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Embedding **World-Class Technology.** Offering **Enduring Consumer Experiences.** Creating **Sustainable Roadmaps.**

Adani Airport Holdings Limited

Integrated Report 2022-23

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Financial Statements

Disclaimer This document contains statements about expected future events and financials of Adani Airports Holdings Limited (AAHL), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

Embedding
World-Class Technology.
Offering
Enduring Consumer Experiences.
Creating
Sustainable Roadmaps.

Inspired by our incubator, Adani Enterprises, we have adopted a visionary approach to developing and managing airports in India. With a focus on modernising and elevating the country's aviation infrastructure, we are dedicated to providing passengers with world-class airport experiences through innovative solutions, cutting-edge technology, and sustainable practices. Our ambitious plans have not only transformed the Indian aviation sector but also set a new standard for airport development globally.

Keeping consumer-centricity at our core, we envisage using world class technology to offer a very unique value proposition to our consumer. Our desire to transform the industry never compromises on our strong commitment towards the environment. As we sustainably march towards the future, our goal is to provide lasting consumer experiences through ground-breaking innovation that sets the worldwide benchmark.

THE ADANI PORTFOLIO OF COMPANIES

The multi-business Adani portfolio of companies is one of the most dynamic industrial conglomerates in India.

Vision: To be a world-class leader in businesses that enrich lives and contribute to nations in building infrastructure through sustainable value creation.

Values

Courage: We shall embrace new ideas and businesses

Trust: We shall believe in our employees and other stakeholders

Commitment: We shall stand by our promises and adhere to high standards of business

- Engaged in nation building
- Enhancing stakeholder value
- Enriching communities of its presence

Culture

Passion
Performing with enthusiasm and energy

Results
Consistently achieving goals

Integration
Working across functions and businesses to create synergies

Dedication
Working with commitment in the pursuit of our aims

Entrepreneurship
Seizing new opportunities with initiatives and ownership

The promoter

The Adani portfolio of companies has been promoted by the visionary industrialist Mr. Gautam Adani. The Adani portfolio of companies was founded by Mr. Gautam Adani in 1988 with a commodity trading business under the flagship company Adani Enterprises Limited (previously Adani Exports Limited).

The Adani portfolio of companies

Headquartered in Ahmedabad, India, the Adani portfolio of companies comprises the largest and fastest-growing portfolio of diversified businesses in India with interests in Logistics (seaports, airports, logistics, shipping and rail), Resources, Power Generation, Transmission & Distribution, Renewable Energy, Gas & Infrastructure, Agro (commodities, edible oil, food products, cold storage and grain silos), Real Estate, Public Transport Infrastructure, Cement, Media, Defence & Aerospace, Mining Services, Copper, Petrochemicals, Data Centre and other sectors.

The scale

Most Adani portfolio businesses are among the largest in India, marked by attractive economies of scale.

Adani Ports and Special Economic Zone Limited is the largest private sector port operator in India.

Adani Green Energy Limited is among the largest renewable energy businesses in the world.

Adani Transmission Limited is the largest private sector transmission and distribution company in India.

Adani Total Gas Limited is the largest city gas distribution business in India.

Ambuja Cement (with subsidiary ACC Limited) is the second largest cement manufacturer of India and an iconic cement brand.

Adani Enterprise Limited is India's largest business incubation company.

Adani Power Limited is the largest private sector thermal power producer in India.

Adani Wilmar Limited holds the position of being India's largest edible oil brand.

NDTV Limited is among India's most trusted media companies.

The visibility

The Adani portfolio comprises ten publicly traded companies.

The positioning

The Adani portfolio of companies has positioned itself as a leader in the transport logistics and energy utility portfolio businesses in India. This portfolio of companies has focused on sizable infrastructure development in India with operations and maintenance (O&M) practices benchmarked to global standards.

The core philosophy

The core philosophy of the Adani portfolio of companies is 'Growth with Goodness', its beacon for sustainable growth. The Adani portfolio of companies is committed to widening its ESG footprint with an emphasis on climate protection and increasing community outreach through CSR programmes woven around sustainability, diversity and shared values.

The credibility

The Adani portfolio of companies comprises four IG-rated businesses and is the only Infrastructure Investment Grade bond issuer from India.

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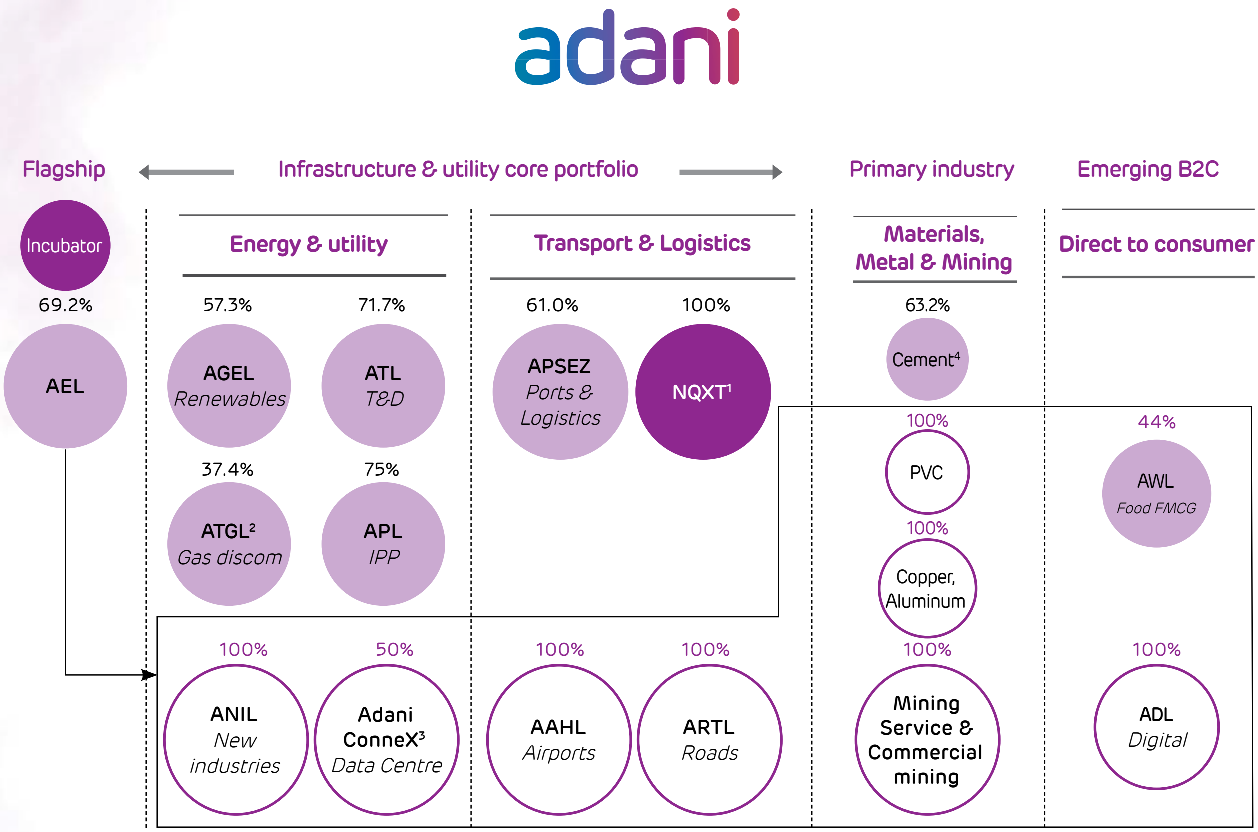
Adani: A world-class infrastructure & utility portfolio



A multi-decade story of high growth centered around infrastructure and utility core

(%): Promoter equity stake in Adani Portfolio companies

(%): AEL equity stake in its subsidiaries

Listed entities

1 **NQXT:** North Queensland Export Terminal | 2 **ATGL:** Adani Total Gas Limited, JV with TotalEnergies | 3 Data center, JV with EdgeConnex | 4 Cement business includes 63.15% stake in Ambuja Cements Limited which in turn owns 50.05% in ACC Limited. Adani directly owns 6.64% stake in ACC Limited

AEL: Adani Enterprises Limited; **APSEZ:** Adani Ports and Special Economic Zone Limited; **ATL:** Adani Transmission Limited; **T&D:** Transmission & Distribution; **APL:** Adani Power Limited; **AGEL:** Adani Green Energy Limited; **AAHL:** Adani Airport Holdings Limited; **ARTL:** Adani Roads Transport Limited; **ANIL:** Adani New Industries Limited; **AWL:** Adani Wilmar Limited; **ADL:** Adani Digital Limited; **IPP:** Independent Power Producer

Adani portfolio of companies: Marked shift from B2B to B2C businesses

ATGL
City gas distribution network to serve key geographies across India

AEML
Electricity distribution network that powers Mumbai, India's financial capital

Adani Airports
Operates, manages and develops eight airports in India

Ambuja Cements and ACC
India's most trusted cement brands with a capacity of 67.5 million tonnes

Adani Wilmar
Among India's largest packaged foods companies comprising Fortune, India's edible oil brand leader

Adani portfolio of companies: Locked-in infrastructure growth

Transport & logistics
Airports and Roads

Energy & Utility
Renewables/ Transmission & Distribution/ City Gas/ Power Generation

APSEZ
Adani Ports and Special Economic Zone Limited

NQXT
North Queensland Export Terminal

ATMSPL
Adani Tracks Management Services Pvt. Ltd. (formerly Sarguja Rail Corridor Pvt. Ltd.)

AAHL
Adani Airports Holdings Ltd.

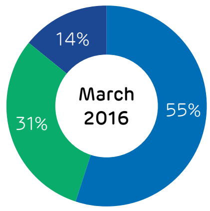
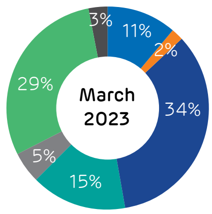
ATL/APL/AGEL/ATGL
Adani Transmission / Adani Power / Adani Green Energy / Adani Total Gas

ANIL
Adani New Industries Limited (a green hydrogen ecosystem)

ARTL / AWL
Adani Road Transport Limited / Adani Wilmar Ltd.

T&D / IPP
Transmission and Distribution / Independent Power Producer

Adani portfolio of companies: Repeatable & proven transformation investment model

	Phase	Development		Operations	Post operations
	Origination	Site development	Construction	Operation	Capital management
Activity	• Analysis & market intelligence • Viability analysis • Strategic value	• Site acquisition • Concessions and regulatory agreements • Investment case development	• Engineering & design • Sourcing & quality levels • Equity & debt funding at project level	• Life cycle O&M planning • Technology-enabled O&M	• Redesigning the capital structure of assets • Operational phase funding consistent with asset life
Performance	•India's largest commercial port (at Mundra)	• Completed one of the longest private HVDC line (Mundra – Mahendragarh)	• 2,140 MW hybrid cluster operationalised in Rajasthan in FY 2022-23	• Energy Network Operation Center • Centralised continuous plants monitoring across India on a cloud based platform	• First GMTN of USD 2 Billion by an energy utility player in India and sustainability-linked bond • AGEL tied up 'Diversified Growth Capital' with a revolving facility of USD 1.64 Billion for fully funding its project pipeline • Issuance of 20 and 10-year dual tranche bond of USD 750 million Green bond issuance of USD 750 million
	Highest margin among peers 	Highest line availability 	India's first and world's largest solar-wind hybrid cluster 	Centralised continuous monitoring of solar and wind plants across India on a cloud-based platform 	**Debt structure moving from PSU banks to bonds**   ● PSU banks ● Private banks ● Bonds ● NBFCs & FIs ● DII ● Global International Banks ● PSU-capex LC

How Adani portfolio of companies performed in FY 2022-23

EBIDTA (growth %)

APL — 4%

FY 22	13,789
FY 23	14,312

APSEZ^ — 21%

FY22	10,607
FY23	12,833

ATL — 11%

FY22	5,493
FY23	6,101

AEL — 112%

FY22	4,726
FY23	10,025

AGEL — 61%

FY22	3,926
FY23	6,331

ATGL — 11%

FY22	815
FY23	907

Ambuja Cement, consolidating ACC

FY22	NA
FY23	4,173

AWL

FY22	1,736
FY23	1,661

EBITDA

- AEL EBITDA grew on the back of growth in the incubating businesses (Airports, Roads) and Integrated Resource Management
- APL EBITDA improved due to improved tariff realisations and higher prior period income recognition
- APSEZ EBITDA growth was on account of an increase in cargo volume, operational efficiency and cost restructuring
- ^APSEZ EBITDA excludes forex; APSEZ FY 2021-22 EBITDA excluded ₹210 Crore of SRCPL and GPL acquisition cost
- Ambuja Cement (consolidating ACC) changed its financial year end from December to March (figure for the current year is for 15 months and not comparable with the previous 12 months, ended 31st December, 2021
- Ambuja Cement (consolidating ACC) became a part of Adani portfolio following acquisition in September 2022
- ATGL EBITDA grew due to increased sales volume, coupled with an improvement in the operating margin and cost optimisation
- ATL EBIDTA grew on account of higher revenues in the transmission and distribution businesses
- AGEL's growth in EBITDA was supported by increased revenues and cost efficiencies brought in through analytics-driven O&M

PAT (growth %)

APL — 118%

FY22	4,912
FY23	10,727

APSEZ — 9%

FY22	4,953
FY23	5,392

ATL — 4%

FY22	1,236
FY23	1,281

AEL — 218%

FY22	777
FY23	2,473

AGEL — 99%

FY22	489
FY23	973

ATGL — 5%

FY22	505
FY-23	530

The Adani portfolio of companies' platform comprises foresight, operational excellence, outperformance and leadership








The Adani portfolio of companies' businesses

- Incubation
- Energy & utility
- Transport & logistics
- Materials, metals and mining
- Direct-to-consumer

The Adani portfolio of companies' growth platform

- Betting on India
- Strategic big picture
- Making outsized investments in futuristic infrastructure
- Investing at a competitive capital cost in a relatively low commissioning time
- Creating long- term revenue visibility
- Ensuring attractive margins

India overview: We, at Adani, believe in and bet on India. In the last three decades, India has not just grown faster; but has also compressed the GDP growth of the earlier decades into fewer years. India is expected to transition from a USD 3.75 trillion economy to a USD 5 trillion economy in the next few years.

At Adani portfolio of companies, we proactively invested in businesses that are expected to ride India's middle-income consumption engine. The Adani portfolio of companies invested not on the basis of what is, but on what can be. By making disproportionate investments, it intends to shift the needle not just for its investee Company but for the country as a whole - with the objective of extending access, reducing costs, widening the market and, in doing so, helping strengthen India.

Competitive advantage: At the Adani portfolio of companies, we believe that the ability to make a significant national contribution can only be derived from a broadbased competitive advantage that is not dependent on any one factor but is the result of an overarching culture of excellence – the coming together of adjacent businesses, deep sectorial experience, ability to commission projects faster than the sectorial curve, competence to do so at a cost lower than the industry average, foresight to not merely service the market but to grow it, establish decisive sustainable leadership and evolve the Company's position into a generic name within the sector.

Relatively non-mature spaces: The Adani portfolio of companies has entered businesses that may be considered 'maturely non-mature'. Some of the businesses can be classified as mature, based on the enduring industry presence and the conventional interpretation of their market potential; these businesses can be considered non-mature by the virtue of their vast addressable market potential and the superior Adani portfolio of companies value proposition. The result is that the Adani portfolio of companies addresses sectorial spaces not on the basis of existing market demand but on the basis of prospective market growth following the superior Adani sectorial value proposition.

Outsized: The Adani portfolio of companies established a respect for taking outsized bets in select sectors and businesses without compromising Balance Sheet safety. The portfolio of companies establishes a large capacity aspiration that sends out a strong message of its long-term direction. Its outsized initial capacity establishes economies of scale within a relatively short time horizon that deters prospective competition and generates cost leadership (fixed and variable).

Technology: The Adani portfolio of companies invests in the best technology standards that could generate precious additional basis points in profitability and help more than recover the additional cost (if at all) paid within a short tenure. This superior technology standard evolves into the Company's sustainable competitive advantage, respect, talent traction and profitability.

Execution excellence: The Adani portfolio of companies has built a distinctive specialisation in project execution, one of the most challenging segments in India. The portfolio of companies has established benchmark credentials in executing projects faster than the sectorial average by drawing from the multi-decade Adani pool of managerial excellence across a range of competencies. This capability has resulted in quicker revenue inflow, increased surplus and competitive project cost per unit of delivered output.

Flexible capital structure: The Adani portfolio of companies has created a robust financial foundation of owned and borrowed funds. This enhanced credibility makes it possible for the Adani portfolio of companies to mobilise resources from some of the largest global lenders at around the lowest costs. This approach helps transform these marquee institutions from mere lenders to stable resource (fund or growth) providers for the long-term.

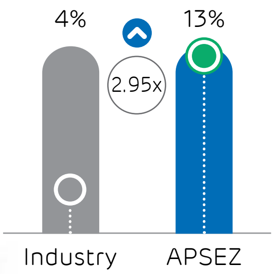
Ownership

The Adani portfolio of companies comprises a high promoter ownership, validating a commitment and ownership in projects.

