		5,00,000	0	5,00,000	1.36
	Changes during the year					0	
	At the end of the year					5,00,000	1.03
	The Kidangoor						
9	Service Co-Operative Bank						
	At the beginning of the year	01/04/2014		2,00,000	0	2,00,000	0.54
	Changes during the year					0	



	At the end of the year					2,00,000	0.41
	Chungath						
10	Karunakaran						
	Padmakumar						
	At the beginning of	01/04/2014		0	0	0	0
	the year	01/04/2014		0	U	0	O
	Changes during the	02/07/2014	Transfer	25,000		25,000	
	year	02/07/2017	Transici	25,000		25,000	
		04/03/2015	Transfer	1,75,000		2,00,000	
	At the end of the year					2,00,000	0.41

(v) S	hare holding of Direc	tors and Key	Managerial	Personnel:			
SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of	% of total	No. of	% of to-
				shares	shares	shares	tal shares
1	Shri MA Yusufali						
	At the beginning of the year	NIL					
	Changes during the year	15/11/2014	Allotment	25,00,000		25,00,000	
	At the end of the year	31/03/2015				25,00,000	5.17%

V. INDEBTEDNESS						
Indebtedness of the Company including interest outstanding/accrued but not due for						
payment- NIL						
Particulars	Secured Loans ex-	Unsecured Loans	Donacito	Total		
Particulars	cluding deposits	Unsecured Loans	Deposits	Indebtedness		
Indebtedness at the	e beginning of the fin	ancial year				
i) Principal	Nil	Nil	Nil	Nil		
Amount	INII	1111	1/11	INII		
ii) Interest due	Nil	Nil	Nil	Nil		
but not paid	INII	1111	1111	INII		
iii) Interest ac-	Nil	Nil	Nil	Nil		
crued but not due						
Total (i+ii+iii) Nil Nil Nil Nil						
Change in Indebted	lness during the fina	ncial year				



* Addition	Nil	Nil	Nil	Nil			
* Reduction	Nil	Nil	Nil	Nil			
Net Change	Nil	Nil	Nil	Nil			
Indebtedness at the	Indebtedness at the end of the financial year						
i) Principal	Nil	Nil	Nil	Nil			
Amount	INII	INII	INII	1111			
ii) Interest due	Nil	Nil	Nil	Nil			
but not paid	1111	INII	1111	1111			
iii) Interest ac-	Nil	Nil	Nil	Nil			
crued but not due	INII	INII	1111	1111			
Total (i+ii+iii)	Nil	Nil	Nil	Nil			

VI.	I. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL							
	PERSONNEL							
A. Rei	A. Remuneration to Managing Director, Whole-time Directors and/ or Manager: NIL							
SN.	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount					
			Managing Director					
1	Gross salary		23,42,572	23,42,572				
	(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		94,271	- 94,271				
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961							
2	Stock Option			-				
3	Sweat Equity			-				
	Commission			-				
4	- as % of profit			-				
	- others, specify			-				
5	Others, please specify			-				
	Total (A)	-	-	-				
	Ceiling as per the Act		NA					



B.	Remuneration to other director	s:NA			
SN.	Particulars of Remuneration	Nai	Name of Directors		Total Amount (Rs)
1	Independent Directors				
	Fee for attending board com-				-
	mittee meetings				
	Commission				-
	Others, please specify				-
	Total (1)				
2	Other Non-Executive Directors				-
	Fee for attending board com-				
	mittee meetings				
	Commission				-
	Others, please specify				-
	Total (2)	-	-	-	-
	Total (B)=(1+2)			-	
	Total Managerial Remuneration				-
	Overall Ceiling as per the Act				

C.	C. Remuneration to key managerial personnel other thanmd/manager/wtd NIL					
SN.	Particulars of Remuneration			nagerial Personnel	Total Amount	
	Name				(Rs/Lac)	
	Designation	CEO	CFO	CS		
1	Gross salary	NIL	18,78,194	5,57,200	24,35,394	
	(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				-	
3	Sweat Equity				-	
4	Commission - as % of profit - others, specify					
5	Others, please specify					
	Total			-	-	



VII. PENALTIE	S / PUNISH	IMENT/ CO	MPOUNDING OF	OFFENCES			
	Section		Details of Penalty	Authority	Appeal		
Tomas	of the	Brief	/ Punishment/	[RD/	made, if		
Туре	Companies	Description	Compounding fees	NCLT/	any (give		
	Act	_	imposed	COURT]	Details)		
A. COMPANY							
Penalty	Nil	Nil					
Punishment	Nil	Nil					
Compounding							
B. DIRECTORS							
Penalty	Nil	Nil					
Punishment	Nil	Nil					
Compounding	Nil	Nil					
C. OTHER OFFICE	C. OTHER OFFICERS IN DEFAULT						
Penalty	Nil	Nil					
Punishment	Nil	Nil					
Compounding	Nil	Nil					

Director Managing Director

DIN: 03558308 DIN:06624504

Place: Thiruvananthapuram

Date: 29/2/2016





T.C. 24/2005, C.V. RAMAN PILLAI ROAD, THYCAUD P.O., TRIVANDRUM, KERALA - 695 014 e-mail: shivuma@md3.vsnl.net.in PHONE: 91 - 471 - 2325788, 2328328

25 November 2015

PNKM/PKS/437/15/KIAL

INDEPENDENT AUDITORS' REPORT

To The Members of Kannur International Airport Ltd.

Report on the Financial Statements

We have audited the accompanying financial statements of Kannur International Airport Ltd. ("the Company") which comprise of the Balance Sheet as at March 31, 2015, the Statement of Profit & Loss and the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 and presentation of these financial statements that give a true and fair view of the financial position and financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the ompanies (Accounts) Rules, 2014. 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 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 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 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 perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to



fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls systems over financial reporting and the operating effectiveness of such controls. 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 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 financial statements.

Basis for Qualified Opinion

- a) As per the revised capital structure, the equity contribution of Government of Kerala should be Rs. 350 Crores. Out of this, the equity in the form of land will be Rs. 315.93 Crores and balance Rs. 34.07 Crores represents cash. The Company converted Rs. 34.06 Crores into Government's equity vide G.O.No: 81/2014/Tran dated 12/11/2014 during the year 2014-15. The equity of Rs. 315.93 Crores represents 1192 acres of Land in the possession of the Company, against which clear title in the name of the Company is available for 645 acres transfered by the Government against which an equity of Rs.130 crores had been allotted. G.O(M.S) NO.50/2015/Tran has been issued on 3 September 2015 for transferring the remaining Land of 547 acres valued at Rs. 185.93 Crore to complete the Government's equity. Steps have been initiated and are under process for transfer of the balance 547 acres in the Company's name.
- b) Computer software developed by Keltron amounting to Rs. 36,42,366/- has not been amortised during the year 2014-15. According to the Company, it has not been fully put to use during the year 2014-15.
- c) Confirmations of balances have not been received from Debtors, Creditors and Loans and Advances in reply to the request for confirmations sent to these parties by the Company.

Opinion

In our opinion and to the best of our information and according to the explanations given to us the foresaid 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 of the state of affairs of the Company as at 31st March 2015 and its Profit and its cash flows for the year ended on that date.

