

**CREATION AND AUGMENTATION OF  
INFRASTRUCTURE AND OPERATIONAL FACILITIES BY AIRPORTS  
AUTHORITY OF INDIA**

**HIGHLIGHTS**

- The Authority did not prepare a Corporate Plan.  

*(Para 2.1)*
- There was shortfall in actual expenditure compared to plan outlay in all the years examined in audit. The shortfall was mainly due to delay in finalisation of schemes, tenders, midway alteration in the scope of the work etc.  

*(Para 2.2)*
- Audit noticed that there were instances where the Authority could not recover cost of works carried out on behalf of State Governments which resulted in blocking of funds of Rs.15.83 crore.  

*(Paras 2.4.1 and 2.4.2)*
- Non-Traffic revenue constituted less than 15 *per cent* of the revenue of the Authority whereas internationally such revenue was more than 50 *per cent*.  

*(Para 2.5.1)*
- The Authority had to incur extra expenditure of Rs.86.22 lakh in rectification of defective work executed at Agartala airport.  

*(Para 3.2.7)*
- Cases of time overrun ranging upto 75 months and cost overrun upto Rs.3.47 crore were noticed in works undertaken at 17 airports.  

*(Para 3.2.9)*
- Problem of encroachment continued unabated. 702 acres of land was under encroachment in 20 airports.  

*(Para 3.3.1)*
- Delay in installation of Voice Communication system at three airports resulted in denial of improved communication interface between the airports.  

*(Para 4.3)*
- Delay of five years in providing Dedicated Satellite Communication Network resulted in foregoing benefit of Rs.16 crore.  

*(Para 4.4)*

- Eight wireless communication links remained uninstalled for more than one year after their receipt.

**(Para 4.5)**

- The decision of the Authority to enter into an agreement with Bharat Electronics Limited (BEL) without assessing the latter's capability to upgrade technology and produce radars at reasonable price resulted in infructuous expenditure of Rs.7.65 crore. There was a liability to pay an extra Rs.3.79 crore to BEL.

**(Para 4.10)**

- Delay in completion of the Flight Data Processing System project due to its non-integration with the existing radar system resulted in the Authority not being able to derive the benefits of an integrated system.

**(Para 4.11)**

- Flight Inspection System procured for Rs.19.50 crore in November 2004 had not been installed as the procurement of the aircraft in which it was to be fitted was delayed.

**(Para 4.12)**

- Out of 18 passenger terminals test checked, the capacity for customer services in 11 terminals was already saturated by 2004-05. Customer satisfaction level was less than 70 *per cent* in a number of airports. There was delay of more than two years in commissioning of Flight Information Display system at seven airports.

**(Paras 5.2, 5.3 and 5.4)**

- Terminal II-B of Mumbai airport remained idle from September 1999 to June 2005.

**(Para 5.5.2)**

- New domestic departure building was completed at Ahmedabad with a time overrun of 20 months. Non synchronisation of procurement of aerobridges with construction of the building kept the related facilities created at a cost of Rs.3.67 crore idle. Upgradation of Amritsar airport registered delay of three years. Time overrun of one year to three years was observed in completion of Phase I and II of the terminal building at Agartala due to delayed decisions and delay in handing over of the site.

**(Paras 5.5.3, 5.5.4 and 5.5.6)**

- The Amritsar cargo complex had not been commercially utilised till December 2006. The construction of integrated cargo complex at Kolkata had already suffered time overrun of more than one year.

**(Paras 6.2 and 6.3)**

- A bar code system for better monitoring and tracking of cargo at Delhi, Mumbai, Kolkata and Chennai airports, planned at a cost of Rs.5.81 crore could not be completed as the required software connectivity was not achieved.

*(Para 6.4)*

- The delay in taking decision either for procurement of new crash fire tenders or for the refurbishment of the existing ones for over four years resulted in many airports being left only with old fire tenders.

*(Para 7.2.1)*

- Airport Surface Friction Tester valuing Rs.61.91 lakh positioned at Guwahati airport remained unserviceable most of the time. New tester valuing Rs.80 lakh was purchased for Imphal even while the existing one was underutilized and even this equipment was lying unutilised at Guwahati.

*(Para 7.5)*

- There was no uniform Works Manual for both the divisions of the Authority resulting in adoption of different procedures by the two divisions.

*(Para 9.2)*

- No land/space lease policy had been finalised by the Authority.

*(Para.10.1.1)*