The Adani portfolio of companies' businesses

Cargo volume

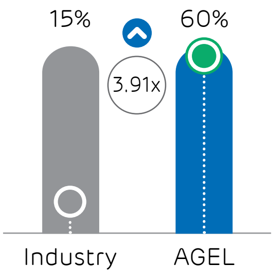
(MMT)



2014	972	113
2023	1433	339.30

Renewable capacity growth

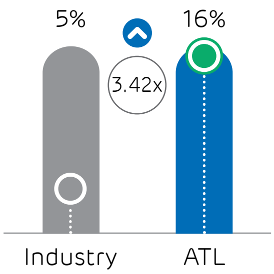
(GW)



2016	46	0.3
2023	125	8.086

Transmission network growth

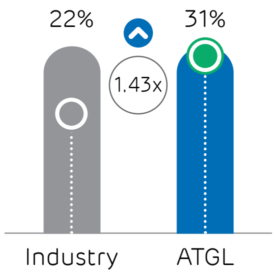
(ckm)



2016	3,41,551	6,950
2023	4,71,341	19,779

City gas distribution growth

(GAs covered)



2015	62	6
2023	295	52

Transformative model driving scale, growth and free cash flows

GW: Gigawatt, **GAs:** Geographical Areas, **MMT:** Million metric tonne, **CKM:** Circuit kilometer

The Adani portfolio: Establishing benchmarks

Largest

India's largest commercial port (Mundra)

India's largest single location private thermal IPP (Mundra)

India's largest private sector ports company

World's largest wind-solar hybrid operational power project - 2,140 Mw in Rajasthan

Biggest

Port company enjoying the highest margin among peers

Among the highest transmission line availability benchmarks in India

Largest airport infrastructure company in India

One of India's largest port-based edible oil refinery with a capacity of 5,000 MT per day

Leading edible oil player (number two in Wheat Flour and number three in Basmati Rice)

Quickest

648

MW solar power plant

The Kamuthi plant was commissioned in only nine months

Longest

897 ckm

The length of one of the India's longest intra-state transmission lines that was completed (Ghatampur Transmission Limited)

Offering Extraordinary Experiences SUSTAINABLY

Adani Airports Holdings Limited ('AAHL' or 'We' hereafter) was incorporated in 2019 with an endeavour to further realise the Adani Group's vision of emerging as the face of the global infrastructure industry. As a company, we have always striven to transform the perception of an airport experience and we consider ourselves privileged to have received the opportunity to modernise and operate 6 airports located in Ahmedabad, Lucknow, Mangaluru, Jaipur, Guwahati and Thiruvananthapuram. This was accomplished through a globally competitive tendering process conducted by the Airports Authority of India (AAI).

Furthermore, we have taken over management control of Mumbai International Airport Limited (MIAL)[1] and Navi Mumbai International Airport (NMIAL)[2], which is India's second busiest airport by both passenger and cargo traffic. With eight airports in its management and development portfolio, AAHL is now India's largest airport infrastructure company, accounting for 23% airport footfalls. With the addition of MIAL, AAHL will now also control around 30% of India's air cargo traffic.

[1] Operational
[2] Under Project Stage

OUR PURPOSE

To be the most admired, trendsetting Airport enterprise creating lifestyle destinations for communities to experience the world, while delivering sustainable value for all stakeholders.

OUR MISSION

Our Company's greatest strength is delivering excellence in everything we do to make Adani Airports the most admired and trendsetting airport experience.

- We will expand the realms of consumer experience by giving them the choice of customisation, convenience and control and thereby **creating a deep affection among our consumers**
- We will **innovate new formats across retail, food and beverages, services and entertainment,** thereby attracting repeat customers for lifestyle experience
- We will ensure our airports and other assets have the **highest standards of safety and security, comparable to the best in the world**
- We will build connections to the world by **fostering attractive airline and airport partnerships**
- We will effectively **leverage relationships and partnerships to become the partner of choice** with the best players in the industry, as well as all relevant stakeholders
- We will be **mindful of environment conservation** and bring in elements of **sustainability across our value-chain**
- We will **engage with the community to co-create development programmes** based upon materiality
- We will achieve distinguished **synergy with our partners, integrating information and knowledge for insights** that lead success.
- We will be **the lead adopter of technology solutions** in the airport space, and create a **climate of innovation** within the organisation

OUR VALUES

Commitment
We shall stand by our promises and adhere to high standards of business.

Trust
We shall believe in our employees and other stakeholders.

Courage
We shall embrace new ideas and businesses.

Humility
We shall serve all our stakeholders with a genuine sense of gratitude for providing us with an opportunity to engage with them.

Safety and Security
We shall ensure the highest standards of safety and security for all our stakeholders at all times.

Creativity
We shall always look for new ways of creating value for all our stakeholders, reinforcing our purpose of being a trendsetter.

Collaboration
We shall work together with all our stakeholders to achieve our purpose and our mission, thereby becoming a natural partner of choice for everyone.

Progress

DURING THE YEAR

KEY FINANCIALS

Total Revenue

₹ 6,012 Crores

Revenue from Aeronautical Segment

₹ 2,577 Crores

Revenue from Non-Aeronautical Segment

₹ 2,725 Crores

EBITDA

₹ 1,728 Crores

OPERATIONAL METRICS

Total Passenger Traffic Movement

74.75 million

Percentage of the Overall Passenger Traffic in India

23%

Cargo Load Handled

9,44,912 MT

Percentage of India's Air Cargo Traffic Handled

30%

Air Traffic Movement

5,43,737

ENVIRONMENTAL HIGHLIGHTS

Carbon Neutrality Target
2026-27

Renewable Source of Energy
45%

Air Conditioners Upgraded to R32 Refrigerant
644

Emissions Reduced
45,998 tCO_2e

No. of CO2-type Fire Extinguishers Replaced with Non-CO2-type
921

SOCIAL AT A GLANCE

Total Employee Base
1,789

Average Age of Employees
37.9 (Years)

Employees for More than 5 Years (as % of Total)
40%

Retention Rate
87%

ROBUST GOVERNANCE

Directors' Gender Ratio
75:25

Women in Leadership Position
25 %

Creating Sustainable Platforms FOR GROWTH

AERONAUTICAL SEGMENT

Our Airports

Airport	Traffic (passengers per annum)	Terminal Capacity (passengers per annum)	Masterplan Capacity (passengers per annum)
Chhatrapati Shivaji Maharaj International Airport, Mumbai	43.92 million	55 million	55 million
Sardar Vallabhbhai Patel International Airport, Ahmedabad	10.17 million	7.5 million	40.33 million
Chaudhary Charan Singh International Airport, Lucknow	5.61 million	4.3 million	38.09 million

Mangaluru International Airport, Mangaluru

1.79 million	2.4 million	22.5 million

Jaipur International Airport, Jaipur

4.86 million	5 million	38.40 million

Lokpriya Gopinath Bordoloi International Airport, Guwahati

5.17 million	2.0 million	25 million

Thiruvananthapuram International Airport, Kerala

3.49 million	4.5 million	26.70 million

NON-AERONAUTICAL ASPECTS

Duty Free

- Providing unique Duty-free experience to consumers by providing exclusive brands
- Ensuring robust consumer service management system to address any issue on the spot
- Diversification across several categories such as liquor, cosmetics, confectionery, fashion & luxury, tobacco, electronics, destination products, toys and wellness, among others
- Providing a digital online shopping platform
- Conducting marketing and promotions, including loyalty programmes
- Focussing on click & collect, pre-order, home delivery and app-based shopping
- Offering product delivery to gates, lounges and VIPs, among others

Retail

- Providing exclusive brands with a unique experience to consumers at the airports
- Providing variety and ensuring fair value
- Providing digital channel and online shopping experience
- Converting footfall into sales using technology and data analyses

Food & Beverages

- Next-generation central food hall covering all major cuisines and price points
- Additional F&B concepts are placed at strategic locations throughout the terminals, and close to departure gates
- Enhancing consumer experience by providing best in class services along with choice of brands

Lounge

- Creating unique and personalised experience zone (privilege, business class, loyalty)
- Providing premium experiential offering
- Offering complimentary service to increase customer convenience
- Introducing 'Welcome Desk' post-security check to enable express check-in and increase penetration
- Increasing gift card business opportunity
- Providing differential service offerings for corporates, including meet & greet, business centres and express check-in to the lounge

Pranam Meet and Greet Services

'Pranaam Guest Services' are designed to provide guests with a seamless and stress-free experience while travelling through Airport. It mirrors the vision to provide the highest standard of services and to ensure a unique and memorable experience for passengers at the airport. Our 'Pranaam' team is specially trained and equipped to provide ultra-niche experience to all age groups with the sincerity of creating a unique memory.

Advertisement

With top-notch infrastructure across mediums, we shall generate the right opportunities for our partners to exhibit their brands and products by creating definitive value for them. Creative and mesmerising advertising attracts our passengers while predictive advertising further helps intensify the share of wallet.

Car Parking

As we are consumer-oriented, we ensure that our consumers undergo an impeccable experience of ground transportation through traffic flow planning and adequate parking. Our airports have an integrated network of private vehicles, metro (where feasible), metered taxis, cars on rent, and inter-city and intra-city bus services. We provide services for all these, including right-priced commercial offerings

Airport Concessions

With a vision to be a popular airport enterprise, AAHL is expecting to create lifestyle destinations for consumers inside and outside the airport. By expanding the zone of consumer experience, we are giving more control to the consumers. Thereby providing an ascending trajectory for non-aeronautical revenues for the airports and their partners – making AAHL the preferred partner in the sector

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CELEBRATING ONE YEAR OF GOODNESS

Our Airports – Guwahati, Jaipur and Thiruvananthapuram - turned 1 in October 2022 and celebrated this milestone by distributing saplings to our passengers followed by cake-cutting ceremony.

Jaipur

Guwahati


Thiruvananthapuram


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Setting Benchmarks
THROUGH COMPETENCE

Chhatrapati Shivaji Maharaj International Airport, Mumbai

- Named as India's 'Cargo Airport of the Year' for the Fifth Consecutive Year on May 31, 2022
- Received ACI's Airport Carbon Accreditation Level 4+ Transition, on December 22, 2022
- Awarded the Energy Efficient Unit Award - Confederation of Indian Industry for Excellence in Energy Management 2022
- Received the Aviation Sustainability & Environment Award - Wings India Awards 2022
- Received the Best Sustainable Airport Award - ASSOCHAM
- Renewed Platinum rating for IGBC Green Existing Building Certification in 2022
- CSMIA's Entrance, International Airport Road, Green Walls at T1 & T2 Domestic Departure and Green Wall at T2 Adani Lounge Bagged The Top Awards in the Garden competition organized by Brihanmumbai Municipal Corporation (BMC). CSMIA was also Felicitated with the 'Overall Runner Up' trophy for Mumbai Metropolitan Region
- Received Platinum Recognition for Single Use Plastic Free Airport under over 35 million passengers per annum category by the ACI Asia Pacific Green Airports Recognition 2023.
- Achieved Level 3 accreditation of the ACI Airport Customer Experience Accreditation
- Ranked 65th – Skytrax World Airport Awards - World's Top 100 Airports 2022
- Rated 9th Best Airports 2022 under 20-30 Million Passengers, June 17, 2022 - Skytrax World Airport Awards
- Rated 2nd World's Cleanest Airports 2022 (India/South Asia) - Skytrax World Airport Awards
- Awarded the Arogya World Healthy Workplaces Award as a Testament To The Airport's Continuous Efforts And Commitment To Ensuring Employees' Health And Wellness
- Felicitated with 'Customer Experience Team of the Year' at the 10th Edition of CX Strategy Summit & Awards 2022 as a Testament To The Airport's Continually Improving Passenger-Centric Approach And Prompt Resolution Of Queries In Real-Time
- Refurbishment of GA Terminal' was Felicitated with the Best Airport Terminal Enhancement Project of the Year, by the Prestigious Construction Times Award 2023
- 'Best Airport over 40 Million Passengers' For The Year 2022 in Asia Pacific region by Airports Council International's (ACI) Airport Service Quality (ASQ) Awards

Sardar Vallabhbhai Patel International Airport, Ahmedabad

- Received Airport Service Quality of Airport Council International (ACI) – Best Airport by Size & Region
- Conferred as Best Regional Airport of the Year - Awarded by the Associated Chambers of Commerce & Industry of India (ASSOCHAM)
- Received the Voice of the Customer Recognition - Recognised by Airport Council International (ACI) Airport Customer Experience
- Achieved Level 2 A ccreditation of the ACI Airport Customer Experience Accreditation Programme
- Joined ACI's Director General's Role of Excellence - Recognised by Airport Council International (ACI)
- Awarded INSSAN Awards for Creativity – July 12, 2022
- QCFI – Ahmedabad (Gold Award for Kaizen)
- Rated 8th Best Airports 2022 by Global Region (India / South Asia) - Skytrax World Airport Awards
- Awarded the 12th Exceed Environment Award for Environment Sustainability in Recognition Of The Airport's Initiatives Towards Energy Conservation, Carbon Emission Reduction And Water Conservation
- Received Gold in SEEM (Society of Energy Engineers and Managers) Award for Energy Efficiency in the Airport category

Chaudhary Charan Singh International Airport, Lucknow

- Received 12th Exceed Gold Award for Environment Sustainability in Aviation Service on August 27, 2022. Given by Sustainable Development Foundation (A unit of Ek Kaam Desh Ke Naam) in Association with the Ministry of Environment, Forest, and Climate Change
- Achieved Level 1 Accreditation of the Airport Customer Experience Accreditation Programme for Achieving Excellence In Customer Experience Management
- Received Second Prize From Lucknow Development Authority For Décor On Completion of Azadi Ka Amrit Mahotsav (75 years of India's Independence)
- Received Best Regional Airport of the Year, Under 25 million Categories - Awarded by the Associated Chambers of Commerce & Industry of India (ASSOCHAM)

Mangaluru International Airport

- Awarded the ACI Voice of Customer recognition
- Received Airports Council International (ACI) Certificate of Accreditation for Level 2 of the Airport Customer Experience Accreditation Programme on December 14, 2022
- Received Platinum Recognition for Single-Use Plastic Elimination for the ACI Asia Pacific Green Airports Recognition 2023
- Apex India Green Leaf Award 2022 for Environmental Excellence

Jaipur International Airport

- Received Gold Award under Apex India Green Leaf Awards, 2021 for Environment Excellence Category in the Aviation Service Sector, on May 5, 2022
- Rajasthan Excellence Award by Rajasthan Chamber of Commerce and Industries, May 25, 2022
- Achieved Level 1 accreditation of the ACI Airport Customer Experience Accreditation Programme
- Jaipur International Airport is Being Recognised Amongst the Top 10 Airports for On Time Performance (Otp) for the Year 2022

Lokpriya Gopinath Bordoloi International Airport, Guwahati

- Awarded Certificate of Appreciation by World Wildlife Fund (WWF) for Contributing Towards an Outstanding Earth Hour 2022
- Achieved Level 1 Accreditation of the Airport Customer Experience Accreditation Programme
- Received Green Tech Award on September 21, 2022

Thiruvananthapuram International Airport

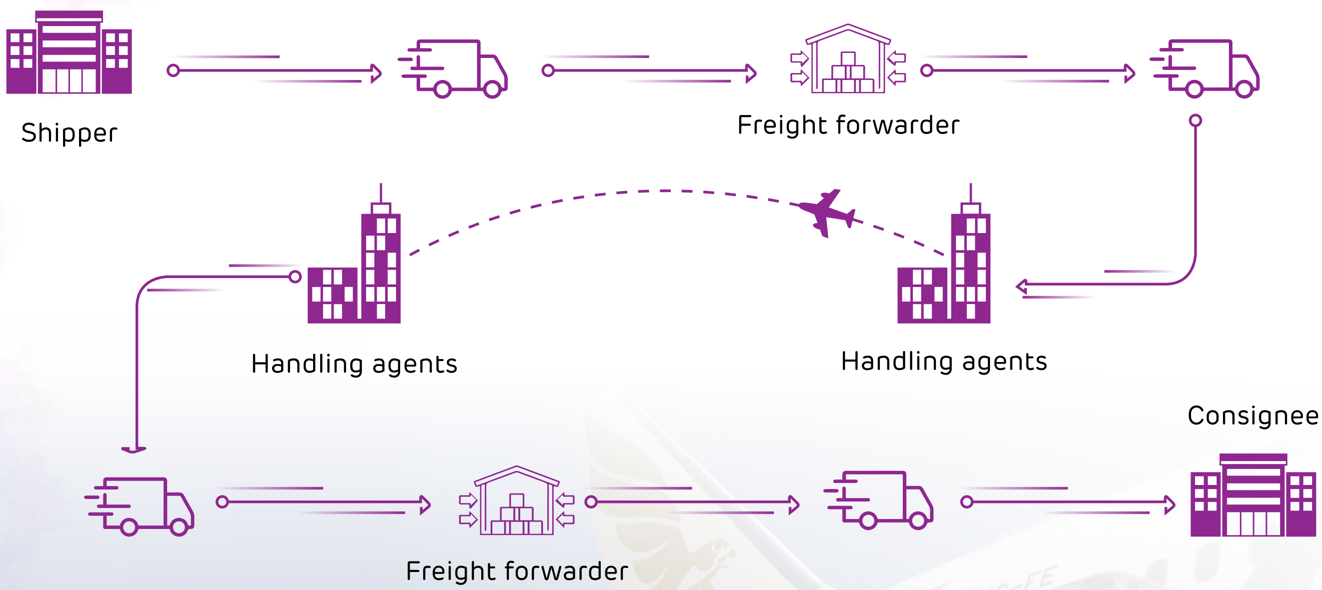
- Received 12th Exceed Environment Award in September 2022
- Awarded The Voice of the Customer Recognition (ACI) in June 2022
- Achieved ACI Airport Carbon Accreditation (ACA) Level 2

Offering Seamless CARGO JOURNEY

At Adani Airports, we aspire to be a value creator by implementing unique strategies that set us apart from our competitors. We constantly strive to create innovative solutions for our consumers, thereby adding value to the entire supply chain process. Our various initiatives such as introduction of ICT (with a single roof concept for all cargo products), AMAX/TEDi (Digitisation), Digital Docket Delivery, EDI focus are only an indicator towards our commitment to innovation.

Our vision also includes creation of innovative products such as multi-modal logistics hub, air freight stations supported by bonded road feeder services, cutting-edge digital platform that integrates air, sea, rail & road cargo etc.

The Air Cargo Supply Chain



Strategic 5-Year Plan for Cargo

Our strategy is to emerge as the most well-integrated air cargo and multi-modal logistics player. We aim to realise this vision through three core approaches.

Development of Cargo Demand from Core and Shared Catchments

- Development of Integrated Cargo Terminal, warehousing & logistics infrastructure at all our airports
- Development of multi-modal logistics park at NMIAL
- Establishing infrastructure such as air freight stations at various catchment areas and connecting through bonded road feeder services to provide solution at customer doorstep
- Develop pharma excellence centres at pharma hubs such as BOM/AMD

Establishment of Cargo Hubs

- Creation of freighter hubs at metro airports such as MIAL/NMIAL
- Establishment of transshipment hubs at major airports such as BOM/AMD
- Gateway creation for consolidators such as DHL & FEDEX
- Establishment of NMIAL as a role model for cargo handling

Creation of Value Added Services

- AMAX/TEDi and Digital Docket Delivery to ensure integrated data exchange amongst various stakeholders
- Documentation/Supervision services to support airlines in terms of back office functions
- Door-to-door cargo and logistics services
- Sea-air transshipment
- 3PL services in collaboration with Adani Group companies
- Project cargo related product

Boosting Capacity with

FUEL FARM AND ALLIED FACILITIES

Adani Airports has embarked upon a journey to create state of art and robust fuel storage facilities across its six airports, on the concept of open/equal access.