Report of Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order ,2015((the order') issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



- 2. 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 accounts 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 and the Cash Flow Statement dealt with in this Report, are in agreement with the books of accounts maintained by the Company;
- (d) In our opinion, aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) This being a Governement Company, all the Directors are Governement nominees, including one Director who is nominated by Bharat Petroleum Corporation Limited (Governement Company) which is a major shareholder of the company. Hence, all the Directors are exempted from the provision of Section 164(2) of the Companies Act 2013, in view of the notification G.S.R463(E) dated 5th June 2015, clause 19, issued by the Ministry of Corporate Affairs, New Delhi, with regard to any qualification.
- (f) 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 has disclosed the impact of pending litigations, on its financial position in its financial statements as of March 31, 2015; Refer Note no 15 to the financial statements
- (ii) The Company has made provision in its financial statements, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long term contracts:
- (iii) There have been no amounts which were required to be transferred, to the investor Education and Protection Fund by the Company.

Thiruvananthapuram 25/11/2015

For P N KRISHNA MANI & CO., CHARTERED ACCOUNTANTS

P.K. SHIVARAMAN, FCA.DISA PARTNER

Membership No.80451 Firm Registration No.001472S



ANNEXURE TO THE INDEPENDENT AUDITORSI REPORT FOR THE YEAR ENDED MARCH 31, 2015 (Referred to in our Report of Even Date)

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31 March 2015, we report that:

- 1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) As informed to us, the fixed assets have been physically verified by the Management during the year in a phased manner. In our opinion, such verification is reasonable having regard to the size of the Company and the nature of its business. We have been further informed that no material discrepancies were noticed on such verification by the management.
- 2. As per the information furnished, the Company has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- 3. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to the purchase of fixed assets and sale of goods and services. We have not observed any major weakness in the internal control system during the course of the audit.
- 4. The Company has not accepted Deposits from the public during the year.
- 5. The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for any of the services rendered by the Company.
- 6. According to the information and explanations given to us, in respect of statutory dues:
 - a) The Company has generally been regular in depositing undisputed statutory dues and other material statutory dues applicable to it with the appropriate authorities.
 - b) There were no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income tax, Sales tax/Value added tax, Wealth tax, Service tax, Customs duty, Excise duty, Cess and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
 - c) According to the information and explanations given to us, the Company is not required to transfer any amount to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder within time.
- 7. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year nor in the immediately preceding financia year.



- 8. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks during the year and did not have any amount outstanding to financial institutions or debenture holders.
- According to the information and explanations given to us, the company has not given any guarantee for loans taken by others, from banks or financial institutions.
- 10 According to the information and explanations given to us, the Company has not availed of any Term Loans from Banks or Financial Institutions.
- To the best of our knowledge and belief, and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company, has been noticed or reported during the year.

TRIVANDRUM :

For P N KRISHNA MANI & CO., CHARTERED ACCOUNTANTS

P.K. SHIVARAMAN, FCA.DISA PARTNER Membership No.80451

Firm Registration No.001472S

Thiruvananthapuram 25/11/2015





प्रधान महालेखाकार (आर्थिक एवं राजस्व क्षेत्र लेखापरीक्षा) का कायलय केरल तिरुवनन्तपुरम

OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (Economic & Revenue Sector Audit)
KERALA, THIRUVANANTHAPURAM

31 मार्च 2015 को समाप्त वर्ष के लिए कण्णूर इंटरनेशनल एयरपोर्ट लिमिटेड्, तिरुवनन्तपुरम के लेखाओं पर कम्पनी अधिनियम 2013 की धारा 143 (6) (b) के अधीन भारत के नियंत्रक महालेखापरीक्षक की टिप्पणियाँ

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT 2013 ON THE FINANCIAL STATEMENTS OF KANNUR INTERNATIONAL AIRPORT LIMITED, THIRUVANANTHAPURAM FOR THE YEAR ENDED 31 MARCH 2015

The preparation of financial statements of Kannur International Airport Limited, Thiruvananthapuram for the year ended 31 March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 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 the 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 25 November 2015.

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 Kannur International Airport Limited, Thiruvananthapuram for the year ended 31 March 2015. 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. Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report.



- A. Comment on Disclosure Statement of Profit and Loss The Company has not calculated and disclosed Earnings per Share as required in AS 20.
- B. Comments on Auditors' Report Independent Auditors' Report

The Auditors have expressed qualified opinion on the financial statements of the Company without stating 'except for the effects of the matters described in the Basis for Qualified Opinion Paragraph' as required in Para 23 of SA 705.

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

एन. नागराजन N. NAGARAJAN

प्रधान महानेखाकार (आ. एवं रा.क्षे.ले.प.) केरल PRINCIPAL ACCOUNTANT GENERAL (E & RSA), KERALA

तिरुवनन्तपूरम

Thiruvananthapuram Dated: .



Addendum to Directors' Report for the year ended 31 March 2015

Clarifications on the observations of the Statutory Auditors, Finance Department, Government of Kerala and Comptroller and Auditor General

r		T' D . C Fr			
	SL	Finance Department's Comments [Letter Ref. No.87573/Ind & PWA1/15/Fin Dated 19	Board's Reply		
	OL.	February 2016]	воши з керту		
1		The Company should take urgent steps for transferring the remaining land of 547 acres valued at 185.93 Crore sanctioned vide G.O (MS) No. 50/2015/Tran dated 3 September 2015 and to issue the share certificate to Government of	The Company has initiated steps for transfer of ownership of 547 acres and this will be completed soon. Share certificates to Government of Kerala will be issued immediately after completion of transfer of		
		Kerala	ownership of the above land.		
	2	The Company should take urgent steps to confirm the balance of debtors, creditors and loans and advances accounts	The Company had sent letters to all relevant parties to confirm the balances as applicable. However, the Company has not received confirmation of balances from such parties. The fact that confirmation of balances has not been received from parties is mentioned in the Notes on Accounts. However, the same is noted for future guidance.		
	3	Company should get partly paid shares converted to fully paid and issue share certificates to that effect.	Of the partly paid shares, 281800 shares have been forfeited due to failure of call money by shareholders and these have been subsequently sold. 5000 shares have been fully paid up subsequently. Final call letter along with forfeiture notice have been sent for the balance shares of 3500		

SL	Comptroller and Auditor General of India's Comments	Board's Reply
1	The Company has not calculated and disclosed Earnings Per Share (EPS) as required under AS 20	The Company has no business income as it has not commenced the commercial operations. The profit for the period represents other income and therefore there is no distributable surplus at present as the Company is under construction stage. As such EPS was not disclosed. However the comment` is noted for future guidance.



No. 87573/Ind & PW.Al/15/Fin

Finance (Ind & PW-A) department

Comments of Additional Chief Secretary (Finance) on the Audited Annual Accounts of Kannur International Airport Limited for the year 2014-15

- i. The company should take urgent steps for transferring the remaining land of 547 acres valued at Rs.185.93 crore sanctioned vide GO(Ms) No. 50/2015/Tran dated 03.09.2015 and to issue the share certificate to Government of Kerala
- ii. The company should take urgent steps to confirm the balance of debtors, creditors and loans and Advances Account.
- iii. Company should get the party paid shares to fully paid and issue share certificates to that effect.
- iv. No comments are made on the profitability of the project as the project is under construction and the Company is yet to commence its commercial operation.