At the time, we took over these airports, the traditional fuelling model prevailed across all airports, wherein Oil Marketing Companies (OMCs) sold aviation fuel to airlines through individual fuel storages, fuelling vehicles, and manpower. However, this model is plagued with limitations such as increased costs, duplication of facilities and limited supplier options. Moreover, the existing facilities, with limited storage capacity, have not been upgraded by OMCs for several years.

Given the thriving nature of Indian aviation market, we anticipate robust traffic across all our airports in the future. To ensure that the fuelling infrastructure is future-ready, we have already begun constructing a large-capacity greenfield Fuel Farm, with Hydrant Refuelling System (HRS). This will not only boost the storage capacity but will also ensure efficient fuel management, making the operations smoother and more sustainable.

Therefore, in conformity with one of our primary business objectives, we set out to transition from this traditional model to an 'Open Access Fuel Farm' model.

The Open Access model presents several significant benefits over the traditional model, as listed below:

- Offers a shared-user facility, developed and owned by the airport operator or concessionaire, appointed by the airport operator
- Facilitates operation by the airport operator, concessionaire, or any designated O&M agency
- Eliminates entry barriers for new oil suppliers, promoting competition among suppliers, increasing options for airlines, and driving down fuel prices
- Avoids fuel storage facility duplication, which optimises land use and reduces overall capital and operational expenditures, leading to a reduction in aviation fuel prices
- Enables the airport to have 'Hydrant Refuelling System' or HRS, an added bonus

The implementation of the 'Hydrant Refuelling System' at at Adani operated airports will significantly improve refuelling operations, making them faster and safer. This will enable flights to experience a quicker turnaround time, which is crucial in the aviation industry.

We have made great strides towards achieving our set objectives, with a primary focus on the prompt implementation of Open Access across all our airports. To achieve Open Access quickly, we had initiated discussions with OMCs to take over their facilities, amalgamate them and convert them in Open Access. In this pursuit, all OMC's facilities at Lucknow and Ahmedabad have been acquired and have been converted in Open Access.

The successful commissioning of Open Access – after buying out the assets of OMCs at Lucknow and Ahmedabad in August 2022 and November 2022, respectively – is a testament to our efforts. For Mangaluru, MoU has been signed with IOCL for taking over its assets at Mangaluru. However, this facility is not large enough to handle the airport's needs. Therefore, we have undertaken the upgradation of this facility to cater to the increasing traffic demand.

CHAIRMAN'S MESSAGE

Your group will continue to consolidate what it has built while looking at expanding its horizons.

Dear Shareholders,

A few months ago, I heard a new term called Permacrisis. I learnt that the Collins dictionary had defined it as 'An extended period of instability and insecurity'. It also chose it as the Word for the Year 2022. Interestingly, I also learnt that two other words that were in the running for the top spot were 'quiet quitting', which meant doing the bare minimum duties at work (in rejection of competitive careerism) and 'vibe shift', which meant a significant change in the prevailing culture. What I find fascinating is that in the post-Covid world, these words accurately summarise changes that we see happening around us.

A Global Reset is Underway

There can be no denying that the world is continuing to be hit by multiple shocks, be it the climate emergency, geopolitical disequilibrium, supply chain and energy volatility, or persistent inflation. What does make the situation a permacrisis is the fact that we have never had a time wherein all these events happened simultaneously and without a clear solution in sight. Add to this the opportunities and challenges because of the technological revolution, especially the breathtaking advances in artificial intelligence, and what we have is a massive potential reset in the existing global operating models. The future of work, the future of learning, the future of medicine, and in some ways, the future of economic growth itself will need to be reset. Therefore, as we end one financial cycle and begin another, it is important to step back and assess the global economic situation and India's position as a part of this landscape.

India – The Beacon of Hope

While economic cycles are getting increasingly hard to forecast, there is little doubt that India, already the world's fifth largest economy, will become the world's third largest economy well before 2030 and, thereafter, the world's second largest economy by 2050.

It is well understood that for any economy to lay the foundation of growth, a stable Government is critical. We have seen this impact with the implementation of several structural reforms that are critical for strong, sustainable, and balanced growth. This stability, coupled with India's young demographics and continued expansion of internal demand, is a potent combination.

Our nation's demographic dividend is expected to drive consumption and accelerate the growth of a tax paying society at a record pace over the next three decades. The United Nations Population Fund (UNFPA) projects that India's median age will be just 38 years even in 2050. Over this period, India's population is expected to grow by approximately 15% to 1.6 Billion, but the per capita income could accelerate by over 700% to about US dollars 16,000. On a purchasing power parity basis, this per capita metric could be three to four times higher. The growth of this consuming middle-class is expected to insulate us to some extent from global recessions as our growth is primarily driven by domestic demand. This, in turn, should drive a surge in private and government expenditures, as well as attract increasing foreign direct investments.

We have the statistics to prove it. Following independence in 1947, it took us 58 years to get to our first trillion dollars in GDP, 12 years to get to the next trillion and just five years to the third trillion. I anticipate that within the next decade, India will start adding a trillion dollars to its GDP every 18 months, putting us on track to emerge as a 25 to 30 trillion dollar economy by 2050. This could potentially drive India's total market capitalisation to over USD 40 trillion, an approximate 10x expansion from the current levels.

I urge you to reflect on these incredible possibilities. India's success story of balancing economic growth and a vibrant democratic society has no parallel and a result, my belief in the India growth story has never been higher.

Our nation's demographic dividend is expected to drive consumption and accelerate the growth of a tax paying society at a record pace over the next three decades.

The Short selling Incident

Let me now address the short-selling issue that impacted us early this year. On the eve of our Republic Day, a US-based short-seller published a report just as we were planning to launch the largest Follow-on Public Offering (FPO) in India's history. The report was a combination of targeted misinformation and outdated, discredited allegations aimed at damaging our reputation and generating profits through a deliberate drive-down of our stock prices.

Subsequently, despite a fully subscribed FPO, we selected to withdraw and return the money to our investors to protect their interests. The short-selling incident resulted in several adverse consequences that we had to confront. Even though we promptly issued a comprehensive rebuttal, various vested interests tried to opportunistically exploit the claims made by the short seller. These entities engaged and encouraged false narratives across various news and social media platforms. Consequently, the Hon'ble Supreme Court of India constituted an Expert Committee to look into this matter. It comprised individuals known for their independence and integrity. The report of the Expert Committee was made public in May 2023.

The Expert Committee did not find any regulatory failure. The Committee's Report not only observed that the mitigating measures, undertaken by your company helped rebuild confidence but also cited that there were credible charges of concerted destabilisation of the Indian markets. It also confirmed the quality of our Group's disclosures and found no instance of regulatory failure or any breach. While the SEBI is still to submit its report in the months ahead, we remain confident of our governance and disclosure standards.

218%

PAT growth, 2022-23

Adani Group
Resilient, Stronger and Record Results for FY 2022-23

Over the past three decades, I have learnt that growth comes with its set of challenges. Every challenge we have faced has made us more resilient. This resilience is vindicated by the outcomes we deliver.

Our FY 2022-23 operational and financial results are as much a testimony to our success as a testimony to the continued expansion of our customer base – be it on the B2B side or the B2C side. Our Balance Sheet, our assets, and our operating cashflows continue to get stronger and are now healthier than ever before. The pace at which we have made acquisitions and turned them around is unmatched across the national landscape and has fuelled a significant part of our expansion. Our national and international partnerships are proof of our governance standards. The scale of our international expansions has been validated by our successes in Australia, Israel, Bangladesh, and Sri Lanka.

Some Group Highlights

Our Group is now constituted of 10 publicly traded entities, each with its own set of successes. I have listed below some key highlights across the various businesses.

1. The Adani Group of companies set new financial performance records with:

a. Total EBITDA grew by 36% to ₹57,219 Crore,

b. Total income grew by 96% to ₹1,38,715 Crore, and

c. Total PAT grew by 218% to ₹2,473 Crore.

2. The Group's deleveraging program of USD 2.65 Billion for the Adani portfolio companies was completed successfully and further improved our Net Debt to run rate EBIDTA ratio from 3.2x to 2.8x in FY 2022-23.

3. Our flagship company, Adani Enterprise Limited (AEL) continued to successfully demonstrate its incubation capabilities with new businesses accounting for 50% of its EBITDA in FY 2022-23.

a. Of the several projects underway, two key ones include the Navi Mumbai Airport and the Copper Smelter, which are on schedule.

b. The Integrated Resource Management (IRM) volume increased by 37% to 88.2 MMT versus 64.4 MMT in FY 2021-22

c. In the area of the media business, AEL acquired New Delhi Television Ltd (NDTV) and a 49% stake in Quintillion Business Media Limited.

4. We are set to play a critical role in India's Net Zero carbon footprint journey. The renewable energy business, Adani Green Energy Limited, commissioned the world's largest hybrid solar-wind project of 2.14 GW in Rajasthan; the operational renewable energy portfolio grew 49% to over 8 GW, the largest operational renewable portfolio in India.

5. The backward integration plans in the renewable energy value chain progressed as planned.

a. A new solar module line plant of 2 GW was operationalised and

b. The existing 1.5 GW module line was upgraded to 2.0 GW using the TOPCON Cell Technology.

6. The ports business continued to be the pillar of strength on all fronts. APSEZ continues to be amongst the most profitable port operators globally with a port EBITDA margin of 70%.

7. Adani Power Ltd. successfully commissioned the 1.6 GW ultra-super critical Godda power plant and is now supplying power to Bangladesh, which marks our entry into transnational power projects.

8. The transmission and distribution businesses set new benchmarks. The Mumbai distribution business achieved a reliability of 99.99% and was ranked the number one discom by the Union Ministry of Power.

9. Adani Total Gas Ltd, expanded access to clean cooking fuel to 124,000 households last year with a 46% increase in revenue to ₹4,683 Crore and is transforming into a full spectrum sustainable energy provider following its foray into the e-mobility and biofuel businesses.

10. Lastly, on the partnership front, we continue to attract global investment partners aligned with our long-term approach of building and operating world-class assets. In March 2023, we successfully executed a secondary transaction with GQG partners of USD1.87 Billion despite volatile market conditions.

Its all about a Better Tomorrow

The India in which we live today is the most exciting land of opportunities with blossoming entrepreneurial spirit. Every day is a beginning of something new, innovative, and transformative. We have always believed in our 'growth with goodness' philosophy and our track record speaks for itself. Your Group will continue to consolidate what it has built while looking at expanding its horizons. Our customers speak for us, our investors speak for us, our shareholders speak for us, and our results for speak for us. On behalf of your Company, I reaffirm and assure that we are committed to the highest levels of governance and regulatory compliance.

In closing, let me emphasise how grateful I am for all your support. It has been the greatest source of my strength and it is my promise to you that I will do my utmost to uphold the trust you have put in me and my team.

Thank you.

Gautam Adani

Message from

GROUP CHIEF FINANCIAL OFFICER

We have seized opportunities and explored uncharted territories through a proactive approach, enabling us to push the boundaries of success continually.

Dear Stakeholders,

At the Adani Group, our commitment lies in delivering sustainable value to our esteemed stakeholders. Despite the far-reaching disruptions that have impacted operations on a global scale, we have fearlessly embraced calculated risks and consistently expanded our portfolio. Our strategic endeavours include several business verticals with immense potential to enhance our transport infrastructure and utility portfolio significantly.

We have seized opportunities and explored uncharted territories through a proactive approach, enabling us to push the boundaries of success continually. By venturing into futuristic businesses such as Adani New Industries, and leveraging the robust growth trajectory of our airports, roads, and data centre, we have swiftly ascended to new heights.

The importance of prudent financial management has been the main highlight in recent times.

We firmly believe that our superior strategic and financial capabilities will serve as a crucial pillar of support for our newer companies as they navigate these substantial underserved markets.

Despite several of the Adani Enterprises Limited's (AEL) businesses being in the nascent stages of development, they have already started contributing to the overall operational and financial performance of our business verticals. This success validates the strength of AEL's incubation story, driven by scale and synergies within the Adani Group. As we advance, we anticipate attractive growth in our infrastructure portfolio.

At our portfolio, underlying cash EBITDA stands at USD 8 Billion surpassing the growth trajectory of developed economies such as the US and the UK. At our various business verticals, we aspire to forge partnerships with investors who align with our long-term vision of nation-building. We prioritise cultivating relationships with strategic long-term equity partners who share our commitment to sustainable growth and value creation. Together, we strive to shape a brighter future for our nation and its stakeholders.

As a portfolio, we have devoted over USD 70 Billion to facilitate India's transition from a fossil fuel importer to a generator of renewable energy. AEL currently houses pioneering ventures like Adani New Industries Limited (ANIL) for green hydrogen, where we plan to invest USD 50 billion across the value chain over the next decade. Our diverse businesses include Adani Airport Holdings Limited (AAHL) for airport operations, Adani Connex Private Limited (Connex) for data centres, Adani Road Transport Limited (ARTL) for logistics, Adani Petrochemicals Limited (APetL), Kutch Copper Limited (KCL), and our engagements in mining, natural resources, and commercial mining operations.

The hydrogen business is relatively new for India but solar power generation which is the biggest component in the hydrogen business is an established business for Adani Green Energy Limited (AGEL). Two essential factors governing the operations in this business would be the source of energy and the feasible extraction of that energy. Presently, our available land resources enable us to generate over 40 GW of solar power. We maintain a strong focus on cost efficiency, aiming to manufacture solar modules at a competitive rate of 15-17 cents per module. Furthermore, our projections indicate that we can produce hydrogen at an operating cost of as low as 30 cents per kilogram. Essentially, we view ourselves as foraying into the energy business, rather than limiting ourselves to the hydrogen business.

We, at Adani, operate seven airports that account for 23% of the total air traffic in India and control over 50% of the nation's top domestic routes. With passenger numbers accelerating across our airport platforms, we are committed to providing a hassle free, smooth, and consistent passenger flow by enhancing the overall experience at the airport.

Traditionally, airports have been designed and constructed based on the capacity required during peak hours which is a very small fraction of the total operating hours of an airport. This approach results in the front loading of capital expenditures and non-efficient operations due to the established capacities not being utilised during non-peak hours. On a proof-of-concept basis, we initiated the 'Head to Shoulder' strategy at Ahmedabad Airport aimed at softening the peak. This strategy has yielded phenomenal results inspiring us to extend this best practice across all our airport platforms.

Additionally, non-aeronautical revenue is essential for the financial success of airports. A comparison of airports in India with global benchmarks, reveals that the non-aeronautical revenue generated by Indian airports is significantly lower than that generated by airports in Asia Pacific and beyond. To illustrate this, airports operated by the Airports Authority of India (AAI) yielded a mere USD 2.0 per passenger in non-aeronautical revenue, compared to the global average of USD 6.9. Even when compared to the Asia Pacific average of USD 6.5 per passenger, the AAI average suggests significant headroom for growth. This highlights the tremendous untapped potential for airport operators to expand revenue from non-aeronautical business.

Our ambitious plans for the airport business includes expanding our investments to further develop the non-aeronautical segment. Fuelling our enthusiasm even further, we anticipate that our

Through our visionary approach to CSD, we envision creating a city within a city, centred around the airport. By enhancing the areas beyond the airport premises, we aim to cultivate a dynamic ecosystem that offers unparalleled experiences and opportunities. This unique value proposition positions us to strongly tap into the largely untapped non-aeronautical market.

non-aeronautical business will be the driving force behind over 85% of our operating profits. Our non-aero segment presents us with an exciting opportunity to extend our value to consumers innovatively. Our offerings encompass diverse services, including Duty-Free, Retail, Food and Beverages, Lounge Services, and Meet & Greet Services, among others. Airports have evolved from being mere travel destinations to vibrant lifestyle destinations. Our vision is to develop pioneering airport enterprises that serve as trendsetters, offering communities immersive experiences and a gateway to the world.

We envision the airport as a destination that caters to the needs of every stakeholder associated with it. Our Duty-Free / Retail services allow our consumers to access a wide variety of high-quality products at affordable rates. Through strategic collaborations with leading companies, we ensure that passengers have the opportunity to shop for their favourite brands and indulge in a wide range of food options, fostering a seamlessly integrated lifestyle experience.

We firmly believe that Indian airports should look beyond existing models and seek inspiration from international formats. We aspire to identify the most promising opportunities to develop other revenue streams and ensure the highest levels of operational excellence by:

- Continuously researching passenger needs and preferences to develop deep insights into consumer behaviour
- Developing a strong technology and analytics platform to capture and leverage data

This will allow us to drive meaningful engagements with the passenger before they commence with their journey and will also enable us to offer products and services that are aligned with the passenger profile and budget.

An airport must serve the community it fits in. Taking inspiration from our global peers, we are committed to transforming the land surrounding our airports into captivating destinations with many attractions. These attractions will include a wide array of amenities such as restaurants, aquariums, multiplexes, hospitals, luxury hotels, and more. We firmly believe in the immense potential of our City Side Development (CSD) initiative.

Through our visionary approach to CSD, we envision creating a city within a city, centred around the airport. By enhancing the areas beyond the airport premises, we aim to cultivate a dynamic ecosystem that offers unparalleled experiences and opportunities. This unique value proposition positions us to strongly tap into the largely untapped non-aeronautical market.

Our portfolio companies are committed to ESG principles and have embedded sustainability into all aspects of business. We at a Portfolio level have pledged to grow 100 million trees by 2030 on 1t.org the "Trillion Trees Platform" of the World Economic Forum at Davos in January 2023. This is the largest pledge by an Indian corporate to 1t.org and among the most ambitious corporate pledges globally.

At the core of our values lies a deep focus towards responsible practices and fulfilling our obligations to the broader community. We firmly believe in the importance of being an organisation that operates with integrity and upholds its commitments. We support the goals of the Glasgow Climate Pact to limit global temperature rise, contributing to a reduced carbon future. We have set targets and transparently disclose our progress towards greenhouse gas (GHG) emissions reduction goals. Each of our portfolio companies are working towards reducing its carbon footprint on the road to net zero.

We reinforced our position as an equal opportunity employer, providing a welcoming environment for talent from diverse backgrounds, experience, equality and fairness. Gender diversity has remained a priority; there has been significant progress in recruiting women across levels.