DR. K. M. ABRAHAM

Additional Chief Secretary (Finance)



KANNUR INTERNATIONAL AIRPORT LIMITED PARVATHY', T.C 36/1, CHACKA, N.H BYPASS ROAD, THIRUVANANTHAPURAM, KERALA

BALANCE SHEET AS AT 31 MARCH 2015

Fig in ₹

Particulars	Note	Figures as at the	Figures as at the
1	No.	end of 31 March 2015 3	end of 31 March 2014
EQUITY AND LIABILITIES	-	3	*
1. Shareholders' Funds:			
(a) Share Capital	I I	4,31,15,29,600.00	2,64,77,07,400.0
(b) Reserves and Surplus	п	11,93,05,109.01	2,27,000.0
(b) Reserves and Surplus		11,93,03,109.01	2,27,000.0
		4,43,08,34,709.01	2,64,79,34,400.0
2. Non - Current Liabilities			
(a) Long Term Liabilities			
Amount received from Government of Kerala			34,05,96,250.00
for Deveopment of Infrastructure Facilities			
4. Current Liabilities			
(a) Trade Payables		52,14,15,156.30	2,16,37,272.13
(b) Other Current Liabilities	ш	3,62,29,299.80	52,67,856.61
		55,76,44,456.10	2,69,05,128.74
		33,70,44,430.10	2,09,03,120.75
TOTAL		4,98,84,79,165.11	3,01,54,35,778.74
II. ASSETS			
1. Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	IV	1,30,56,03,930.10	1,30,54,71,971.4
(ii) Intangible Assets	v	40,36,192.90	54,07,734.9
(iii) Capital Work-in Progress	VI	2,08,18,30,341.47	2,92,48,986.9
(iv) Intangible Assets under development Expenditure	VII	-	1,74,92,428.2
		3,39,14,70,464.47	1,35,76,21,121.5
(b) Long Term Loans and Advances	VIII	3,55,87,314.00	21,56,814.0
(-)8		3,42,70,57,778.47	1,35,97,77,935.5
2. Current Assets	-2-		
(a) Cash and Cash Equivalents	IX	1,03,19,90,713.85	1,43,34,49,667.6
(b) Short-term loans and advances	X	12,16,79,772.94	
(c) Other Current Assets	XI	40,77,50,899.85	22,22,08,175.5
P.N. KRISHNA, MANI & Co.		1,56,14,21,386.64	1,65,56,57,843.2
CHARTER TO ACCOUNTANTS TOTAL		4,98,84,79,165.11	3,01,54,35,778.7

Place: Thiruvananthapuram Date: 16 September 2015

Jayakrishnan S Chief Financial Officer G.C Gopalapillai Director

G.Chandramouli Managing Director



KANNUR INTERNATIONAL AIRPORT LIMITED PARVATHY', T.C 36/1, CHACKA, N.H BYPASS ROAD, THIRUVANANTHAPURAM, KERALA

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2015

Fig in ₹

	Particulars	Note No	Year ended	Year ende
_	1 atticulars	Note No	31 Mar 15	31 Mar
I	Revenue From Operations			
11	Other Income			
	Interest on Fixed Deposits		10,85,00,496.85	-
	Interest on Share Final Call A/c		66,357.50	
	Interest on Income Tax Refund		3,16,462.00	
	Miscellaneous Income		32,735.00	
			10,89,16,051.35	
m	Total Revenue (I + II)	F	10,89,16,051.35	
v	Expenses:			
	Employee Benefits Expenses	XII	2,30,31,901.03	
	Depreciation and amortization expenses	IV	8,33,506.17	9
	Other Expenses	XIII	1,65,27,290.91	
	Total Expenses		4,03,92,698.11	
v	Profit before exceptional and extraordinary items and tax		6,85,23,353.24	
VI	Exceptional items			9
VII.	Profit before extraordinary items and tax (V - VI)		6,85,23,353.24	
Ш	Extraordinary items			
IX	Profit before tax (VII - VIII)		6,85,23,353.24	
X	Tax Expense:			
	(1) Current tax		1,64,39,390.00	
	Less: MAT Credit Entitlement A/c		(1,64,39,390.00)	9
	(2) Deferred tax		(*)	
XI	Profit for the period from continuing operations (IX-X)		6,85,23,353.24	
KII	Prior Period Items		444.5.7.7.7.17.14.44.44.4	
	Profit after Tax for the period 3 December 2009 to 31 March 2014	1 1	5,05,54,755.77	
Ш	Profit/(Loss) from discontinuing operations		(€)	3
IV	Tax expense of discontinuing operations		(*)	9
ΚV	Profit/(Loss) from Discontinuing operations (after tax) (XII-XIII)			þ
	Profit for the period (XI + XII+XIV)		11,90,78,109.01	
VII	Earning per Equity sahre:			
	(1) Basic		1.00	2
	(2) Diluted		185	

The Notes referred VI, XII, XIII above and XIV (Notes) form an integral part of the financial statements

P.N. KRISHNA MANI & Co. CHARTERED ACCOUNTANTS

Place: Thiruvananthapuram Date: 16 September 2015

25/11/15 P.K. SHIVA RAMAN CA, DIKA PARTNER Membership No: 80451 Firm Registration No: 001472 S

Jayakrishnan S

Chief Financial Officer

-G.C Gopalapillai G.Chandramouli Director Managing Director



KANNUR INTERNATIONAL AIRPORT LIMITED PARVATHY, T.C. 36/L, CHACKA, NH.BYPASS ROAD, THIRUVANANTHAPURAM, KERALA - 695 024

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT 31 MARCH 2015

Without Plants	As at	
Particulars	31-Mar-15	As at 31-Mar-14
NOTE-1		
SHAREHOLDERS' FUNDS		
L1 SHARE CAPITAL		
(a) Authorized		
10,00,00,000 Equity Shares of Rs. 100/-each	10,00,00,00,000.00	10,00,00,00,000.00
(Previous year 10,00,00,00 Equity Shares of Rs 100/- each)		
(b) Issued, Subscribed and Paid up		
(31086266 Equity Shares of Rs 100/- each fully paid)	3,10,86,26,600.00	1,94,42,00,400.00
(Previous Year: 19442004 Equity Shares of Rs 100/- each)	10 file 7500 Parage Class Co.	CATACACCAC AND
(290300 Equity Shares of Rs 100/- each, Rs 10 partly paid)	29,03,000.00	35,07,000.00
(Previous Year: 350700 Equity Shares of Rs 100 each, Rs 10 partly paid)		
(17000000 Equity Shares of Rs 100/- each, Rs 70.5882 partly paid)	1,20,00,00,000.00	70,00,00,000.00
(Previous Year: 17000000 Equity Shares of Rs 100/- each, Rs 41.176 partly paid)	***************************************	- white the same of
(termina tent) transcon infinity source in no root - energine arms found found		
TOTAL	4,31,15,29,600.00	2,64,77,07,400.00
(c) Par Value of Shares		
The face value per share is Rs 100/-		
(d) Reconciliation of Number of Shares		
(i) Equity Shares - Fully Paid		
Number of Shares as on 1 April 2014	1,94,42,004	1,79,66,804
Shares Issued during the year		
(a) Kerala Governement	34,05,962	
(b) PSUs		-
(c) Others - Private Sector	81,77,900	4,77,900
(d) Partly paid shares converted into fully paid	60,400	9,97,300
Shares bought back during the year	*	5/00/922
Number of Shares as on 31 March 2015	3,10,86,266	1,94,42,004
	and the second s	
(ii) Equity Shares - Partly Paid		
Number of Shares as on 1 April 2014	1,73,50,700	1,82,33,500
Less: Partly paid shares converted into fully paid	(60,400)	(9,97,300
Shares Issued during the year		to.
) BPCL (Paid up value - Rs 23.529 per share)	28	12
(b) Others -Private Sector (Paid Up Value - Rs 10 per share)		1,14,500
[17 17 18 18 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2		1 phase man
Less: Shares forfeited transferred to Capital Reserve Shares bought back during the year		
Number of Shares as on 31 March 2015	1,72,90,300	1,73,50,700
Number of Shares as on 31 march 2015	1,72,70,000	1,/3,30,/50
(e) Rights, Preference and Restrictions attached to each class of shares		
No such rights, preferences, restrictions etc., attached		*
(f) Shares held by Holding Company, Subsidiary Company, Associates etc.		
Shares held by:		
(1) Its Holding Company and its Ultimate Holding Company	NIL	NIL
(2) Subsidiaries of its Holding Company and its Ultimate Holding Company	NIL	NIL
(3) Associates of its Holding Company and its Ultimate Holding Company	NIL	NIL
		Technology





As 31-Mar-1	As at	
	31-Mar-15	rticulars
02 1411	DE 1144 40	eholder -
		6 shares including PSUs
1,30,01,00	1,64,06,962	a - Fully Paid
1,70,00,00	1,70,00,000	
		ss than 5%
5,00,00	5,00,000	s (Manufacturing & Marketing)
		ill Paid
5,00,00	5,00,000	etals Limited - Fully Paid
10,00	10,000	l Enterprises Ltd - Fully Paid
4,00	4,000	rts Ltd (KTDC) - Fully Paid
NI	NIL	under options and contracts/commitments
		5
NI	NIL	d class of share allotted as fully paid up pursuant to
		yment being received in cash
NI	NIL	d class of shares allotted as fully paid up by way of
NI	NIL	d class of share bought back
NI	NIL	convetible into Equity/Preference shares
		est date of conversion in descending order
		such date
NI	NIL	
NI	NIL	
		tion other than cash
1,30,00,00	1,30,00,000	April 2014
		year
1,30,00,00	1,30,00,000	1 March 2015
2,27,000.0	2,27,000.00	
		100 each, Rs 10 partly paid)
	11,90,78,109.01	
2,27,000.0	11,93,05,109.01	TOTAL
		ES
		<u> </u>
52,61,873.6	3,62,23,316.80	ES
5,983.0	5,983.00	
52,61,873.6 5,983.0 52,67,856.6		TOTAL
5,983.0	5,983.00	
5,983.0	5,983.00	
5,983.0 52,67,856.6	5,983.00 3,62,29,299.80	
5,983.0 52,67,856.6 49,635.0	5,983.00 3,62,29,299.80 44,120.00	TOTAL
5,983.0 52,67,856.6	5,983.00 3,62,29,299.80	



KANNUR INTERNATIONAL AIRFORT LIMITED T.C. 36/1, PARVATHY, N.H. BYPASS, CHACKA, THIRUVANANTHAPURAM

NOTE - IV - FIXED ASSETS AND DEPRECIATION STATEMENT AS AT 31 MARCH 2015

Description of Assets Description of Assets Light Asset 0.184.2014 Additions during Salecy Asset 3.103.2015 O.184.2014 Additions during Salecy Disposal Asset 3.103.2015 O.184.2014 Additions during Asset 3.103.2015 O.184.2014 Asset 3.103.2015 O.184.2014 Asset 3.103.2015 O.184.2014 O.184.2	L				Gross Block	×			Depreciation Adjustment	Adjustment			Net Block	×	
MOTOR VEHCLES 8 1543891.00 154381.00 15		Description of Assets	USEFUL		Additions during the year	Sales/ Disposal	As at 31.03.2015	As at 01.04.2014	Provided during the year	Adjustments during the year	As at 31.03.2015		3.2015 A		2014
MOTOR VEHICLES 8															
PLANT & MACHINERY 15 3.27,985.37 12,009.00 - 3.59,994.27 2.86,556.88 2.4,631.14 2.10,266.67 1.29,725.70 1.20,725.70 2.26,312.86 - 3.55,105.37 2.26,312.86 - 3.55,105.37 2.26,312.86 - 3.55,105.37 3.52,673.49 3.52,673.40 3.52,673.49 3.52,673.49 3.52,673.49 3.52,673.49 3.52,673.40 3.52,673.49	<		90	15,43,891.00			15,43,891.00	8,79,616.07	2,11,900.80	(3,66,473.21)	7,25,043,66	8,18,8	347,34	6,64,2	274.9
FURNITURE & FIXTURES 10 32,88,710.51 2,66,342.86 -	8		15	3,27,985.37	12,009.00		3,39,994.37	2,88,536.98	23,453.13	(1,01,721.44)	2,10,268.67	1,29,7	025.270	39,4	48.39
COMPUTERS 3 21,59,860.00 5,50,269.00 - 27,10,129.00 9,27,337.94 10,44,431.79 (2,96,897.21) 16,64,894.52 10,25,234.48 COMPICE EQUIPMENTS 5 8,27,662.63 22,900.00 - 8,59,926.63 1,14,251.84 2,65,109.68 (38,007.88) 3,41,383.64 5,50,668.99 ELECTRICAL EQUIPMENTS 10 5,02,242.00 1,13,944.00 1,30,00,00,000.00 1,30,00,00,00,00 1,30,00,00,00,00 1,30,00,00,00,00 1,30,00,00,00,00 1,30,00,00,00,00 1,30,00,00,00,00 1,30,00,00,00,00,00 1,30,00,00,00,00 1,30,00,00,00,00 1,30,00,00,00,00 1,30,00,00,00,00 1,30,00,00,00,00 1,30,00,00,00,00 1,30,00,00,00,00,00,00 1,30,00,00,00,00,00 1,30,00,00,00,00,00 1,30,00,00,00,00,00 1,30,00,00,00,00,00,00,00,00,00,00,00 1,30,00,00,00,00,00,00,00,00,00,00,00,00,	0		10	32,85,710.51	2,65,342.86	٠	35,51,053.37	9,34,275.78	3,52,673.49	(3,21,425.07)	9,65,524.20	25,85,5	529.17	23,51,4	34.73
OPPICE EQUIPMENTS 5 8,27,062.63 23,900.00 6,516,186.00 20,761.49 6,551.98.64 2,651.09.68 (38.007.89) 3,41,383.64 5,509.68.89 1,13,944.00 1,139,44.00 1			60	21,59,860.00	5,50,269.00	•	27,10,129,00	9,37,337.94	10,44,431.79	(2,96,875.21)	16,84,894.52	10,25,2	234.48	12,22,5	22.06
ELECTRICAL EQUIPMENTS 10 \$5,02,242.00 1,13,944.00 6,16,186.00 20,761.49 66,578.55 (138.46) 81,201.58 5,34,984.42	1		IO.	8,27,062.63	23,900.00	٠	8,50,962.63	1,14,251.84	2,65,109.68	(38,007.88)	3,41,353.64	9'60'5	66'80'	7,12,8	10.79
LAND	Side.		10	5,02,242.00	1,13,944.00		6,16,186.00	20,761.49	60,578.55	(138.46)	81,201,58	5,34,9	984.42	4,81,4	80.51
1,30,86,46,751.51 9,65,461.86 - 1,30,96,12,216.37 31,74,780.10 19,58,147.44 (11,24,641.27) 40,08,286.27 1,30,56,03,500.10 1,30,641,7141	0			1,30,00,00,000.00			1,30,00,00,000.00		•		•	1,30,00,00,0	00'000	1,30,00,00,0	00.00
1,30,86,45,751,51 1,30,86,17,042,60 1,30,86,17,042,60 1,30,86,17,042,60 1,30,86,17,042,60 1,30,86,17,042,60 1,30,86,17,042,60 1,30,86,17,042,60 1,30,86,17,042,60 1,30,86,17,042,60 1,30,86,17,042,60 1,30,86,17,042,60 1,30,86,17,042,60 1,30,86,17,042,60 1,30,86,17,042,60 1,30,86,17,042,60 1,30,86,17,042,20 1,30,86,17,042,60 1,30,86,17,042,60 1,30,86,17,042,60 1,30,86,17,042,60 1,30,86,17,042,60 1,30,86,17,042,60 1,30,86,17,042,60 1,30,86,12,216,37 1,30,86,12,216,37 1,30,86,12,216,37 1,30,86,17,041,20 1,30,86,17,04															
1,30,66,46,751.51 9,65,461.86 - 1,20,96,12,216.37 31,74,780.10 19,58,187.44 (11,24,641.27) 40,08,286.27 1,30,56,03,930.10															
1,30,69,17,042.60		TOTAL		1,30,86,46,751.51	9,65,464.86		1,30,96,12,216.37	31,74,780.10	19,58,147.44	(11,24,641.27)	40,08,286.27	1,30,56,03,9	930.10	1,30,54,71,9	71.41
P.N. KRIJEHNA MANII & Co. CHARTE EDACCOUNTANTS CHARTE EDACCOUNTANTS Chief Financial Officer Director Director Anamatical Officer Director P.K. SAIVA RAMAN FCA. DISA Membership For 80451 Firm Registration No: 001472 3		Previous Year		1,30,69,17,042.60	17,29,708.91		1,30,86,46,751.51	11,25,017.16	20,49,762.94		31,74,780.10	1,30,54,71,9	971.41	1,30,57,92,0	25.4
		Place: Thiruvananthəpuram Date: 16 September 2015	THE DESCRIPTION OF THE PERSON		KRIGHNA M. ARTEGERACCOU SHIVE RANAN FCA THER PRESSIPPOS 80451 PRESSIPPOS 80451 PRESSIPPOS 80451 PRESSIPPOS 80451	ANI & NTANTS	Š, , ,	Chief Fi	layakrishnan S nancial Officer	ğ	: Gopalapillai Director		Man	aging Dire	/ no 5