We are committed to growing with our communities and actively invest to enhance livelihoods, with initiatives cutting across health, nutrition, education, basic sanitation, women's wellbeing and skills.

Our soaring ambitions requires your constant support, and we are very grateful to our well-wishers for coming on this journey with us. We know there will be challenging times ahead, yet we remain steadfast in our commitment to enrich the lives of the community as we steadily progress towards a more promising tomorrow.

Warm regards,

Jugeshinder Singh

adani

Message from
CHIEF EXECUTIVE OFFICER

I am extremely delighted to share that we have achieved the milestone of transforming Mumbai's Chhatrapati Shivaji Maharaj International Airport (CSMIA) to one of India's first 100% sustainable airports.

Dear Stakeholders,

The past year has been a turbulent period for the global economy. Geo-political challenges emerged because of the Russia-Ukraine crisis, along with unstable economic outlook owing to the inflationary pressures. In this ambiguous backdrop, it has been increasingly challenging for businesses to stay afloat. Unfortunately, the aviation industry is amongst the most strongly impacted industries from the global disruptions. Soaring jet fuel prices has added greater strain to the already impacted financials of the airlines across the globe. As an industry, we are yet to scale back to the heights that we achieved prior to the Covid-19 pandemic. However, through all the challenges, AAHL steadily progressed towards newer milestones, while riding on our strong commitment towards sustainability, technology, and customer-centricity. I am extremely proud of our team's accomplishments and resolute nature in building a healthier and stronger company. We know that our industry is a resilient one. Together, with our customers and partners, we are charting the course for recovery as we innovate for a brighter, sustainable tomorrow.

In line with our vision to be a globally admired leader in the integrated infrastructure and transportation businesses, the Adani Group forayed into the airports sector in 2019. Now, we take pride in operating an integrated network of eight airports across the country. We are set to manage and develop six airports i.e. Ahmedabad, Mangaluru, Lucknow, Jaipur, Guwahati and Thiruvananthapuram for the next 50 years. Increasing involvement of the private sector in developing and evolving the airport industry in the country has allowed us to expand our horizons. This allows us to leverage our expertise in the domain of infrastructure, further, contributing to our wider objective of nation building.

Industry stakeholders are set to engage and collaborate with policy makers to implement efficient and rational decisions that would boost India's civil aviation industry. Owing to the right policies and relentless focus on quality, cost and passenger interest, India has become the third-largest aviation market in the world and is growing rapidly, with the number of airports, increasing to 147 from just 74 in 2014.

The global aviation industry is resilient and on the rise. After the worst downturn the industry has ever seen, we are on an accelerated trajectory towards bouncing back to pre-pandemic levels. The importance of the aviation industry was strongly highlighted during times of crisis. Many governments recognised aviation industry's vital role as an economic lynchpin. We observed several measures being implemented in an attempt to bring relief to airlines-in-need. The recovery of domestic markets was dependent on the regulations across individual geographies. Asian markets halted the growth trajectory of the global industry as the Chinese economy witnessed another Covid-19 scare, resulting in drastic measures under its zero-covid policy. Tightened corporate budgets has reduced the demand for economy and premium class travel but the reduced airfares have put an upward pressure on the demand for air-travel. However, in growing numbers and with rising excitement, people are again enjoying the freedom to travel, to connect with one another, and to see the world. By the end of 2023, most regions will be at, or above pre-pandemic levels of demand.

The demand and capacity of India's civil aviation sector has clocked robust growth. The Indian aviation market is set to become the third largest by 2024. Post liberalisation, private sector participation in the sector has been rising. An increasing number of airports are being developed under the PPP model, owing to the rising efficiency and innovation that the private sector brings along. The nine airports being operated under the PPP model are expected to witness significant growth in their revenues in the coming years. This will be on the back of an anticipated 70% YoY surge in passenger traffic, which is likely to reach 93% of pre-pandemic levels in the current financial year. In addition to this, India's GDP growth and its multiplier effect on air passenger traffic growth - with favourable demographics of a rising working population - augur well for Indian operators.

AAHL's Vision for Tomorrow

AAHL envisages a future, where the airport is more than just a medium of connecting two destinations. We aspire to transform the consumer perception of an airport to that of a lifestyle destination. The visionary approach of the Adani Group finds its presence in our business as we continue to evolve towards a promising future. With a focussed mission of modernising the airport experience, we attempt to integrate technology and instil the highest standards of quality through all our processes. It is of utmost importance to us that a passenger can navigate the airport in a seamless manner. Our efforts to design the airport infrastructure to allow for maximum efficiency is a testimony to our commitment towards providing a superior passenger experience.

At the Adani Group, we believe in leveraging the expertise we have developed through our experience in a wide variety of sectors, especially in the domain of transport and utility infrastructure. Through Adani Airports, we aim to establish a deeper connection between a city and its airport, building shared facilities that cater to the dynamic global travel, life and work requirements. Adani Group's enhanced project execution capabilities, understanding of cost structures and friction moderation allows Adani Airports to achieve a level of operational excellence that serves as a benchmark for the industry.

Driving ESG Commitment

Backed by our sheer operational competency, we remain deeply committed to our objective of delivering sustainable value. We have established objectives, targets, processes towards absolute greenhouse gas emission reduction and are steadily moving towards achieving a net-zero status in long term. Managing an airport, unsurprisingly, is a very energy-intensive process. We have made efforts towards implementing energy-efficient technologies and are transitioning towards renewable sources of energy.

I am extremely delighted to share that we have achieved the milestone of transforming Mumbai's Chhatrapati Shivaji Maharaj International Airport (CSMIA) to one of India's first 100% sustainable airports. CSMIA was the first in India to launch hybrid technology which solely runs on green energy since April 2022, thus ensuring a highly efficient and low-carbon future for aviation.

Celebrating Excellence

The synergies brought about by the Adani Group, played an integral role in transforming the entire airport experience. Our excellence was recognised, and it is my pleasure to share with you some of the awards and accolades we were presented with throughout the year.

CSMIA

- Achieved ACI's Airport Carbon Accreditation (ACA) Level 4+ (Transition) Accreditation
- 'Cargo Airport of the Year' for the Fifth Consecutive Year in India, May 31, 2022
- Received the Best Sustainable Airport - Awarded by the Associated Chambers of Commerce & Industry of India (ASSOCHAM)
- Awarded the Energy Efficient Unit Award - Confederation of Indian Industry for Excellence in Energy Management 2022

SVPIA

- 'Best Airport by Size & Region' – Airport Service Quality of Airport Council International (ACI)
- 'Best Regional Airport of the Year' – Awarded by the Associated Chambers of Commerce & Industry of India (ASSOCHAM)
- 'The Voice of the Customer Recognition' – Recognised by Airport Council International (ACI) Airport Customer Experience

We aspire to continue our service of the highest standards and hope to achieve many more accolades in the years to come. We aim to achieve this by integrating technology at every step and keeping a customer-centric approach at the core of our actions.

Serving the City

At AAHL, we aim to tap every potential opportunity in serving each and every individual in the city. The aeronautical and non-aeronautical business strategies are strongly focussed towards increasing the number of footfalls. We have also laid a strong emphasis on enhancing the City Side Development, so that we can closely meet the needs of our passengers and provide a wider range of offerings that go beyond the facilitation of travel.

Optimising Offerings

We are currently undertaking the construction of the Phase-I of Navi Mumbai International Airport, a greenfield airport, expected to commence commercial operations by December 2024. With an estimated capex of ₹ 195 billion, we are steadily preparing to enhance our infrastructure even further. Strategic control of Mumbai and Navi Mumbai will provide us with comprehensive control over the traffic of Mumbai City, allowing us to optimise our offerings.

Partnering for Growth

The PPP model has shown promising results and the Government of India is keen on encouraging further participation from the private sector to develop the airport infrastructure of the country. A National Monetisation Pipeline (NMP) has been launched for the monetisation of brownfield infrastructure assets with a combined worth of ₹ 6 trillion. As part of the NMP, 25 AAI airports have been shortlisted for monetisation by the Government over 2022 to 2025.

AAHL is keen on bidding for all the airports and will also look to acquire the minority stake of the Government in Mumbai airports. The bundling of smaller airports with major airports for greater scale provides an attractive package for potential bidders and will be something that we would be keen on capitalising for greater opportunities.

Upgrading City Side Development

In line with our agenda of transforming the airport to a lifestyle destination, we are laying a strategic focus on enhancing the scope for City Side Development. By developing an ecosystem that provides the world's best-in-class experience, we aspire to create destination magnets that would add value to customers in newer ways. Our association with top global brands will further enhance our offerings and strongly contribute towards the increasing air traffic that would follow. All the airports under the fold of Adani are city-centric airports in the prominent state capitals of India with a total 657-acre land available for City Side Development. The real estate developments we have planned to enhance the ecosystem range include hotels retail spaces, offices and even family entertainment venues.

Route Enhancement

Airport network connectivity has been viewed as an important factor driving airports' attractiveness to travellers and competitiveness in the industry. We have made strategic efforts to ensure that our route development is enhanced as to encourage maximum air traffic and efficiency. Through premiumisation of our route mix, we have attempted to cater to those areas with maximum revenue generating potential. We hope to target underserved international routes to widen our connectivity and improve the attractiveness of our various airport destinations.

Beyond Flight

Our non-aeronautical segment adds tremendous value to our entire range of offerings. The duty-free potential of the Mumbai Airport is at USD 8 billion (current value is 1.25% of the potential). We aim to strategically unlock this value through joint ventures, promotional campaigns and various innovative initiatives. Our duty free has been internalised through joint ventures and this partnership has been extended to all the Adani Airports to capture the value chain. By attracting exclusive top-tier brands, implementing robust customer service management and diversifying across several categories such as liquor, cosmetic and confectionary, we continue to raise the standards we have set in providing a complete airport experience.

Driving Growth through Technology

As we move ahead towards providing best in class service to our passengers, we are also invested in future readiness of our airports by digitalising the services and operations. Towards this, we are building a digital backbone that would not just ensure safety, efficiency and sustainability in operations, but help in providing a seamless and connected brand experience across Adani Airports. Ensuring digitalisation is as much a change management process, and to achieve this our focus is to also to design and institutionalise digital literacy across the Airport ecosystem.

Expression of Gratitude

At AAHL, we believe that the key to the success of any business is its ability to evolve with the changing times. Keeping this in mind, it is my pleasure to work with a team of individuals who are deeply motivated to bring change and are not hesitant to innovate. Our desire to continuously add value to the lives of our customers ensure that we adapt to their changing needs and provide service of the highest quality at each and every step.

Despite the very challenging and disruptive situations that have risen, we have remained steady and navigated challenges with the invaluable guidance of our Board Members. As we move ahead, I see a resilient and more agile company, with a strong desire to contribute to India's growth story.

To conclude, I would like to express my deepest gratitude to all our stakeholders for their continuous support. We are certain that the challenges have only resulted in us growing stronger, increasing our capabilities to carve a positive road ahead.

"Mushkilon ki Nahin Sunte,
Hum Kar ke dikhate hain."

Best regards,

Arun Bansal

Message from

HEAD - FINANCIAL MANAGEMENT AND CONTROL

We are also deeply committed to the prospect of sustainable value creation. Our efforts towards using green energy to the fullest of our ability, is sustained. We aspire to transition entirely to green electricity by the end of 2026 and have a well laid out decarbonisation roadmap, to further our cause.

Dear Stakeholders,

The last 2 years, once again provided the aviation industry the opportunity to demonstrate its resilience. Industry losses are expected to reduce to USD 9.7 billion in 2022, down from USD 42.1 billion in 2021. This would be a huge improvement from losses of USD 137.7 billion in 2020. As the industry moves from one challenge to another, it is only the most agile and resilient businesses that will emerge stronger in such an uncertain macroeconomic environment. The robustness of our Company has allowed us to navigate through another difficult year and also lay the foundation for future growth. The past fiscals have been an incredible learning opportunity for us all. As we evolve towards a brighter future, we have continued our efforts towards the financial restructuring process. On the back of our deep commitment towards the highest standards of corporate governance, we aspire to maintain the confidence of our stakeholders, as we continue to move in the right direction.

The role of the private sector in developing the infrastructure of the nation will be very essential. We, at AAHL, envisage a future where the airport is viewed as a lifestyle destination rather than a facilitator of the travel needs of the nation. Our focused approach towards enhancing operational efficiency to ensure a seamless passenger experience, is testimony to the level of service we aspire to provide.

Our Performance

At Adani Airports, the past year has been all about transforming the airport experience. In FY 2022-23, we managed passenger movement of 74.75 million, marking a remarkable 76% growth compared to 42.56 million passengers in the previous year. This growth can be attributed to our consistent efforts in making the airport an appealing lifestyle destination, as we progress steadily towards the upcoming fiscal year. Furthermore, the total cargo traffic for the year reached 9,44,912 MT, representing a 1% increase from 9,32,444 tonnes recorded in FY 2021-22.

Through the course of the previous fiscal, our airports handled a total of 5,43,737 air traffic movements (ATMs), which include all aircraft arrivals and departures to and from the airports. The growing Indian middle class and the democratisation of air travel has resulted it in being viewed as an increasingly viable medium of transportation.

We have commissioned Open Access Fuel Farm and allied in-To plane operations at Ahmedabad & Lucknow Airport during FY 22-23 and handled 2,20,208 KL of aviation fuel.

We have generated a revenue from operations of ₹ 5,951 Crores and subsequently an EBITDA of ₹ 1,728 Crores, for the fiscal year ending March 31, 2023. This was an increase from the combined income and EBITDA of ₹ 2,579 Crores and ₹ 1,060 Crores, in FY 2021-22, respectively.

Combined revenue from Aeronautical Operations was reported at ₹ 2,577 Crores in the fiscal year ending March 31, 2023, as compared to ₹ 1,149 Crores in the year ending March 31, 2022. This accounted for 43% and 45% of our total operating income in the respective periods.

Across the airport platform, we have opened 185 new stores/outlet for better consumer experience in all major categories like F&B, Retail, Services etc. The total stores/outlets at the Airport platform stood at 749 as on March 31, 2023 v/s 564 in March 2021-22 representing a 33% growth.

The Non-Aeronautical Operations and Other Income accounted for 57% of the total revenue which is equivalent to a revenue of ₹ 3,435 Crores for FY 2022-23. This is an increment from the revenue of ₹ 1,736 Crores. Representing a rise of 98% compared to FY 2021-22.

During FY 22-23 AERA finalised Aero Tariff for two airports i.e. AMD and IXE. This will enable us to fulfil our commitment to roll out capex plan and serve our passengers and stakeholders in better way.

Our growth trajectory in the medium term will be driven by our initiatives designed to modernise the airport infrastructure of this country. Our key partnerships with leading airlines will not only ensure greater connectivity but also the quality of service we can provide to our passengers.

The Road Ahead

In order to achieve the ambitious goals we have set for ourselves, we have adopted a well-structured approach to accelerate our progress. During the year, we successfully raised USD 250 million through a 3-year ECB facility from two international banks, with an optionality to raise additional USD 200 million. Subsequently, an additional USD 150 million was raised to set the first phase of our capital allocation plan in motion.

Furthermore, we have taken necessary steps to enhance our route development strategy. With the rise in affordable air travel and an increase in middle-class families, passenger traffic is bound to grow. To seize this opportunity, we have been regularly engaging with both domestic and international airlines to expand our capacity and initiate operations on new routes. The gradual transition towards a more premium route mix will also contribute to the revenue optimisation initiatives that we have undertaken.

The monetisation of newer airports, owing to the increasing popularity of the PPP model, has provided us with an opportunity to emerge as the most recognised airport operator of the country. In addition to this, we have attempted to enhance our existing capabilities through the augmentation of our cargo facilities. We have also made strides in our agenda of providing a seamless customer experience by improving our operational efficiency throughout the organisation.

Collaborative business relationship with digital partner for digital platform will enable creation of online sales channels for various products and services available at Airport and acquire a new customer base.

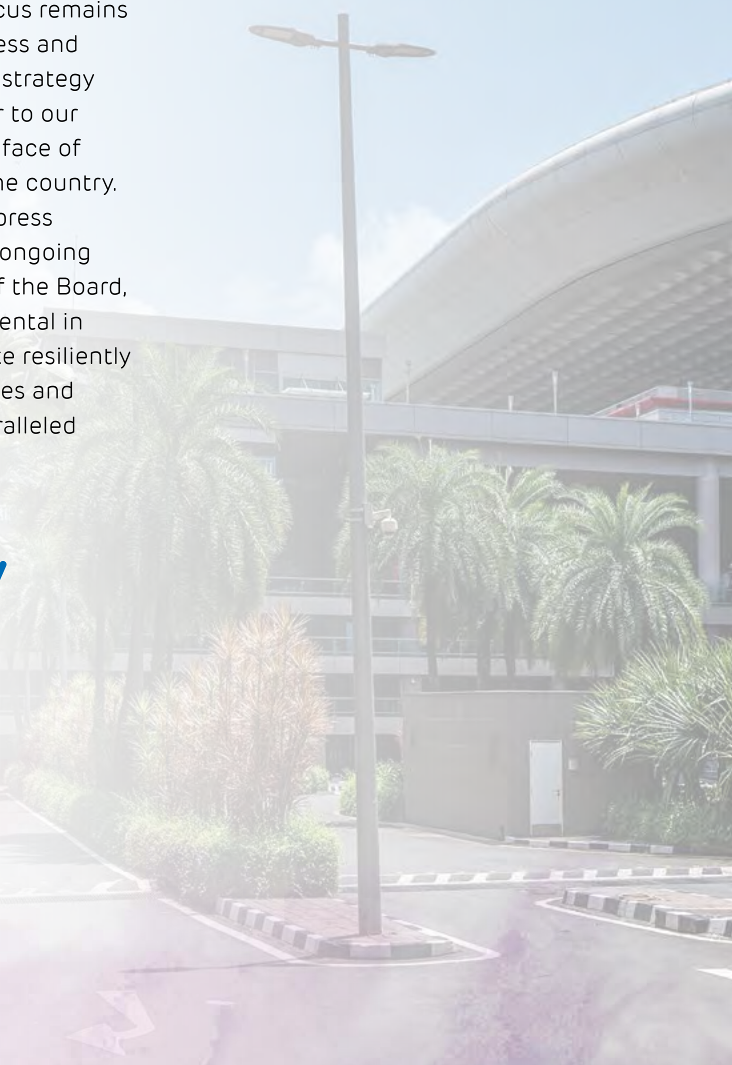
We are also deeply committed to the prospect of sustainable value creation. Our efforts towards using green energy to the fullest of our ability, is sustained. We aspire to transition entirely to green electricity by the end of 2026 and have a well laid out decarbonisation roadmap, to further our cause.