No. of contrast		As at	As
Particulars		31-Mar-15	31-Mar-
(b) Computer Software		E2 62 614 00	E1 77E 497 ()
Add: Additions during the year		53,63,614.90 16,489.00	51,75,481.9 2,45,457.0
Less: Adjustments during the year		(13,37,500.00)	2010/1010
Less: Software written off during the year		(45,016.00)	(57,324.0
	Sub-total (b)	39,97,587.90	53,63,614.9
	Total (a+b)	40,36,192.90	54,07,734.9
NOTE-VI	VVII-18(W37,E0)		
CAPITAL WORK IN PROGRESS			
(a) Opening Balance		2,92,48,986.96	18,96,526.0
Add: Additions during the year			2 H2 T2 4/2 0
EPC-1 Runway and Airside Works		1,50,55,17,644.97	2,73,52,460.9
2) Package A - Passanger Terminal Building works		42,33,05,531.00	
3) Consultancy Fee - AECOM 4) Consultancy Fee - KITCO		1,63,81,764.00 3,51,96,974.00	
5) Consultancy Fee - Blasting Activities		1,50,000.00	- 3
6) OLS Surevy Expenses		2,00,000.00	
7) Monsoon Mitigation Works		37,82,256.54	
7			
Add: Prior Period and Extraordinary Items			
1) Consultancy Fee - AAI		9,70,421.00	
2) Consultancy Fee - CESS		20,93,828.00	
3) Consultancy Fee - CIAL		99,00,000.00	
4) Consultancy Fee - AECOM		4,28,35,000.00	-
5) Consultancy Fee - KITCO		82,35,782.00	-
6) Consultancy Fee - SBI CAPS		25,99,793.00	
7) Consultancy Fee - LBS 8) OLS Survey Expenses		2,12,360.00 12,00,000.00	
of OLD Survey Expenses		12,00,000.00	
		2,08,18,30,341.47	2,92,48,986.9
NOTE-VII	Total Address	7 1	
INTANGIBLE ASSETS UNDER DEVELOPMENT PENDING CAPITA	LISATION		
(a) Preliminary & Pre-operative Expenses:			
Opening Balance			8,09,98,923.6
Add: For the year ended 31 March 2015	Sub-Total (a)		9,93,17,813.6
	Suo-Total (a)		10,03,10,737.2
(b) Pre-operative Income			
Opening Balance		0.00	(8,41,17,690.5
Add: For the year ended 31 March 2015			(7,87,06,618.5
	Sub-Total (b)		(16,28,24,309.0
	Described that said		tripromiseror
	TOTAL(a+b)		1,74,92,428.2
NOTE - VIII			
LONG TERM LOANS AND ADVANCES			
(a) Advance Income Tax			
Advance Income Tax: Assessment Year 2012-13			1,11,07,000.0
Advance Income Tax: Assessment Year 2013-14		2,07,92,690.00	2,07.92,690.0
Advance Income Tax: Assesment Year 2014 - 15		3,54,00,000.00	3,54,00,000.0
Advance Income Tax: Assesment Year 2015 - 16		3,45,50,000.00	
Tax Deducted at Source		20,44,624.00	41,94,860.0
		9,27,87,314.00	7,14,94,550.0
Less: Provision for Taxation		7,36,39,390.00	6,93,37,736.0
	Sub-Total	1,91,47,924.00	21,56,814.0
1			
+ /			
0			