In Closing

During FY 2022-23, we established a clear direction for the Company, encompassing our purpose, ambition, and strategy. Through a thorough evaluation of the Company from the top down, we have identified key focus areas to dwell upon. Now, our focus remains on one thing, the seamless and effective delivery of our strategy that will propel us closer to our aspirations of being the face of the airport industry in the country. Lastly, I would like to express my appreciation for the ongoing support and guidance of the Board, which has been instrumental in motivating us to navigate resiliently through challenging times and deliver services of unparalleled quality.

Warm Regards

Rakesh Tiwary



Message for
AERO OPERATIONS

We have engaged the leaders in the market and looking to take a leap in the technology front. Several initiatives have been launched with a clear 5-year road-map being worked out to ensure the sustained improvement of this very important initiative.

Dear Stakeholders,

The Indian airport industry is going through rapid transformation. In the process of realising India's vision towards becoming a USD 26 trillion economy by 2047, the participation of the private sector in nation building is becoming increasingly essential. The initiatives by the government to liberalise business activities has been especially beneficial to the airport industry.

The growing popularity of the PPP model provides a tremendous opportunity for unlocking value. Despite the growing credibility of our nation, we remain among the least penetrated global aviation markets. With the projected growth of the Indian economy, government support and growing household incomes, India's aviation sector is poised to witness robust growth.

Our endeavour to modernise the airport experience requires us to consider the enhancement of several aspects of the business. However, it is the aeronautical segment that remains at the heart of our operations. This would encompass several segments such as route development, stabilisation of operations, safety and security measures, expansion plans, and carbon neutrality, among others. Through this communication, I aspire to take you through our journey of strengthening our core offerings, while giving an insight into what we have in mind for the coming years.

The Journey So Far

Stabilising Operations at Six New Airports

As we were navigating adverse effects of the Covid-19 pandemic, we undertook the responsibility of operating and developing six airports namely, AMD, GAU, IXE, JAI, LKO and TRV. Stabilising operations at these six destinations were of utmost priority to us. Rigorous planning and brainstorming sessions enabled us to identify the best approach towards an efficient takeover of operations. We took inspiration from the leading airports of the world to implement the best procedures at our airport venues. By collaborating with third-party business partners, we were able to better differentiate and diversify our operations for providing seamless experience to passengers.

Route Development

The route development strategy revolves around certain major objectives to enable the group airports increase their route network and strengthen their position in Indian and global aviation platform. These major objectives lay the foundation of overall route development and have been successful in growing the aero network of group airports. The FY 2022-23 was also envisaged to be a step-up point for building volumes and generating impact for the subsequent years, including development of hub and bank systems at strategic airports.

As we steadily progress towards and exceed pre-Covid levels, we lay a strong emphasis towards enhancing regional connectivity at all airports to facilitate the concept of gateway. A variety of route opportunities were identified to aid stronger volumes. Tactical partnerships with Indian carriers have also been established to ramp up capacities across Group airports. Dedicated destination marketing has assisted us in building demand. This, in turn, enhanced the attractiveness for new carriers, encouraging them to expand their flight offerings. This aspect of the work will be enhanced going forward in the coming years with close collaboration with state tourism entities, related stakeholders, airlines and supporting services.

As a result of our strategic and targeted route development, in December 2022, the overall passenger volumes at the airports of Lucknow, Jaipur, and Guwahati were at 3 to 11% higher level compared to the pre-Covid period, indicating strong confidence of Indian and foreign carriers at these markets. Carriers are also launching new routes from these airports. Major airports like Mumbai and Ahmedabad are already at nearly 100% pre-Covid demand levels, hence representing potential for enhancing airline presence in the coming financial year. We are also enhancing capacity at the touch-points to ensure a comfortable passenger experience.

Commencing Brownfield Fuel Farm Operations at LKO and AMD

The fuel farm is the heart of an airport fuel delivery system. Fuel farms are an efficient way to provide storage and dispensing of aviation fuels to multiple users at an airport. In FY 2022-23, the fuel farm facilities of LKO and AMD commenced operations. Commencement of fuel farm operations were enabled by proactive training of manpower and close coordination with several government agencies for the adaptation of the best safety measures.

We are also looking at enhancing infrastructures in our Group of airports by introducing fuel lines for a more efficient operations from the current system of bowsers/ tankers.

DigiYatra: Future of Air Travel

In line with Government of India's mission to launch airport-specific facial recognition technology DigiYatra, all our airports are aligned to adopt this technology. Passengers will be benefited as below:

- Contactless terminal movement
- Seamless passenger processing at airports
- Better experience with dedicated gates and hassle-free travel

By the end of FY 2022-23, our airports will have DigiYatra-enabled lanes with a plan to progressively add more lanes thereafter, depending on the adoption rate and stability of the initiatives and technology introduced. We are working closely with airlines and foundations to make this a reality as soon as possible.

Our Priorities Going Ahead

Technology has been a key enabler across various industries. At the Adani Group, we firmly believe in leveraging technology to enhance the quality of our process and also the level of service that we provide to our customers. Keeping the long-term view, we have initiated an ambitious Airport 4.0 programme. The strategy behind the programme is to enhance airport capacity utilisation, augment operational efficiency and increase revenue growth. By utilising new technology, maximising usage of data through innovative use of case and sensors, while ensuring an overall-simplified approach, will help us excel in the programme.

We have engaged the leaders in the market and looking to take a leap in the technology front. Several initiatives have been launched with a clear 5-year road-map being worked out to ensure the sustained improvement of this very important initiative.

In an attempt to develop a multi-year revenue growth trajectory, we plan to capitalise upon our airport group, draw synergies and scale operations. Some of the major initiatives for revenue optimisation include the development of newer international and domestic routes to cater to the increasing travel demands of the country. In addition to this, we hope to augment our cargo facilities through the commencement of cargo operations at JAI, IXE and GAU in FY 2023-24. Further, we plan to expand our capacities by 2.3 lac MT through integrated cargo terminals at AMD and LKO.

Our balanced approach towards expansion is not limited to the growth of our existing airports. This is to ensure we are in line with the growth trajectory of the Indian travel market whilst not adding to the cost of travel. The Ministry of Civil Aviation has recently announced their plans of privatising 11 airports of Airport Authority of India, including Kolkata, Jabalpur, Indore, Rajkot, Vijayawada, Raipur, and Amritsar. We welcome such moves to improve the infrastructure of the nation and will assist to participate whenever possible.

At AAHL, we remain deeply committed to carrying out our mission with environmental sustainability. Next to safety and security, this aspect of the operation is given its due attention. With CSMIA achieving ACA Level 4+ accreditation, we plan to transition our conventional energy consumption to green power. We hope that our efforts would lead us to achieving ACA Level 4+ accreditation at AMD, GAU, IXE, JAI, LKO and TRV in the coming years. All our airport is on the ACI Carbon Accreditation programme henceforth.

Note of Gratitude

An organisation can only last if it constantly strives to evolve and grow in the right direction. I believe that the relentless efforts of our team enable us to do just that. It is our goal to create value for our stakeholders. The challenges we have faced have only made us stronger and have positioned us to achieve our vision of being the future of the airport industry in India. I would like to extend my deepest regards to our customers, shareholders and business partners for their sustained confidence in us. Looking ahead, we will listen to your constructive feedback, serve you better and make the travelling experience a more pleasant one with positive lasting memories.

Warm regards,

Arun Bansal


You are boarding a lean, clean flying machi
IndiGo

Message from
CHIEF EXECUTIVE OFFICER - NON AERO

"We believe that an airport is no longer a travel destination but a lifestyle destination where different consumer segments fulfill different need states. Hence, we see ourselves not as a conventional airport operator but as a consumer-oriented retail business focused on Penetration, Conversion and Customer satisfaction.

Dear Stakeholders,

I am grateful for the opportunity to be able to share with you deeper insights into our non-aeronautical segment. Non-aeronautical revenue has become an increasingly important component of the airport business model and a driver of airport profitability. At several major global hubs, non-aeronautical revenue accounts for more than 50% of total revenue.

The non-aeronautical business is all about understanding the customer's needs, identifying opportunities to significantly develop revenue streams, and ensuring the highest levels of operational excellence to deliver a smooth and hassle-free experience for customers.

The Non-Aero vertical is typically divided into several Lines of

Business or LOBs. These are Duty Free, Retail, Food & Beverages, Advertising, Lounge, Ground Transport Business, Services and Meet & Greet. For each LOB, it is easy to rely on organic growth driven by increase in passenger traffic and growing disposable incomes. We however intend to reinvent the way the non-aero revenue stream is viewed, designed, and managed.

By developing a strong technology, research, and analytics platform, we have aimed to leverage data, consumer cohorts, insights into need states and thereby engage with the customers at a deeper level. This is allowing us to cater our commercial offerings to closely meet the customers need, both stated and latent.

By developing a strong technology, research, and analytics platform, we have aimed to leverage data, consumer cohorts, insights into need states and thereby engage with the customers at a deeper level. This is allowing us to cater our commercial offerings to closely meet the customers need, both stated and latent.

Over the last year we took quite a few bold steps, from focusing on developing our understanding of the consumer through specially commissioned research projects, leveraging our relationships to set up more economically viable commercial vehicles to developing skilled manpower and innovative concepts to engage the consumers. We also set up new lounges, automated the car parking & Pranam business and gave opportunity to globally famous local brands at our airports. These have helped us grow the non-aero revenues by 135%. The growth gives us confidence to continue with the initiatives from last year and the desire to explore newer avenues for growth in the coming year.

Our Way Forward

We believe that an airport is no longer a travel destination but a **lifestyle destination** where different consumer segments fulfill different need states. Hence, we see ourselves not as a conventional airport operator but as a consumer-oriented retail business focused on **Penetration, Conversion** and **Customer satisfaction.**

Our basic principles of maximising revenue will revolve around- **Customer Centricity, Collaboration & Digital Innovation** in the upcoming decade.

With customer-centricity at the heart of the business, the key focus for the coming year would be to provide a seamless shopping experience to our customers. We hope to do this by keeping our ear to the ground and investing a lot

of time & money behind consumer research and global benchmarking exercises.

Another initiative in enhancing customer experience is the deployment of new terminals across our airports. We plan to come up with new terminals in Ahmedabad, Lucknow & Guwahati in the 1-to-3-year horizon. This will help us increase the commercial area available for consumer interactions. Enhanced areas also give us an opportunity to introduce newer concepts and brands to positively impact our revenue.

Apart from the planned new terminals across existing airports we are also in the process of developing an entirely new greenfield airport at Navi Mumbai. This will help share the load of Mumbai International Airport and cater to the catchment around Navi Mumbai. A commercial area of more than 20,000 square metre will be available to set up state of art lounges, new concept stores & theme-based F&B and Retail offerings for our discerning flyers.

Collaborating with the right set of brands that bring in newer concepts and are constantly innovating to give our consumers customised offerings is also an integral driver of our revenue goals. The collaboration will not be limited only to the new airports or terminals but will also be an integral business driver at other airports which we operate. Through joint business planning with our concessionaries and regular customer engagement activities, we hope to achieve a high level of operational excellence at each of our airports. We will continue our focus to capture the entire value chain through the internalisation of high margin businesses such as duty free, F&B and lounge via the joint venture route.

We launched the Adani super app called Adani One last calendar year and have seen it grow by leaps and bounds. We will continue to leverage this unique opportunity to grow the non-aero revenue and aim to add other LOBs to the already existing digital portfolio comprising of Duty Free, Car Parking & Pranaam services. The loyalty program for Adani One users is also a lucrative offering driven by sharp consumer insights we gather during our regular course of research. This digital outreach of our airport services to the new age global Indian will give us an unexplored avenue of revenue generation and we are confident that it will grow to become a key contributor to the overall non-aero revenue in the coming years.

Closing Remarks

We have set ourselves an ambitious set of goals, and we are confident of achieving them. Manpower training and skill up initiatives bundled up with further investments in consumer research, automation & digital engagement are the core focus areas for us in the coming future.

Thank you,

Jai Hind!

Harshad Jain


FINE GIFTS
Niranta Transit Hotel & Lounge
Food Court
Garden /
UPTO
20%
OFF

adani

Message on
CITY SIDE DEVELOPMENT

We aspire to create destination magnets in the CSD land available on each of these airports, focused to cater to a diverse group of customers. Through our efforts, we aim to develop a strong ecosystem that provides world's best in-class experience with a focus on community, sustainability & technology.

Dear Stakeholders,

As we attempt to identify newer ways to meet the needs of our customers, we believe that enhancing City Side Development will add a unique value proposition to our offerings. Before diving deeper into the different paths through which we hope to evolve the customer experience, I would like to give some brief insights on what City Side Development is all about.

City Side Development refers to the development of real estate in the land surrounding the airport for the creation of several non-aeronautical facilities such as parking areas, restaurants, hotels, offices and so on. Airports are evolving to be a destination where people come to spend much more time and are eager to spend on experience. Going forward, airports are going to provide an attractive and value adding environment to bring, engage and retain consumers. The scope of consumers will expand from pure flight passengers to cover in-city dwellers, corporates, industry associations and events centres. The City Side Development model will significantly multiply the traffic flow to and from Airport/ Cities, to encompass the entire

Airport Ecosystem as an "Experience Destination Magnet".

We aspire to create destination magnets in the CSD land available on each of these airports, focused to cater to a diverse group of customers. Through our efforts, we aim to develop a strong ecosystem that provides world's best in-class experience with a focus on community, sustainability & technology. CSD focuses on this vision while developing complimenting concepts to multiply the traffic flow within the airport ecosystem. With a total area of 657 acres, available for City Side Development, we are very keen on providing greater incentives for customers to explore the entire lifestyle experience we hope to deliver.

Our development plan will include the building of top hotels, retail plazas, fine dining and theme restaurants, virtual reality parks, family entertainment concepts and office spaces to name a few. We aim to partner with top brands with the intention of creating an environment synonymous to quality.

With the proposed development of airport's surrounding land as "The Destination Magnet", the consumers will be attracted to our wide range of services and will be eager to spend quality time at those destinations. Consumers will benefit from the options of multiple avenues that will enhance the quality of the time they choose to spend with us, which will in turn benefit us through the increased footfalls. Further the crowd that will be procured through these destinations will complement the traffic flow at the airports, adding to a positive cascading impact on Airport Ecosystem, resulting in overall tangible as well as intangible development of these cities.

In the upcoming year, the execution of business plans will be a top priority for the City Side Development business. Further, the association with the top reputed global brands is being planned in each segment, with the objective of giving our offerings an extra edge. The designers, architects, construction, and execution team will be best in class to ensure execution of vision and operational excellence. With the tireless efforts of our team, I am certain that we will accelerate towards our vision of bringing the highest standards of services to the community.

Warm Regards

Arun Bansal

Navigating Uncertainties Through FOCUS AND FORESIGHT

The Indian Airport Industry is witnessing a phase of rapid transformation. The liberalisation measures have created an ocean of opportunities for the private sector to participate and tap into the vast market potential that the sector offers. As per Fortune Business Insights, the global airport services market is projected to increase from USD 97.87 billion in 2022 to USD 290.23 billion by 2029, at a CAGR of 16.80% during the forecast period. With a market size of USD 16 billion, India is the tenth-largest civilian aviation market.

The largely underpenetrated Indian market brings with it the opportunity for tremendous development. The encouraging demographics of our nation will have to be supported by robust infrastructure. Recognising the need for greater efficiency, the Government of India has shifted to the PPP model. This has provided private operators with the chance to transform the airport industry and mould it into an aspirational venue of global standard. Riding on a supportive regulatory environment, the airport infrastructure industry of the country is on the cusp of rapid modernisation, while replicating the accelerated growth trajectory of the nation.

The Adani Group's vision of pioneering the industrial sector in India is supported by the prospect of reshaping the country's airport industry. With the National Monetisation Pipeline (NMP), laying out a roadmap for the monetisation of 25 airports over the next three years, AAHL is keen to capitalise on the opportunity to maximise the presence of the Adani Group across the country. This would be an essential extension of the diverse transport infrastructure portfolio established over the past decade. AAHL's expertise and project execution capabilities developed will allow for the revision of a redefining trend-setting experience.

OPPORTUNITIES IN THE INDIAN AIR TRAVEL SECTOR

Increase in Per Capita Income: The nation's growing per capita income will result in increased discretionary spending from the population. This is further expected to fuel the demand for air travel in India.

Affordable Air Travel: A range of financing options, coupled with the growing Indian middle-class population, has made air travel more affordable to a broader section of the economy.

Increase in Student Passengers: An increase in educational hubs around the country and an improvement in the quality of education offered by Indian institutions have resulted in an increase in student passengers. This has provided the airlines industry to cater to another growing market segment.

Competitive Pricing: New entrants in the airline industry have led to competitive pricing strategies amongst industry players. This, in turn, has proved to be beneficial to the customers in the form of increased options and reduced prices.

Rise in No-visa Arrangements: India's international efforts and its growing presence in the global economy have resulted in a rise in no-visa arrangements. Indian passport holders can now visit 59 destinations worldwide without visas, which is expected to grow in the coming years.

Widening Network: The massive growth in the number of operational airports in the country has vastly improved connectivity across destinations. This has further enhanced the convenience associated with and stimulating the demand for air travel.

Increase in Business Travel: As economic activity resumed post the pandemic, the need for business travel has rapidly picked up. Greater globalisation in the corporate world requires greater connectivity and air travel continues to serve as a medium.

Visiting friends and Relatives (VFR): The pandemic has allowed people to realise the growing importance of spending time with loved ones and cherish the time given to them. As a result, an increase in family vacations and other tourist activities are expected to act as a growth driver for air travel in India.

Easy Financing: The greater comparability within prices and information available to the consumers ensures that purchasing tickets and financing travel becomes as seamless as possible, further encouraging air travel.

Wellness Travel: The growing intensity at workplaces and the rising awareness towards prioritising mental health has resulted in the growth of wellness tourism. This is expected to be a key driver of demand for Indian Air Travel going ahead.

STRATEGIC IMPERATIVES

Airport Capacity Augmentation: Airport network enhancement: With rising affordable air travel and increase in middle class families, passenger traffic is bound to grow. To harvest the opportunity, we regularly interact with both domestic and international airlines to increase capacity and commence operations in new routes.

Enhancing Brand Capital: The Adani Group's broad infrastructure and utility portfolio has resulted in the formation of a brand synonymous with the nation's robust infrastructure. Our brand capital allows us to collaborate with top airlines and partner with the right brands. This would enhance our ability to provide a holistic experience and cater to the customers' aeronautical and non-aeronautical needs.

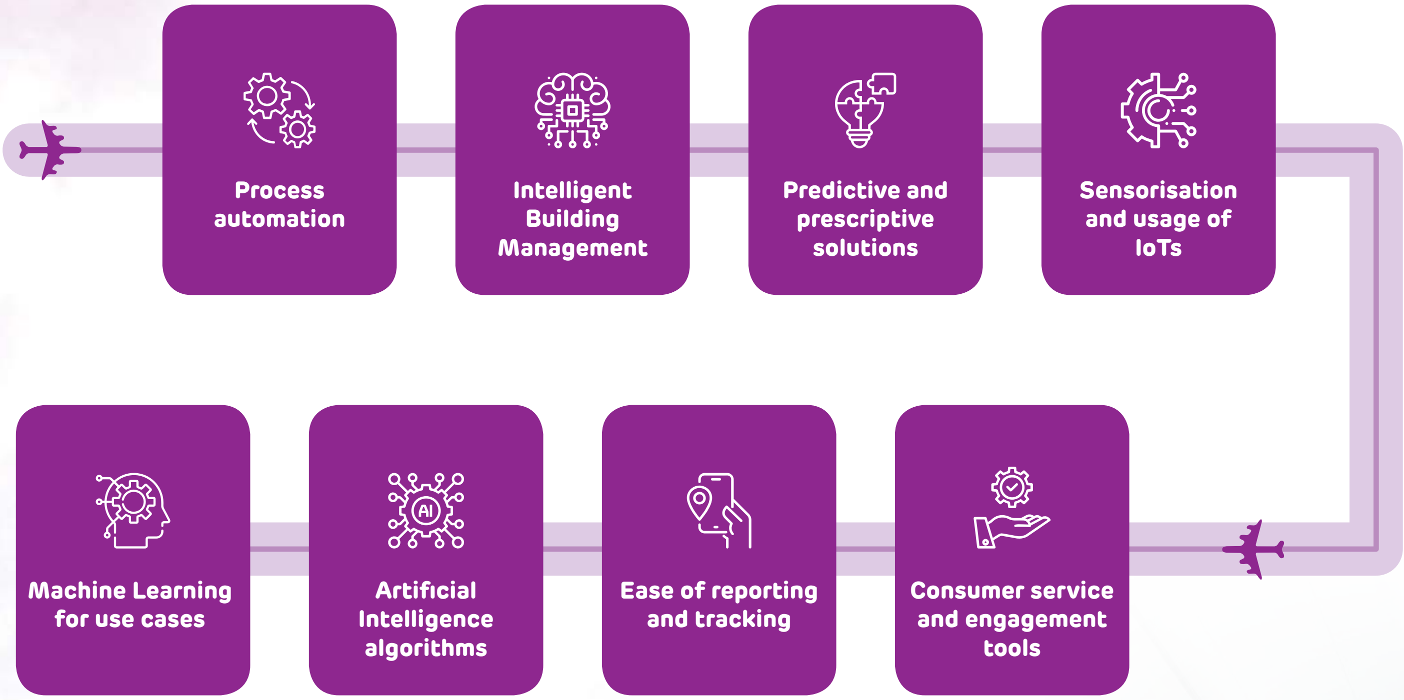
Augment Duty-Free Operations: The Duty-Free segment is considered an integral part of the airport experience. The variety of brands mainly available contributes towards enhancing the attractiveness of the different venues. By expanding the duty-free operations, we believe we can provide a unique value proposition that would also allow for the generation of an alternate revenue stream.

Enhance Business Efficiency and Productivity: The nature of the airport services industry demands operational efficiency of the highest order. Through rigorous planning and brainstorming sessions, we have identified key focus areas for streamlining operations. We have taken inspiration from leading airport operators worldwide and have replicated some of the best practices to offer superior quality service. We have also collaborated with third-party business partners to differentiate better and diversify our operations to provide passengers with a seamless experience.

Integrate Digital Platform: In near term we plan to leverage on digitisation in a big way by integrating technology that would transform the operations across airport and benefit all stakeholders especially the passenger.

Keeping long term in view, we have initiated an ambitious Airport 4.0 program. The strategy behind the program is to enhance airport capacity utilisation, increase operational efficiency and revenue growth utilizing new technology, maximising the usage of data through new and innovative use case, sensors, and simplification of both

Implementation of above strategy would be enabled through:



With all above enablers in place, we target to increase productivity, passenger convenience and throughput increase.

Strengthen Environmentally Responsible Infrastructure: At AAHL, we remain deeply committed to nurturing our growth sustainably. We continue paving the way for adopting solar energy as an alternative to conventional fossil fuels. In our journey of transitioning to greener consumption, we are substituting non-renewable energy with renewable one wherever possible and formulating low-carbon substitutes for energy-intensive processes. Our busiest airport CSMIA has entirely switched to green sources for its energy consumption needs, making it one of India's 100% sustainable airports.

PROPELLING VALUE CREATION

Strengthened Relationships: Our strong brand image allows us to attract right partners to foster our growth. Collaborating with the world's finest brands has enhanced the scope of services we can offer our customers. In addition, partnering with top airlines has aided us in developing strong connectivity between our various destinations. With our wide group of stakeholders' collective efforts, we always aspire to take the right steps forward.

Multiple Revenue Sources to Drive Progress: We have strategically developed multiple revenue sources, resulting in a well-diversified revenue mix. These encompass earnings from our City Side Development (CSD) and non-aeronautical segment, in addition to aeronautical revenue. By aligning our approach with globally recognised business models, our objective is to make steadfast advancements towards the promising opportunities that lie ahead.

Consistent Project Deliveries: At AAHL, we are confident in our ability to successfully execute the strategic roadmap we have laid out for ourselves and steadily progress towards a brighter tomorrow. The diverse infrastructure and utility portfolio of the Adani Group has resulted in us developing superior project execution capabilities. Being associated with several project-centric conctractors, the Company prides itself on consistently delivering quality work within the desired time frame.

Commitment towards Renewable Energy: Despite our accelerated growth trajectory, we have remained deeply focused on our environmental commitment. We are constantly optimising our operations and adopting energy-efficient technology solutions to update our systems as we progress towards the goal of sustainable development. We drive sustainability initiatives as a principle rather than mere practice. With CSMIA achieving transition to 100% green electricity, we plan to transition our conventional electricity consumption to green electricity at all our remaining airports.

adani

Common Aspirations.
COLLECTIVE GROWTH.

At AAHL, we view our stakeholders as partners in our journey to deliver long-term value and our growth is closely interlinked to our approach towards managing their expectations. We are committed to creating value for all our stakeholders in a manner, which is sustainable, transparent, and inclusive.

OUR APPROACH TO STAKEHOLDER ENGAGEMENT

Effective stakeholder engagement is key to delivering on our strategic objectives as it offers us an opportunity to understand their expectations, address their concerns and helps us in prioritising our focus areas. Our stakeholder engagement mechanism is guided by our policy which is further aligned with global best practices and equips our business to have a consistent approach to the way they engage and communicate with their stakeholders.

Our conversations with the stakeholders continue throughout the year through multiple channels of communication. The insights we garner from these initiatives are extremely valuable, helping us continuously improve our approach and operations. We also have regular feedback and grievance redressal mechanisms as integral aspects of the stakeholder engagement process.

Key Stakeholder Groups	Significance	Mode of Engagement	Frequency	Key Expectations
Employees	Key to the success of our business; their efforts are instrumental in delivering our strategies and for sustained business growth	○ Employee engagement survey ○ Town-Hall meetings ○ Performance appraisal reviews ○ Training Programme ○ Intranet Portal, in-house newsletters ○ Rewards & recognition programme ○ Grievance redressal mechanism ○ Employee well-being programmes ○ HR Interactions	Continuous	○ Training and skill development ○ Employee well-being ○ Health and safety ○ Career Growth ○ Working Conditions ○ Fair wages ○ Rewards and recognition ○ Transparent communication
Customers	Drives the market segments	○ E-mails and meetings ○ Customer Feedback Surveys 24*7 customer care	Continuous	○ Service quality ○ Timely delivery ○ Sustainable Products ○ EHS Mgt. Systems

Airlines and Ground Handlers	Drive traffic to our airports and are a key stakeholder for the business	○ Meeting with Airline representatives ○ Conference and forums ○ Feedback ○ Airport Facilitation Committee ○ Stakeholder engagement ○ Trainings and workshops ○ Control centers ○ Safety audits	Continuous	○ Connectivity ○ Airport safety and security ○ Airport Planning and development ○ IT enabled system and technologies ○ Opportunity & competitive environment ○ Frequent communication, interaction & relations
Investors & Shareholders	Providers of financial capital essential to fund growth	○ Annual General Meeting (AGM) ○ Quarterly/ Annual results ○ ESG Reports and disclosures as part of AEL	As required	○ Sustainable Growth and returns ○ Risk Management ○ Corporate Governance ○ Better disclosures, transparency, and credibility of financials
Government & Regulatory Bodies	Ensures compliance and business continuity in line with regulatory obligations as well as changing policies	○ Meetings; Formal Dialogues ○ Telephonic communication ○ Video conferences ○ Email ○ Reporting to regulatory and statutory agencies in compliance with regulatory requirements	As required	○ Compliance to laws & regulations ○ Tax ○ Pollution prevention ○ Local economy growth and Community development ○ Transparent disclosures (annual report, BRSR etc.) as part of AEL
Community & NGOs	Conducive working environment ensuring social support, avoid hostility, community agitations and protests; create shared value	○ Community meetings ○ Corporate Social Initiatives ○ Traditional and social media	Continuous	○ Welfare and empowerment of local communities
Suppliers	Provide us operational leverage to optimise value chain, be cost competitive, sustainable and exceed customer satisfactions	○ E-mails and meetings ○ Contract negotiations ○ Supplier evaluation /due diligence ○ Seminars and conferences	Continuous	○ Fair and long-term business relations ○ Timely Payment ○ Capacity Building ○ Transparency
Industry associations	Develop network and enable consensus building to present a unified and mutually agreeable perspective to the Government on various policy intervention	○ Events ○ Conferences/Seminars ○ E-mails	As required	○ Knowledge sharing ○ Compliance with Industry Standards and Regulations
Media	Medium to reach stakeholders to communicate about Company's vision and initiatives and drive corporate equity.	○ Press releases ○ Interviews ○ Media events ○ Emails and telephonic communication	As required	○ Outlooks and announcements

Creating, Sustaining and SHARING VALUE

The resources we rely on... **...to convert our business model...**

Financial Capital
- Total Assets: ₹ 40,398 Crores
- Total Equity: ₹ 5,425 Crores
- External Debt : ₹ 11,774 Crores

Manufactured Capital
- Aeronautical and Non-Aeronautical Infrastructure including terminals, technical facilities, Duty-Free.
- Total investment for property, plant and equipment: ₹ 31,836 Crores

Intellectual Capital
- Concession rights to operate airports
- IT infrastructure
- Big data analytics
- Robust governance structures rooted in an ethical culture
- Employee skills and technical expertise

Human Capital
- Number of Employees: 1,789
- Total training hours: 8,652 man-days
- Customer-centric culture
- Occupational Safety and Health

Social and Relationship Capital
- Proactive engagement and dialogue with stakeholders through wide range of channels.
- Policies guided by ESG principles
- 28 ISO Certifications

Natural Capital
- Efficient use of energy, materials and water
- Energy consumption: 322849 MWh
- Water intake: 18,16,279 KL
- ACA level 4+ for Mumbai International Airport Limited
- Waste management and noise management initiatives
- Biodiversity protection

Strategies

- Provide customer experience of the highest quality
- Integrate sustainability with business operations

...for the best possible outcome

Financial Capital
- Total Revenue: ₹ 6,012 Crores
- EBITDA: ₹ 1,728 Crores
- Credit Ratings:
  - India Ratings A+ (Stable)
  - CRISIL A+ (Negative)
- External Debt/ Total Equity Ratio: 2.17

Manufactured Capital
- Total Aircraft Movements: 5,43,737
- Total Passenger Traffic Movement: 74.75 million
- Total Cargo Handled: 9,44,912 MT

Intellectual Capital
- Efficient business operations
- Safety and security of airports
- Contactless airport technology
- Improved passenger experience

Human Capital
- Women Representation in the Workforce: ~ 13.4%
- Percentage of female managers: 11.6%
- Percentage of employees trained: 92.6%
- Lost Time Injury Frequency Rate for employees: 0%

Social and Relationship Capital
- Strong relationships with all stakeholders.
- Talent attraction and retention
- Community well being
- Superior customer experience and satisfaction

Natural Capital
- Reduction in CO2 emissions: 45998tCO2e
- Quantum of water recycled 2,03,520 KL
- 2,303 tonnes of waste recycled
- Renewable energy generated: 10,043 MWh

AAHL's aim for value creation

Value creation for Earth (Focus on cleaner technologies, climate action initiatives etc.)

7 AFFORDABLE AND CLEAN ENERGY
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
13 CLIMATE ACTION
14 LIFE BELOW WATER
15 LIFE ON LAND

Value creation for cities (Better infrastructure, clean water, etc.)

6 CLEAN WATER AND SANITATION
11 SUSTAINABLE CITIES AND COMMUNITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
14 LIFE BELOW WATER

Value creation for people (Solutions to their problems)

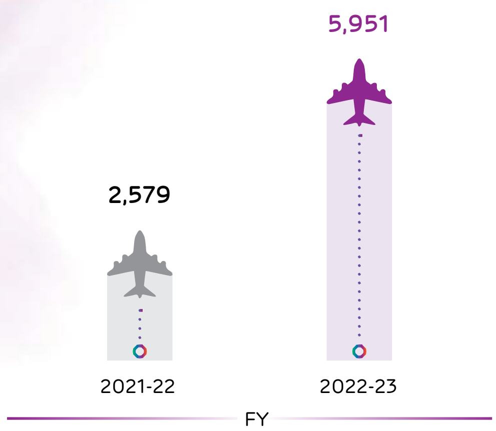
SDG linkages to our value creation journey:

3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
5 GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH
10 REDUCED INEQUALITIES

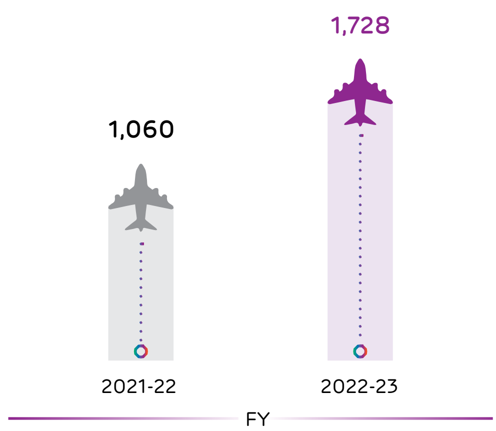
Financial Capital

At Adani Airports, our financial capital stands as a key enabler of our continued success. Our commitment to developing world-class infrastructure is powered by strategic investments in state-of-the-art terminals, runways, cargo facilities, and ancillary infrastructure.

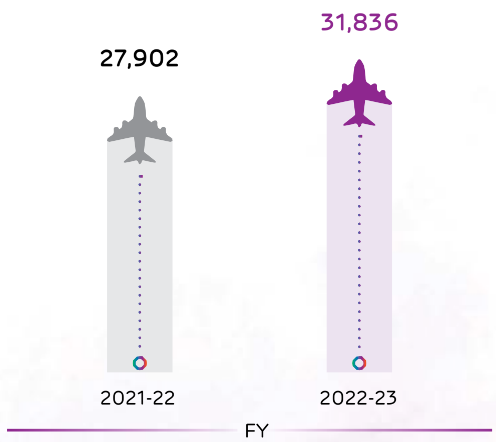
Revenue from operations (in ₹ Crores)



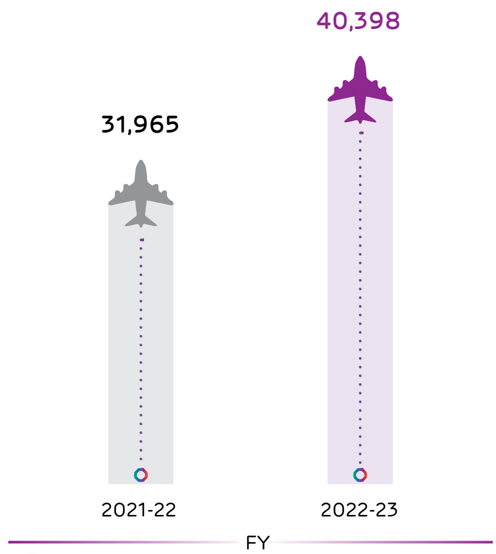
EBITDA (in ₹ Crores)



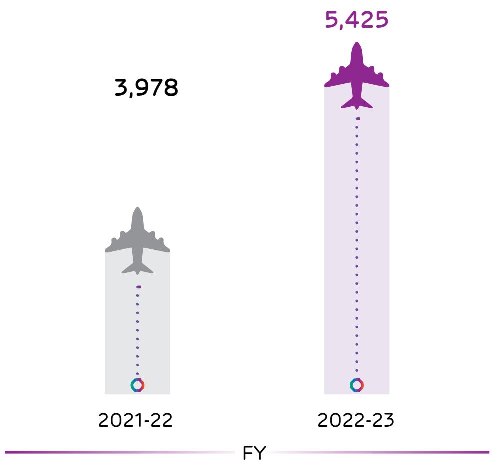
Total PPE (PPE + CWIP + ROU + Intangible) (in ₹ Crores)



Total Assets (in ₹ Crores)



Total Equity (in ₹ Crores)



ATM

PAX (in millions)

Volume cargo (in MT)

Manufactured Capital

As a leading player in the infrastructure sector, our manufacturing capital proves to be a key business differentiator, setting us apart from other players in the industry. With the establishment of our first-ever greenfield airport, we have received the opportunity to deliver unparalleled customer experience and facilitate seamless connectivity across destinations.