Particulars	As at	1
- Introduce	31-Mar-15	31-Ma
(b) Mat Credit Entitlement	1,64,39,390.00	
	TOTAL (a + b) 3,55,87,314.00	21,56,816
NOTE-IX CASH AND CASH FOUNDAMENTS		
CASH AND CASH EQUIVALENTS (a) Balances with Banks		
i) In Treasury Savings Bank Account	5,17,70,500,00	15,42,70,500
ii) In Current Account	6,91,61,033.85	1,28,42,80
iii) In Fixed Deposit Accounts	86,52,94,180.00	1,26,63,36,36
iv) In Flexi Deposit Accounts	4,57,65,000.00	
	TOTAL 1,03,19,90,713.85	1,43,34,49,667
Annual to		
NOTE - X SHORT TERM LOANS AND ADVANCES		
(Considered Good)		
Larsen & Toubro Ltd - Material on Site (EPC-1)	4 70 50 434 04	
Larsen & Toubro Ltd - Material on Site (ErC-1) Larsen & Toubro Ltd - Material on Site (Package-A)	4,79,50,431.94 7,37,29,341.00	
	TOTAL 12,16,79,772.94	
	TOTAL 12,16,79,772.94	
NOTE - XI		
OTHER CURRENT ASSETS		
(Unsecured Considered Good)		
i) Deposits-BSNL	5,635.00	3,636
ii) Rent Deposit	10,75,000.00	11,25,000
iii) Advance Payment - CIAL	12,10,000.00	12,10,00
iv) Kerala Water Authority	9,70,00,000.00	10,00,000
v) Interest Receivable	3,95,52,133.85	5,87,60,394
vi) Imprest vii) Security Deposit - BSNL	84,000.00 6,907.00	25,000 6,907
viii) Deposit - KSEB	47,226.00	22,900
ix) KSEB - Deposit Work for Feeder Lines	15,27,32,966.00	15,93,16,010
x) Prepaid Insurance	6,129.00	10,206
xi) Kannur International Airport Promotion Society	16,77,500.00	5,00,000
xii) AMC - Attukal Engineering	2,384.00	2,384
xiv) AMC - Amicus Solutions	8,428.00	8,428
xv) AMC - Geejay Solutions	4,554.00	1,683
xvi) Deposit Gas Connection	2,900.00	2,900
xvii) KITCO Ltd		98,000
xviii) Others	94,447.00	1,14,725
xix) KINFRA	21,90,210.00	
xx) Blasting Compensation	51,69,000.00	
xxi) District collector, Kannur - Land Acquisition xxii) Income Tax Refund Due	10,48,99,370.00	
XXII) Income Tax Retund Due	TOTAL 40,77,50,899.85	22,22,08,175
NOTE-XII	10171. 40,77,50,655.83	22,22,00,170
EMPLOYEE BENEFIT EXPENSES		
a) Salaries & Allowances	2,17,51,995.03	
b) Employer Contribution to Provident Fund	12,40,165.00	
c) Employer Contribution to EDLI	27,163.00	
d) Provident Fund & EDLI Admin. Charges	12,578.00	
	TOTAL 2,30,31,901.03	
	THE AND TO SEE THE SECOND CONTRACT OF THE SEC	
0		



\$2.70.70.00	As at	
Particulars	31-Mar-15	31-N
NOTE-XIII	A	
OTHER EXPENSES		
22 N 0	22222	
Advertisement	7,11,991.00	
Audit Fees:		
i) For Statutory Audit: a) For Company Law Matters	1,85,394.00	
b) For Reimbursment of Expenses	1,80,374.00	
ii) For Internal Audit		
a) For Company Law Matters	1,85,394.00	
b) For Reimbursment of Expenses	4,045.00	
Bank Charges	150,00	
Blasting related expenses	74,000.00	
Communication Charges	2,84,596.10	
Computer running and maintanence	17,448.00	
Daily Wages	4,025.00	
Electricity Charges	4,28,322.00	
Entertainment Expenses	18,130.00	
Filing Fees	20,745.00	
Fuel charges	3,000.00	
roundation Stone Laying Expenses	11,17,998.25	
Greenbelt Programme Expenditure	9,660.00	
Groundbreaking Ceremony Expenditure	1,700.00	
Income Tax paid AY 2012-13 Insurance Premium Paid - Medical Insurance	94.00 1.57,652.00	
Insurance Premium Paid - Medical Insurance Insurance Premium Paid - Vehicles	16,437.00	
Land Registration & Taxes	91,628.00	
Medical Expenses Reimbursement	2,35,659.79	
Meeting Expenses	1,49,028.00	
Miscellaneous Expenses	43,169.00	
Newspaper & Periodicals	11,648.00	
Postage, Courier & Telegrams	1,34,379.00	
Printing and Stationery	5,00,665.00	
Professional Charges-Outsourcing	23,48,741.00	
Professional Development Expenditure	35,899.00	
Professional Fee	7,73,760.00	
Project Office Setting Up Expenses	9,452.00	
Provision for Gratuity	4,36,814.00	
Provision for Leave Salary	8,56,714.00	
Recruitment Expenses Refreshments	1,41,824.00 3,34,417.00	
Registration Expenses	23,350.00	
Rehabilitation Expenses	48.430.00	
Rent, Rates and Taxes	26,50,000.00	
Repairs & Maintenance-Project Office	86,263.00	
Repairs & Maintenance-Regd Office	2,14,523.00	
Repairs & Maintenance - Guest House	36,284.00	
Retainership Fees-Legal	2,02,248.00	
Retainership Fees -SVJS Associates	27,810.00	
Service Tax Interest	29.00	
Site Progress Videography	3,37,080.00	
Software Licences written off	45,016.00	
Sponsorship Fees	1,00,000.00 c/f 1,31,15,612.14	
San Jan San San San San San San San San San S		



		Fig i
Particulars	As at	A
	31-Mar-15 b/f 1,31,15,612.14	31-Mar
	4,000,000	
Stipend	4,21,977.00	
TDS Interest	3,230.00	4
l'elephone Reimbursement	1,09,839.21	3
Topographical survey cost	4,10,000.00	
Four Allowance	52,950.00	
Trade Mark - Logo Design Charges	5,515.00	
Fravelling Expenses Vehicle Hire	10,85,693.47	
/ehicle Running and Maintanence-Repairs	6,13,374.00 1,73,543.07	
/ehicle Running and Maintanence-Fuel	1,37,164.00	
Visitors Accomodation and Expenses	3,93,916.02	
Water Charges	4,477.00	
20.274 (1.27.101) (1. 7.50)	3707.00	
	TOTAL 1,65,27,290.91	-
		Λ.
- 1 1 de		h
P.N. KRISYNA MANI & Co. CHARTER O ACCOUNTANTS	- new -	, (%)
lace: Thiruvananthapuram Jayakrishnan S	Dr G.C Gopala Pillai	Ghandramou
ate: 16 September 2015 Chief Financial Officer	Director	Managing Direct
12 (13 (14 (14 (14 (14 (14 (14 (14 (14 (14 (14		



KANNUR INTERNATIONAL AIRPORT LIMITED PARVATHY', T.C. 36/J, CHACKA, NH.BYPASS ROAD, THIRUVANANTHAPURAM, KERALA - 695 024

	Year Ended	Year Ended
Particulars	31-Mar-2015	31-Mar-2014
A. CASH FLOW FROM OPERATING ACTIVITIES		5
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(9,65,465)	(17,29,709
Intangible Assets	13,21,011	(2,45,457
Adjustment for Depreciation and amortisation	8,33,506	20,49,763
Adjustment of amortisation of Trade Mark and Software	50,531	62,839
Capital Work in Progress	(1,98,45,34,171)	(2,73,52,461
*dvance Income Tax Paid	(3,45,50,000)	(3,54,00,000
ax Deducted at Source	(5,46,242)	(2,28,348
Advance for Materials	(12,16,79,773)	-
Other Current Assets	(20,27,68,874)	(15,91,74,521
Trade Payables & Other Liabilities	53,07,39,327	1,87,50,971
Preliminary & Pre-operative expenses	(4,03,92,604)	(9,93,17,814
Interest Received	12,77,08,757	9,12,11,855
Other Receipts	99,093	61,36,552
Net Cash from Investing Activities	(1,72,46,84,904)	(20,52,36,330
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Share Capital	1,32,32,25,950	43,86,92,000
Net cash from Financing Activities	1,32,32,25,950	43,86,92,000
Net Increase in Cash and Cash Equivalents (A+B+C)	(40,14,58,954)	23,34,55,670
C. and Cash equivalents at the beginning of the year	1,43,34,49,668	1,19,99,93,998
Cash and Cash equivalents at the end of the year	1,03,19,90,714	1,43,34,49,668

Place: Thiruvananthapuram Date: 16 September 2015

P.N. KBISLINA MANI & Co.
CHARTING ACCOUNTANTS

Jayakrishnan S

Chief Financial Officer

No: 80451 26 14/15 ation No: 001472 S G:C Gopalapillai Director G Chandramouli Managing Director



NOTE - XIV

Additional Information on Accounts forming part of the Balance Sheet for the year ended 31st March 2015

(A) ACCOUNTING POLICIES

1. ACCOUNTING CONVENTION:

The financial statements have been prepared on the historical cost convention in accordance with the normally accepted accounting principles and comply in all material aspects with the notified accounting standards by Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 2013.

2. FIXED ASSETS

Fixed assets are stated at historical cost less depreciation. Cost includes, taxes and duties, freight and other direct and allocated expenses during construction period.

3. DEPRECIATION

Depreciation has been provided as per Schedule II of the Companies Act, 2013 taking into consideration the remaining useful life of the asset.

4. REVENUE RECOGNITION

The project is under construction and the company is yet to commence commercial operation. Unutilised surplus funds of the company are kept in short term fixed deposits with Central Bank of India, Rishimangalam Branch, State Bank of Travancore, Chacka Branch, Canara Bank, Sasthamangalam Branch, and South Indian Bank, Mattannur yielding interest. Interest is accrued on time basis on the amount outstanding and at the applicable rates.

5. TAXES ON INCOME

Income Tax is provided on the net interest and other income at the rates applicable under The Income Tax Act 1961 and advance tax remitted on the basis of the income accrued during the year. However, the Company has taken a view that the income derived during the construction period is a capital receipt and hence not taxable. Accordingly the Company has filed revised Returns of Income for the Assessment years (AY) 2012-2013 and 2013-2014 showing nil income for tax purposes. The assessment order for AY 2012-13 has been passed by the Assessing Officer (ACIT) disallowing the Company' claim of interest income as capital receipt and the return of income has been passed as per the original return of income filed and a refund of Rs 19,82,110/- has been received. The Company has filed an appeal with the Commissioner of Income Tax, Thiruvananthapuram against the Assessment Order for AY 2012-13. The Assessment orders pertaining to AY 2013-14 is awaited.

Deferred Tax Liability/Assets resulting from 'timing difference' between book and taxable profit is accounted for considering the tax rate and laws that have been enacted or substantively enacted as on the Balance Sheet date. Deferred Tax Asset, if any, is recognised and carried forward to the extent that there is virtual certainty that the asset will be realized in future.



6. PROVISION FOR GRATUITY AND LEAVE SALARY

Expenses on account of gratuity contribution and leave salary to the Airports Authority of India officers on deputation to the Company have been provided during the year under audit and included in the expenses for the year.

(B) NOTES ON ACCOUNTS

- 1. Previous year figures have been regrouped and recast wherever necessary to suit current year disclosure and layout.
- 2. As per Government Order, G.O.(MS) No.44/2009/Tran dated 18.07.2009, Kerala Industrial Infrastructure Development Corporation (KINFRA) has been appointed as the Nodal Agency for the formation of Special Purpose Vehicle for Kannur Airport.
- 3. In the opinion of Board of Directors, current assets, loans and advances, have values at which they are stated in the Balance Sheet and expected to be realized in the ordinary course of business.
- 4. Confirmations of balances have not been received in respect of some of the accounts receivables and payables.
- 5. In the opinion of Board of directors, provision for all known liabilities is reasonable and is not in excess of the amount considered reasonably necessary.
- 6. Capital work in progress represents cost of construction of EPC-1 contract for Construction of Runway and Airside Works and Package- A contract for Construction of Terminal Building and City Side Works and other costs directly attributable towards construction of the Airport Project. This will be carried forward and capitalized on commissioning of the project.
- 7. During the financial year 2010-11 a sum of Rs. 34,06,96,250/- was received from Government of Kerala under the Head of Account "Capital Outlay on Civil Aviation - 5053-02-190-97 - Development of Infrastructure Facilities to Kannur Airport (NP)". A sum of Rs 1,00,000/from the above was utilized and set off against dues from Govt of Kerala towards equity share capital contribution of subscribers to the memorandum during the financial 2011-12 and shares were allotted to the Government. In the absence of specific mention about the adjustment of funds received from the Government towards Equity/Loan/Grant, the balance amount of Rs 34,05,96,250/- had been disclosed separately on the liability side of the Balance Sheet under the head Non-Current Liabilities - Long - Term Liabilities until 2013-14. However, during the financial year 2014-15, the Company had converted the remaining amount of Rs 34,05,96,200/- into equity share capital as per G.O No. (M.S)/81/2014/Tran dated 12 November 2014 and shares were allotted to the Government for Rs 34,05,96,200/-. Since shares could not be allotted for the partial amount of Rs 50/- as the face value per share is Rs 100/-, the sum of Rs 50/- has been recognized as 'Other Income' in the books of accounts of the Company.



- 8. The Company had entered into a Memorandum of Understanding with Bharat Petroleum Corporation Ltd (BPCL) on 24 July 2012 for investment of Rs 170 Crore in the equity share capital of the Kannur International Airport Limited (KIAL) and formation of a Joint Venture Company for setting up of Fuel Farm for supply of ATF fuel in which BPCL will have 74% shareholding and KIAL will have 26% shareholding in the JV Company. Subsequently, a Shareholders' Agreement was entered into between BPCL and KIAL on 31 March 2014 for the equity investment in KIAL and formation of JV Company for operation of fuel farm by the JV Company. The JV Company was incorporated on 18 May 2015.
- 9. The Company had not prepared Profit and Loss Account until the financial year 2013-14 since it has not commenced commercial operations and the project is under construction stage. However the details as required under the statute were disclosed in the "Statement of Pre-Operative Expenses/Income" forming part of Financial Statements until 2013-14. During the financial year 2014-15, the Company has prepared a Profit and Loss Account. Net Income for the period from 3 December 2009 2010 to 31 March 2014 has been disclosed separately under Item No. XII of Profit and Loss Account as "Prior Period Item", the details of which are given below:

SL	Details	Amount (₹)
(A)	Other Income	
	a) Interest on Fixed Deposits	21,92,79,196.00
	b) Interest on Share Final Call A/c	3,50,175.50
	c) Miscellaneous Income	1,45,60,999.52
	Total (A)	23,41,90,371.02
(B)	Expenditure	
	a) Employee benefit expenses	3,45,03,957.95
	b) Depreciation and amortization expenses	31,74,780.10
	c) Other Expenses	5,45,62,065.20
	d) Preliminary Expenses	2,00,28,750.00
	Total (B)	11,22,69,553.25
(C)	Profit Before Tax [A – B]	12,19,20,817.77
(D)	Provision for Tax	7,13,66,062.00
(E)	Profit carried to Balance Sheet [C - D]	5,05,54,755.77

- 10. No deferred tax liability has been recognized at this point of time. There is no virtual certainty that the same can be adjusted in future.
- 11. Expenditure on Software Development for office automation has not been capitalized since this has not been fully put to use during the year 2014-15.
- 12. Intangible Assets Logo Design charges and Computer Software except those developed for office automation purposes are amortized over a period of 10 years. Computer software having a subscription period of one year is being written off in the year of purchase.
- 13. Contingent Liabilities and Commitments (to the extent not provided for):