Navi Mumbai International Airport: A Gateway to Opportunity

Nestled among the newest extension of Mumbai, we are proud to bring to you Navi Mumbai International Airport (NMIA), India's first true multi-modal aviation & transportation hub providing air, road, suburban rail, metro, high-speed rail & waterway connectivity.

To meet the robust infrastructure that the busy city of Mumbai demands, the upcoming Terminal 1 (T1) will significantly augment the region's airport capacity, adding 40% more passenger handling capability.

Equipped with a parallel runway making it a first such runway for Mumbai Metropolitan Region (MMR)

NMIA is designed as an integrated domestic and international airport, fostering superior operational efficiency. Our focus on quick turnaround processes and streamlined boarding and departures ensures a seamless travel experience for our passengers.

NMIA to feature 'Swing Gates' enabling both domestic and international airports to operate from the same gate

By providing comprehensive connectivity options, we aim to elevate the region's transportation infrastructure and establish NMIA as a dynamic hub that facilitates convenient and efficient travel.

Passenger capacity

95 MPPA

Total area (Equivalent to 115 Azad Maidans)

2,860 acres

Total number of aircrafts that the airport can accommodate at a time

42

Vehicles that can be accommodated at the airport parking lot at a time

5,500

Terminal I — **2** CPPA

Terminal II — **3.5** CPPA

Terminal III — **2** CPPA

Terminal IV — **2** CPPA

PIONEERING ENVIRONMENTAL SUSTAINABILITY

Our commitment to sustainability will be reflected throughout NMIA, as we are dedicated towards building among the most energy-efficient and environmentally sustainable airports globally. In line with this commitment, Terminal 1 (T1) is being meticulously designed to meet the rigorous standards of Leadership in Energy and Environment Design (LEED) Gold certification.

First airport in India to offer dedicated SAF for aircraft refuelling

Another vital aspect of our environmental sustainability approach is the integration of electric vehicle (EV) infrastructure throughout the airport. EV charging stations will be strategically placed on the landside as well as airside areas, to facilitate the effective use of electric vehicles throughout the airport.

MILESTONES IN FOCUS

Phase 1/2

- Construction of southern runway to be completed, leading to an operational Terminal 1 (T1) by December 2024
- Airports in the Mumbai Metropolitan Region to benefit from an increased passenger handling capacity by 40%

Phase 3

- Starting in 2025, construction will commence on another cargo terminal and Terminal 2 (T2)
- The first of two automated people movers (APMs) will be developed, preparing the site for Terminal 3 (T3)
- An underground automated people mover line will be laid to connect to the proposed Terminal 4 (T4)

Phase 4

- Construction of Terminal 3 (T3) to commence by 2029 with the construction of northern runway
- The construction of T4 will depend on demand from other airlines and the capacity achieved in the previous phase
- The second APM will be initiated, providing passengers with transportation to the proposed 'aero city' featuring hotels and a connection to the proposed T4

Intellectual Capital

Our intellectual capital has propelled the growth of our Company, enabling us to streamline processes, enhance passenger experiences, and increase operational efficiency. We have leveraged cutting-edge technologies such as biometric authentication, artificial intelligence, and IoT to create smart airports that offer seamless and contactless customer experience. These innovations have helped us establish a strong foothold in the Indian aviation industry and position ourselves as a leader in airport management.

Digital Advancements during the Year

- We are proud to announce that we have successfully completed the onboarding process of all airports in our aero and non-aero platforms. This milestone achievement includes the hosting of the Airport Operations System for seven airports including MIAL on a single instance of the Azure cloud.
- The introduction of the 'MSDynamics' platform for non-aero operations is a key factor in improving revenue collection from concessionaires. The platform's Revenue Leakage Protection Plan and Control Centre features have been major enablers, allowing us to proactively identify and address revenue leakages.
- One of our most exciting developments has been the 'Desk of Goodness' an AI-enabled video analytics solution that proactively supports passengers in need, ensuring that every traveller feels safe, secured, and cared for.
- Our innovative 'Digi Yatra' platform has transformed the travel experience for our passengers by providing seamless service across identified touchpoints in the terminal. This pioneering technology will result in a remarkable increase in our operational efficiency and productivity, by as much as 15-20%.
- We have successfully implemented 'Automated Traffic Management Solution' across all Adani Airports, replacing conventional parking systems and significantly improving the management of airport traffic at landside.
- The successful rollout of our 'Cargo Management System' and 'Cargo Community System' has provided a much-needed boost to our operations, resulting in improved communication between all stakeholders and resulting in real time monitoring of inbound & outbound cargo.

Strategic Value Additions Propelling Growth

- Among our key advancements is the 'Passenger Processing System', a comprehensive solution that automates and streamlines the check in, security and boarding process for the passengers. This cutting-edge technology platform now integrates CUSS, CUPPS & BRS in a single Architecture hosted at Microsoft Azure Cloud, designed to optimise the passenger experience and significantly increase productivity by 10-15% from Terminal Entry to Boarding.
- We are delighted to announce the introduction of our new-age 'Smart Multi-Airport Operations Control Centre'. This facility employs data-driven scenario to enhance collaborative decision-making, leading to a host of benefits for our valued customers. By leveraging the power of data, we will achieve reduced operational costs, improved efficiency, and optimised resource allocation. In addition, this will allow us to consolidate our infrastructure and IT support system.
- The implementation of the 'Enterprise Service Bus' and 'Data Lake' will facilitate seamless integration of various systems. This, in turn, will improve decision-making and streamline processes through the exchange of flexible and reliable data. Furthermore, it will offer a scalable platform for the integration of new systems and applications, to accommodate expansion and evolution of our airports.
- The introduction of 5G technology at our various airport destinations will bring numerous benefits to our passengers, staff, and partners. With faster speed, lower latency, and more reliable connections, 5G technology will benefit in two distinct directions. On the one hand, passengers can enjoy high-bandwidth applications, and on the other, airport staff can gain real-time access to data to take more efficient decisions, resulting in improved operations. Concessionaires and airport applications will also benefit from this technology upgrade.

Adani One: Facilitating Seamless Experience.

The Adani One digital platform is the first step towards facilitating the Adani Group's digital ambitions. It is our passion to put our consumers at the heart of everything we do, creating a platform that seamlessly reaches out to the fringes and hubs of the nation. The platform is an effort to build a digital twin that will eventually parallel all our traditional consumer businesses creating the best user experiences. It aims to bring an exciting offering to our consumers, elevating their everyday experiences by combining comfort, quality, and ease-of-use while gathering valuable insights to help us create an unmatched experience. It will truly be ONE – One Nation Experience!

THE ADANI ONE VISION

To be a world-class leader in businesses that enrich lives and contribute to the nation in building digital infrastructures that connect Bharat and India.

THE ADANI ONE PURPOSE

To make a go-to platform for India and Bharat. We aim to connect more than a billion human stories to our Group and create an unparalleled eco-system that drives the nation's digital journey into the future.

We intend to provide

- World-class Customer Experience
- Convenience
- Comfort
- Trust
- Multiple Service Options

THE ADANI ONE OFFERINGS

Developed in-house, this app will enable users to digitally access several facilities such as:

- **Booking air tickets**
- **Booking Pranaam Meet & Greet service**
- **Checking flight status**
- **Using cab booking services**
- **Shopping for duty-free products**
- **Availing parking facilities**
- **Accessing lounges**
- **Ordering food and beverages at the airport**

Human Capital

At AAHL, we firmly believe that our employees are integral to our success, serving as the driving force behind our organisation. By fostering a culture of growth and meritocracy, we aim to create an environment where every employee takes pride in serving with passion. Our efforts towards empowering our employees reflect in the quality of service we have consistently replicated over the years. By harnessing the power of people, we remain committed to the objective of making a difference together.

OUR PEOPLE

Our people are our biggest strength and the single-biggest driver of our growth. Their passion, dedication, belief in the vision and unrelenting hard work is the driving force behind our success. Our employees are provided equal opportunities across the spectrum, industry-leading compensation and rewards, a safe workplace and an opportunity for continuous learning.

Total Employees at AAHL

	Workforce details					
	FY 2021-22			FY 2022-23		
	Male	Female	Total	Male	Female	Total
Permanent workers	323	74	397	341	73	414
Other than permanent workers	7,542	1,292	8,834	8,649	1,512	10,161
Total workforce	7,865	1,366	9,231	8,990	1,585	10,575

	Employee details					
	FY 2021-22			FY 2022-23		
	Male	Female	Total	Male	Female	Total
Permanent workers	999	156	1,155	1,397	184	1,581
Other than permanent workers	135	61	196	151	57	208
Total workforce	1,134	217	1,351	1,548	241	1,789

Employee Benefits

- Annual health check-up
- Parental leave
- Group death benevolent fund contribution
- Annual leaves
- Insurance and mediclaim policy

Learning and Career Development

Skill upgradation and performance enhancement of employees is vital for a competitive and successful organisation. With an aim to drive strategic learning and development through innovative and robust solutions, enabling individuals, teams, we plan to build an environment which allows our employees to grow, feel valued, and take pride in their work. We conduct regular training and skill development workshops for our employees to help them enhance their skills, become future ready, contribute better and reach their full potential. The Learning and Organisation Development team at Adani Airports works in different arenas of the airport business.

The culture and engagement of any team is hugely important to bring a radical change in any organisation and contribute to the overall development.

Adani Group aims to create a workplace for employees where they feel heard and empowered. The focus is to create an atmosphere which gives them autonomy to make decisions and build trust to keep them engaged and involved throughout their professional journey with Adani. We had tied up with Gallup to do independent Employee Engagement Survey that provides employees with a platform to put forth their opinion about the organisation, and their role, among others. The action plans were created for each asset on the areas which need to be worked on.

Adani Behavioural Competency Framework (ABCF)

The Adani Behavioural Competency Framework (ABCF) comprises 8 competencies and are an integral part of almost all the interventions that are being done at Adani Airports. The Learning and Organisation Development (L&OD) team does regular programmes for specific target audience on ABCF competencies. 694 employees were covered on the ABCF competencies training in the reporting period.

Design Thinking Interventions

We believe in building Self Organising teams at all Airports. To collectively reach the desired destination, Design Thinking interventions were planned over a period of 6 months in Ahmedabad, Lucknow & Mangaluru. The intervention focused on building cross functional teams and worked on live projects.

Strengthening Digital Orientation

The organisation believes it is individuals who bring change. With this thought in mind, we ensure it is not just the professional development of an individual which is important but also personal development. To promote the culture of digital learning, Adani Group has partnered with Skillsoft's Percipio platform. A suite of training programmes covering behavioural training, soft skills training, individual development training and ESG-related training programmes are devised and made available through this e-learning platform for all employees. Some of the training modules available on the portal are cyber security awareness training, Expert-Led Talks, Insider Trading, Institute for Supply Chain Management, Tech Talk series, Safety Modules. Additionally, particular training certifications are also provided on Cisco, AWS, HR Certification Institute, International Institute of Business Analysis (IIBA), Microsoft. through the platform. Further, specific training programmes are conducted for our Board and Director and Key Managerial Personnel with human rights, safety and ESG as core course subjects. More than 1,400 employees have been taking courses on the digital platform **eVidyalaya** consuming 3,965 hours of learning.

Adani Airports Service and Hospitality Academy (AASHA)

Adani Group's vision to transform Adani Airports to 'Gateway to Goodness' was on a strong belief that employees & stakeholders need to have a common understanding of customer service orientation to deliver enriching experience to passengers. The Service Academy at Adani Airports Adani Airports Service and Hospitality Academy (AASHA) has covered 22 stakeholders impacting more than 7,500 participants through 412 batches. To improve the customer experience and take the learnings ahead, on the job coaching and regular mystery audits are carried out at all our airports.

Adani Northstar 4.0: Owner-Manager Programme

We encourage our employees to further their professional development by continuing their formal education through enrolment in courses and degree programmes relevant to their profession. Adani Northstar 4.0: Owner-Manager Programme is aimed at developing future leaders who are agile to adapt successfully in a rapidly changing world, work environment and various organisational requirements.

Learning Interventions

The endeavour to learning interventions is to strengthen technical, functional and regulatory understanding thereby enhancing the capacity and capability of employees. The need for identified interventions and programmes is an outcome of Need Diagnostic Study and Focus Group Discussions conducted with Senior Leadership Team. All New Joiners undergo a detailed Onboarding and New Employee Orientation (NEO) to orient them towards Airports business, HR Polices, ESG strategy and Customer Service vision. In addition to the NEO, the new joiner also undergoes more than 15 Business Orientation courses over a 3-month period on various topics i.e., Airside Safety, Cargo, Terminal Operations, Regulatory.

Empowering Our Workforce

We believe we exist because of our customers and hence there should be all efforts towards customer service. It is of utmost importance and the quality to be best-in-the-world. With this objective in mind, we have established Commercial and Technical Academies at Adani Airports.

Commercial Academy aims towards Commercial Capacity and Capability Development including in-depth know how of Commercial function, Cadre Based Development, and Skill Based Interventions and was launched with structured intervention for all the cadres.

The **Technical Academy** with more than 220 training programmes, covering around 3,000 participants included DG Accreditation, Security Training, Compliance Trainings. Airport Operations, Engineering, and Regulatory Management (AOERM) programmes covered more than 1,200 participants in 44 batches of more than 600 total man days.

Over and above the monthly planned interventions in the Learning Calendar, various Learning & OD interventions are planned for identified employees such as Airport Operations, Engineering, Regulatory Management (AOERM), Executive Coaching for development of the Seniors Leaders, Percipio – e learning platform, Korn Ferry Certification process, Negotiation Skills.

Prioritising Well-Being

Health, happiness, and prosperity of all our employees and their near and dear ones is of prime importance to us. To honour this commitment, we conduct Well-Being sessions for all our employees. In FY 2022-23 we covered 433 participants on various topics e.g., Common Heat related illnesses & first aid, Awareness on Parkinson's disease, Haemophilia, AED & CPR, Hypertension, multiple sclerosis, Hepatitis, Office Ergonomics, Alzheimer, Lymphoma, Dizziness, Vertigo, Osteoporosis, Diabetes, HIV & AIDS, Leprosy, and Cancer Prevention.

Average hours of training and development per FTE (Full Time Equivalent) in FY 2022-23

200 hours

Average amount spent per FTE on training and development In FY 2022-23

₹ 10,000

PERFORMANCE REVIEW AND GROWTH

We have a robust Performance Management System (PMS) with an objective to establish utmost clarity in terms of the process to be followed at each step and what is expected from all the stakeholders involved. The process covers activities related to measuring performance of all employees as part of the year-end review, rating & promotion recommendation, moderation and individual feedback. We also have a Performance Review Group (PRG) consisting of a group of people who discuss the performance and behavioural aspects of an individual.

Learning and Career Development

Our employees have been a cornerstone of our success and we are dedicated to ensuring that we acknowledge and reward their high-quality output and contribution to our business vision.

At Lucknow Airport, we recognised and felicitated the excellent contributions and hard work of our employees, who always go the extra mile to ensure every passenger's comfort and safety. Thank you for inspiring us all.

Smt Richa Chauhan, who works at the 'May I Help You' Desk, is a favourite among staff members, senior citizens and frequent travellers, and manages all queries with diligence. Jaipur Airport's terminal team honoured her for her dedication and continued hardwork.

EMPLOYEE HEALTH AND SAFETY

Our employees are our greatest assets and core to our business operations and strategy. We strongly believe that the workplace for an employee should be full of new opportunities. We are committed to ensuring that our employees feel happy and motivated at work.

To engage, motivate and support the well-being of our employees, we provide them with numerous health coverage benefits. All our permanent employees and workers are entitled to insurance schemes such as health and accident insurance. Our employees can avail benefits of health coverage post-retirement, maternity and paternity.

We continue to undertake health and well-being initiatives such as health awareness talks, and programmes on mental health, among others, to serve our employees and their family members.

In our continued efforts to bring enriching experiences to our teams, Ahmedabad Airport held a session with Obstetrician & Gynaecologist on emergency handling & CPR sessions for female passengers. We are constantly working towards our airports a safe place with a passenger-first approach.

Case Study

Medical Services at CSMIA

Mumbai airport saw 2,422 participants in its various medical camps conducted throughout the year from April 2022 to March 2023.

Key highlights of medical services:

Activity	No.of activity in FY 2022-23	No. of participants in FY 2022-23
Health Camps	15	2,422
Free Speciality OPD	39	242
Health-related Webinar	23	1,311
AED & CPR Training	04	192

Three blood donation camps have been conducted with 1599 participants across the airport community. We also conducted Three bone density camps for osteoporosis, Three heart checkup camps, Three body composition analysis camps and an eye checkup camp. Two free diabetes camps have been conducted for the taxi drivers, stakeholders, and the local community.

- Blood Donation Camp at Cargo

- Blood Donation Camp at T2

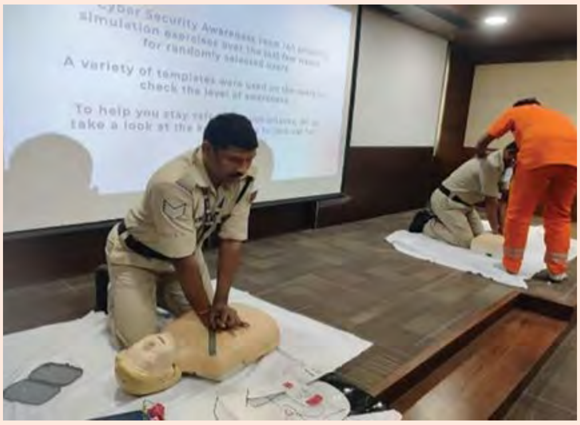
- Blood Donation Camp at T1

- Heart Check up camp on eve of World Heart Day at T1 & T2

- Bone Density Camp at T2

- Diabetes Camp at T2 and T1

- Trainings Conducted on CPR and AED for the Airport Community



Safety Governance

> We have implemented a strategic top-down approach for safety management which helps in institutionalising strong safety governance across our airports through well-defined safety accountability and responsibilities.

In order to contemplate appropriate safety measures and identify potential unsafe conditions in our operations & activities, it is necessary to create awareness, and improve competency and capability for hazard identification & risk mitigation. To enhance our focus on operational discipline and effective identification of unsafe conditions & at-risk behaviours, regular specialised safety trainings (technical as well as behavioural) are conducted relevant and unique to our operations.