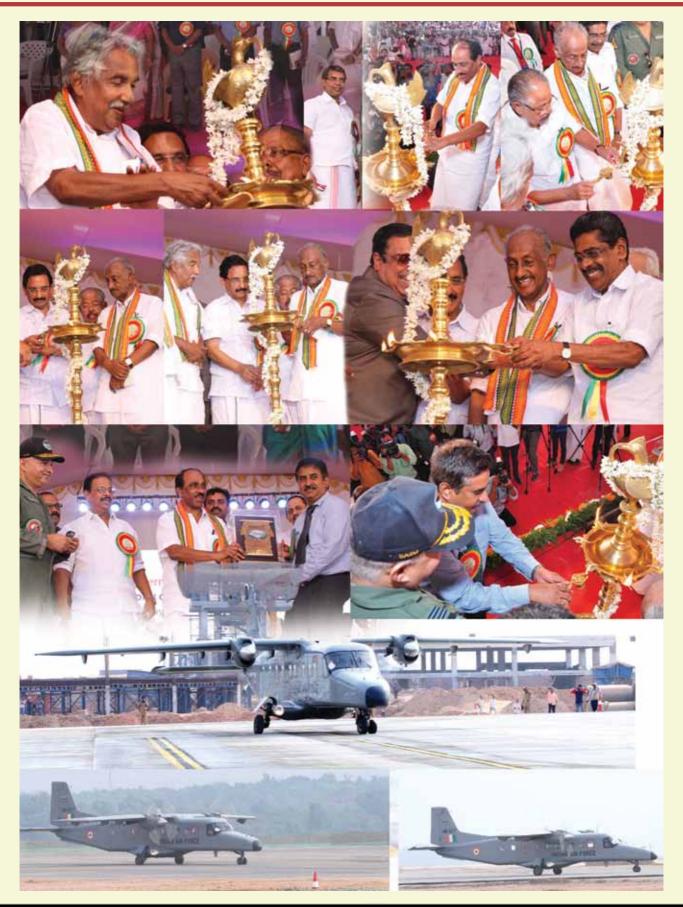
- a) Contingent Liabilities NIL NIL
- b) Commitments:
 - i) Estimated amount of contracts remaining to be executed on capital account and not provided for:

SL	Particulars of Contract	Current Year (Rs. in Lakhs)	Previous Year (Rs. in Lakhs)
1	Software Development Costs	5.65	5.65
2	EPC-1: Runway and Airside Works	53591.80	69126.48
3	Package – A: Terminal Buildings	42576.25	NIL

- ii) Uncalled Liability on shares and other investment partly paid NIL
- iii) Other Commitments NIL
 - 14. Information pursuant to the provisions of Para 5 (viii) of Part II of Schedule III of the Companies Act, 2013:
 - a) CIF value of imports made during the year
 b) Expenditure in foreign currency
 c) Total Value of imported and indigenous items
 NIL NIL
 NIL NIL
 - d) Remittances in foreign currency on account of Dividends NIL NIL
 - e) Earnings in Foreign Exchange NIL NIL
 - 15. The Company has pending litigations as detailed below, which in its opinion, has no impact on its financial position in the financial statements as on 31 March 2015

SL No	Writ Petition No	Petitioner/Respondent	Date of Petition
1	WP (C) No.2170/2012	P K Kabeer Vs KIAL (KIAL-	23.01.2012
1	VVI (C) 1\0.21\(\text{0}\) 2012	1st Respondent) & Others	23.01.2012
		TPP Santha Vs State of	
2	WP (C) No. 713/2013	Kerala & Others (KIAL - 5th	06.01.2014
		Respondent)	
2	M C '/ OCN C0/2014	AK Shaji/KIAL (2nd	31.01.2014
3	Money Suit OS No.68/2014	Respondent)	31.01.2014
4	Lok Ayukta Complaint No. 1358/2014	AK Shaji Vs CPE, KIAL	06.11.2014
		One Earth One Life Vs Govt	
5	WP (C) No. 1685/2015	of Kerala & Others (KIAL-	15.01.2015
	,	4 th Respondent)	





FORM -MGT -11

Proxy Form

(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19 (3) of the Companies (Management and Administration) Rules, 2014)

CIN:U63033KL2009SGC025103

Name of the Company: Kannur International Airport Limited

Registered Office: 'Parvathy', T.C. 36/l, Near Ananthapuri Hospital, NH Byepass, Pettah Thiruvananthapuram – 695024

Name of the member (s) :				
Registered address:				
E-mail id:				
Folio No. / Client Id:				
DP ID :				
I/We, being the member (s) of shares of above named Company, hereby appoint				
1. Name : Address : E-mail –id: Signature :, or failing him				
2. Name : Address : E-mail –id: Signature :, or failing him				
3. Name: Address: E-mail -id: Signature:, or failing him				
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 6^{th} Adjourned as my/our behalf at the 6^{th} Adjourned at 6^{th}				

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 6th Adjourned Annual General Meeting of the Company to be held on Wednesday, 13th April 2016, 11.00 am at Symphony Hall, Mascot Hotel Thiruvananthapuram-695033 and at any adjournment there of in respect of such resolutions as are indicated below:

Resolution No	Ordinary Resolution
Ordinary Business	
1	

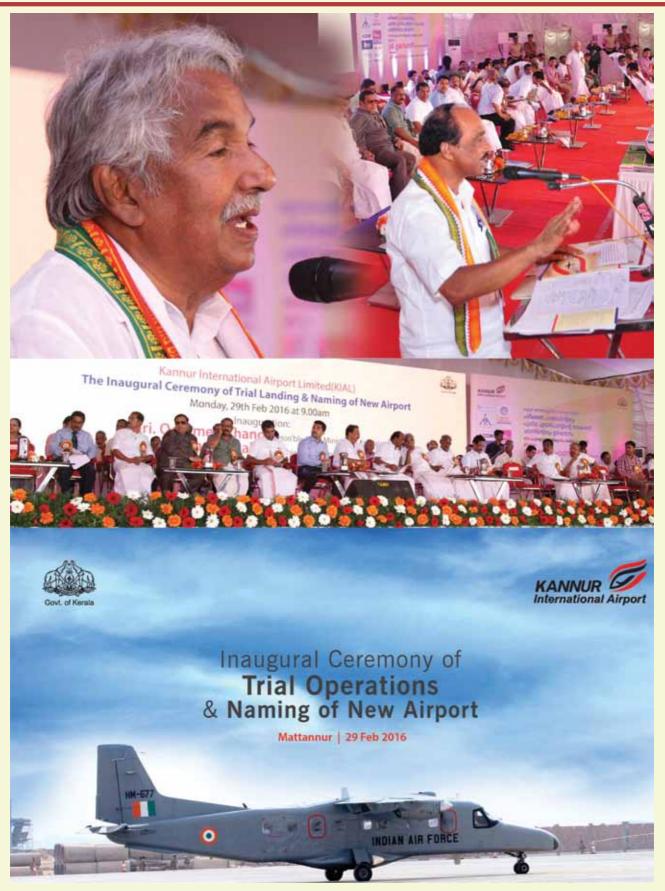
Signed this day of2016.

Signature of the shareholder

Signature of the proxy holder (s)

Note: The proxy form duly completed must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting. A proxy need not be a member.









Registred Office

'Parvathy', T.C 36/1, Chacka, NH Bypass, Thiruvananthapuram 695 024

Ph: +91 471 2508668/70, Fax: +91 471 2508669

www.kannurairport.in I Email: managlindirector@kannurairport.in

CIN: U63033KL2009SGC025103