Our capability and skill development processes are based on the training need identification, on the basis ofposition, individual and nature of job.

Our airports also have a robust Safety Management System which is integrated into our operations, starting from the conceptualisation of project to entire lifecycle of the project. Our routine and non-routine safety performances are tracked through risk identification studies like Safety Audits, Job Safety Analysis (JSA), and Hazard Identification and Risk Assessment (HIRA) process. We recognise the importance of stakeholder participation while integrating safety in operations. Thus, a participative and consultative approach is followed for engaging concerned stakeholders including employees, associates, and contract workmen through awareness programmes, trainings, and safety certifications, among others. Integration of safety in capital projects are carried out under 'Change Management' process.

Emergency Readiness

Ensuring the safety of our employees is always our top priority and is integrated into our business and operational strategy. Our airports have a certified robust Occupational Health and Safety Management System (OHSMS), covering customers, employees, stakeholders, contractors, visitors and community.

We recognise the importance of stakeholder participation while integrating safety in operations. Thus, a participative and consultative approach is followed for engaging concerned stakeholders including employees, associates, and contract workmen through awareness programs, trainings, safety certifications, etc.

We conduct periodic exercises and drills to check our emergency preparedness and train our people on safety and emergency procedures.

A Glimpse of Our Emergency Readiness

- A three-day disaster management mock drill, supervised by the National Disaster Management Authority & Gujarat State Disaster Management Authority was organised at Ahmedabad airport. Stakeholders and first responders were trained to enhance the preparedness of the airport emergency teams to respond to CBRN emergencies, such as threats from chemical, biological, radiological, and nuclear materials
- A fire safety training workshop was conducted by the airport ARFF team for the commercial store employees at Mangaluru Airport

- Guwahati Airport organised a mock Full Scale Aerodrome Emergency Exercise (FSAEE), in collaboration with Assam State Disaster Management Authority. The scheduled mock drill was conducted in accordance with the guidelines of the Directorate General of Civil Aviation. It further strengthened the efficiency of the airport operator and various stakeholders, in case of an emergency. It also validated the process set up in the aerodrome emergency response plan and the procedures followed by all stakeholders.

- National Disaster Management Authority organised a mock drill at Guwahati Airport, on the handling of CBRN (Chemical, Biological, Radiological and Nuclear) materials.

- Conducted a 'Certified Virtual Defensive Driving Training Programme' to educate employees on the do's and don'ts of driving and safeguard them and their families from the risks associated with driving.

- To mark the occasion of Fire Service Week, ThiruvananthapuramThiruvananthapuram Airport conducted a training session to raise awareness regarding fire safety among employees and stakeholders and honoured the firemen who led the rescue operation during the Killipalam fire incident.

- Mumbai Airport paid homage to the brave firefighters and organised training sessions on fire safety awareness, conducted drills, and held lectures on mental health and stress management.

Social and Relationship Capital

At AAHL, our social and relationship capital enables us to cultivate meaningful relationships with each member of the broader community. We firmly believe that customer experience is paramount in airports as it encompasses all interactions within the airport ecosystem. These interactions, whether in person, online, through self-service booths, or other channels, collectively shape the critical moments known as moments of truth (M.O.T.s). These moments significantly impact the overall customer experience, as they involve various entities such as airlines, border control, security checks, and concessionaires.

ELEVATING THE CUSTOMER EXPERIENCE

Our strategy for customer experience & quality is to drive a transformation from traditional customer Service-focussed on single interaction to an intuitive cx – smart, intelligent & hyper personalised experience throughout out the value chain. This can be achieved by consistently creating these Magical Moment of Truths across all key touch points in the customer journey in order to alter the brand perception and drive advocacy. The value proposition for airports is to reimagine the service impression by connecting the customers & employees through interlocking the multiple experiences and transforming into total experience for all stake holders.

Some of the key initiatives we implemented to elevate customer experience:

S. No	Notable Initiatives in FY 2022-23	
1	Technology Based Initiatives	
1.a	Voice of Customer (VoC) Digitised QR Code-based Feedback Mechanism	Deployed Feedback Mechanism for Digitised Collection of Feedback
1.b	Customer Relationship Management & Data Platform	A Single Platform for a 360-degree View of the Customer Behaviour. Customer Service Module Soft Launched
1.c	Centralised Customer Care Center for Unified Experience	For Regional Airports an IVR & Call Center Services Have Been Launched as it Was Previously Nonexistent
1.d	Pax Convenience Initiatives on Adani One App	Flight information, Services and Facilities of the Airports Made Available on Adani One
2	Employee Experience	
2.a	Employee Experience Enhancement	Training: All Customer-facing Teams to Have A Soft Skills and Etiquettes Training & Refreshers Including Stakeholders Over 6,500 Participants Trained from January 2022-November 2022 by Centum Learning & L&D Team Brand Identity: Uniform for all Customer Facing Teams
2.b	Celebrating Teams	Launch of Customer Service Week in line with Global Best Practices Celebrating t he Frontline Teams Reward & Recognitions of Teams & Stakeholders

S. No	Notable Initiatives in FY 2022-23	
3	Pax Experience	
3.1	Customer Excellence: CSAT & NPS for All Airports External Agency	- Agency Onboarded for Month-on-month Customer Feedback across 28 Touchpoints to Chart Strategy & Action Plan For Improved Experience and Bringing in Customer Centricity
3.2	ACI Customer Experience Level 1, 2 & 4 Accreditations	- Service Quality improvements via F&B Audits, IMS Certifications - ACI Customer Service Accreditations – AMD: Level 2, IXE: Level 2, BOM: Level 3
3.3	Pax Engagement & Experience	- Desk of Goodness, Automated Helpdesks - VoC-based Action Plan and Experience Enhancement
3.4	Cultural Connect of Airports with States	- Narrative through Art Interventions Enhancing Experience and Visual Delight for Pax
3.5	Defining Pax Experience for Refurbishment Projects & New Terminals	- Service Flow & Enhancements for Pax Experience - Facility Mapping Ensuring Comfort, Safety And Well-Being Of Pax - Art Interventions
4	Compliances & Process Enhancements	
4.1	Schedule H/OMDA & Quality Compliances	- Sch H Compliances Initiated for TRV, GAU & JAI Adherences for all Parameters for all Regional Airports and OMDA for BOM
4.2	ISO Certifications	- ISO 14001:2015, ISO 9001:2015, ISO 45001:2018
4.3	Kaizen Projects	- Kaizen Projects on Ops Efficiency - AWMS Implementation & Orientation

Operational Excellence

We continuously work towards meeting our customers' expectations and strive to deliver superior customer service. To ensure our customers have a memorable experience and a seamless journey at our airports, we made some significant changes to our infrastructure and introduced efficient operating systems.

Fully Automated Parking System at Mumbai and Thiruvananthapuram Airports:

Using self-ticket dispensers, guest's arriving in their vehicles can generate tickets at the entrance and make the payment quickly at the pre-payment counter and exit the parking within the allotted time by scanning their ticket. This facility not only reduces the wait time to enter and exit the airport but also eliminates the need for cash making the parking process quicker and convenient.

Automated E-gates at T2 at Lucknow Airport and T1 at Guwahati Airport:

These E-gates will enhance security, allow a faster entry into the Security Hold Area and also benefit passengers with reduced mobility by enabling them to pass through easily. All the passengers need to do is head to the E-gate and simply scan the QR code on the boarding pass.

A New Domestic-To-Domestic (DTD) Transfer Facility at Terminal 2, Mumbai Airport:

This facility will provide direct access to domestic departure concourse and ensure seamless connections and faster processing of passengers. The augmented infrastructure also includes 4 security lanes for a smooth and comfortable journey.

Wheelchair Assistance Desk at Mumbai Airport:

This has newly been installed at curb side, Lane 1, between Gate no. 1 & 2 to further assist passengers with reduced mobility. The desk will help them coordinate with the airlines or wheelchair agencies for a hassle-free journey.

New Resting Facility at Mangaluru Airport:

This is placed adjacent to the pre-paid taxi parking for taxi drivers operating from the airport. The area has multiple amenities to ensure they have a seamless experience.

Unique Integrated Security Check Point at T2, Mumbai:

This allows both domestic and international passengers to pass through the same security checkpoint thus, enhancing the travel experience.

Newly Inaugurated Extended Security Hold Area at Terminal 1 at Ahmedabad Airport:

The new arrangement will ensure a seamless security check-in.

Future Plans for Our Airports

Innovation

- Unified Data Lake: The airports strategic pillars for Customer Experience is to deliver a smart, intelligent & hyper personalised experience to all guests of the airports. The approach towards the same is by deep diving into the key customer cohorts of each of our airports and elevate their experiences by understanding their expectations better. The airports have already embarked on a digital journey to have a unified customer platform so that we are better equipped to handle the Customer Relationship. This is already live in Phase 1 and has 5,430 data points since January 2023.
- Digital Feedbacks are being captured via QR codes and Tablets that are enabling us to have an instant action-based VoC rendering the improved and enhanced experiences for all our guests. Deployed in select touchpoints, it has garnered 2,342 feedbacks for real time action & corrective measures since October 2022.
- Self Service: Self-service through chatbots, automated information kiosks and app-based services are keyways of empowering the customers with information across touchpoints at the airports without them running from one stop to another for services.

PRM Initiatives

The Desk of Goodness & REACH Programme is specifically designed to assist Pax with Reduced Mobility (PRM), Senior Citizens and First time Travellers where all teams come together to assist the pax navigate through their journey. This tech-based solution is using AI for identifying such cases and sending instant prompts to teams on ground to assist the guests in real time. Deployed at AMD airport from April 2022 onwards, so far the number of guests served are approximately 3,200. Going forward with the success at AMD, this would also get deployed across other airports. With new terminals and refurbishments coming up we are working to ensure all our terminals are PRM friendly spaces and focus on making their journeys a seamless one.

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Celebrating India's Rich Cultural Heritage

Our Fy 2021-22 Campaign #Onenationbillioncelebrations Won 2 Platinum Awards For Our Digital Marketing Campaign And Integrated Marketing Campaign Respectively At The Hermes Creative Awards 2022.

The Campaign Also Won Gold At The Dma Asia Echo Awards.

we also received 1 gold award for search engine optimisation, and also an honourable mention for one of our educational videos that focus on simplifying and enhancing our passengers' airport experience.

With travel picking up post covid the consumer behaviour has totally changed in terms of hygiene, safety and using local. Keeping that sprit in mind, a sustained passenger engagement at all airports was incorporated by bringing local art & culture of the regions for Airports to truly become a Gateway to the city/region/Country. This year we celebrated our festivals through our 'India celebration Starter' campaign. We decked up our Terminals with festive themed décor along with traditional art performances and engaging activities for our passengers and stakeholders.

- MaghBihu celebration at Guwahati Airport- Installed two splendid 'Mejis' at the departure and arrival hall, along with the traditional 'Xarai', filled with festive delicacies. We also distributed the traditional 'Pitha' and 'Laru' to our dear passengers and brought a big smile to their face.

- **Vishu celebration at Thiruvananthapuram Airport:** Hosted a fun painting activity, in which many passengers participated with a great festive spirit. The finished art pieces were then handed to the passengers as a gift.

- **Christmas celebrations at Mumbai Airport:** We joined hands with Iteeha to organise fun workshops for our passengers – including art & craft activity and making of paper bell ornament hangings. We hosted festive activities like cake making and introduced a special Christmas menu. A talented group of carol singers from Sacred Heart School and Church, Andheri, were invited and filled the terminal with their melodious voices.

- Flying high with the spirit of Onam, our Thiruvananthapuram Airport organised a Pookalam-making activity at T1 and T2, and hosted an art performance to celebrate the bountiful harvest. We also curated a special Onam Sadya for our team members.

- Our airport community displayed Kerala's rich culture through a song & art performance, along with a traditional Thiruvathira dance, to mark the beginning of the festivities.

- Mumbai Airport joined the festive fervour with a specially organised Ganpati Palkhi procession at T2, accompanied by dhol-tasha beats and traditional Lezim dance. The MIAL team was traditionally dressed and showcased the rich cultural legacy in unique displays.

- With this stunning décor, we celebrated the popular Dakhinpat and Garamur Satras at Guwahati airport, that make use of dramatic masks – displaying all kinds of otherworldly characters from Indian mythology.

- Thiruvananthapuram Airport continues to uphold the rich legacy of the auspicious Arattu procession, led by the Travancore royal family through our runway. We were immensely honoured to celebrate this holy occasion with the people of Thiruvananthapuram.

- To make the Christmas celebrations at Guwahati airport even more delightful, we invited a talented group of carol singers from a Convent School. We also organised a jolly-good parade, led by Santa, where drums were played and chocolates were handed out to our guests.

- On Children's Day, our Guwahati Airport organised a day full of fun activities for our little passengers. magicians, jugglers, and caricature artists entertained our guests and made this special occasion all the more memorable for everyone.

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- Mumbai Airport celebrated Independence Day with great patriotic fervour. Starting with the flag hoisting and Rashtriya Salute by the Chief Guest, we organised various activities like an inspiring demo by the CISF team, and a splendid dance performance.

- As the festive season is all about spreading happiness, Lucknow Airport took a unique initiative in which Christmas gifts were delivered to the homes of over 80 employees residing in Lucknow and brought a big smile on their kids' faces.

- 'Tis the season to be jolly, and the Christmas celebration started on a grand note at Jaipur Airport. We engaged our customers through different activities, such as greeting card making, recycling and décor with wastepaper, a Santa parade on live drumbeats, and much more.

Adding more delight to the Christmas celebration, we invited a special group of students for an insightful airport tour. We are glad we were able to create new joyful memories with them.

Celebrating Quality Month

We at #MumbaiAirport always strive to raise the level of quality awareness and stay true to our brand ethos and standards. So, this Quality Month, we spread this message by installing an engaging photo-booth for our passengers around this year's theme – 'Quality Conscience: Doing The Right Thing'.

This Quality Month, we at Mumbai Airport recognised the incredible achievements of our valuable partners in implementing quality practices. We awarded a trophy to one of our airline partners – Cathay Pacific, for initiating a health document check to enhance passenger convenience. For achieving excellent hygiene ratings, we felicitated some of our F&B partners – Litebite Travel Foods, Devyani - Airport Services, Travel Food Services, Haldiram's, and Mumbai Airport Lounge Services. We concluded the event with the cake-cutting ceremony, in the presence of our CEO. Along with that, we also distributed 750+ F&B discount vouchers to our dear passengers.

Passenger Feedback and Grievance Redressal Tool

We strongly believe that an effective management of customer relationship is crucial for long-term success of business. Our goal is to engage with customers, understand their requirements and improve customer experience by incubating value. In order to meet customer needs we have developed a robust customer relationship management system, processes, policies, and guidelines, while ensure a customer-centric approach in all our businesses.

Our customers can share their feedback through various channels which include:

- Emails
- Calls
- Website Form
- Social Media
- AirSewa
- Complaint Register
- QR Code-based Feedbacks
- Information Kiosks
- Feedback Forms

Timelines for closure of feedbacks, grievances (written in nature) are:

- As a compliance, all acknowledgements are sent to users within 24 hours of receipt of such issues
- As a standard compliance, all grievances are closed within 28 days of receipt with a final resolution. All queries are responded within 48 hours of receipt of such types.

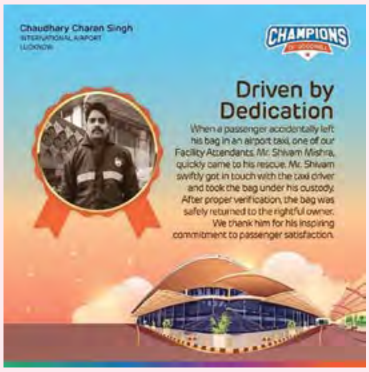
Celebrating Customer Service Week

#Celebrations at LKO

Celebrating Our Champions

#ChampionsOfGoodwill

Our people form the backbone of our operations and bring the goodness to our customers. We continue to reward and recognise our champions who have demonstrated exemplary acts of honesty and integrity and lead by example through their commitment and dedication.



Customer Health and Safety

Ahmedabad Airport launched a new UPI-based sanitary pad vending machine, which was inaugurated by, Minister of State - Health and Family Welfare, Medical Education, Govt. of Gujarat. Just scan the QR code and collect your pad.

OUR COMMUNITY REACH

Our core philosophy 'Growth with Goodness' emphasises supporting, enriching, and developing our communities. We believe that nation building is possible only through the collective growth of people as each and every individual plays a critical role in the advancement of the society.

As a responsible organisation, we continue to take efforts to engage and support our community stakeholders. With our vision to improve the quality of life through integrated and sustainable development, we undertake various CSR initiatives through Adani Foundation, the CSR arm of the Adani Group and AAHL assists Adani Foundation in such CSR initiatives.

The key strategic pillars of Adani Foundation are community empowerment, community institution building, leveraging government resources, partnership and networking, and evidence building to scale-up and replicate. Adani Foundation's CSR efforts are aligned to United Nation's Sustainability Development Goals (UN SDGs). We believe that everyone, individual deserves equitable access to opportunities and a fair chance to a better quality of life.

Employee Volunteering Initiatives

Our employees regularly participate in volunteering initiatives to effect change in the lives of communities. We take pride in creating these unique experiences that reinforce the strength of community connect.

With the aim to spread goodness, the HR team at Lucknow Airport recently started a special monthly initiative, where several employees came together to celebrate their birthday with the kids of the hardworking labourers, living in the Labour Colony at the T3 construction site. It was a delightful experience for everyone as they cut the cake together and listened to the dreams and aspirations of these kids. The highlight of this initiative was the splendid dance performance by the children. We also distributed various goodies and drawing kits to these kids, which brought a big smile to their face.

In honour of our brave soldiers, an enthusiastic team from Lucknow Airport participated in Soldierathon Vijay Run. It was a moment of great pride for us, as we were able to take part in such a noble cause for the nation.

On Children's Day we at Lucknow Airport spread happiness by inviting a group of kids from an NGO, called Lakshya, for a special airport visit. To make their airport tour memorable, a comfortable pick-up and drop-off facility was arranged with delicious snacks, and even handed over a goodies bag – containing drawing books, crayons, chocolates, and much more.

Thiruvananthapuram Airport invited special guests from SAI Gramam orphanage to celebrate Onam together. They were taken on a special airport tour to understand the fascinating world of airport operations. The tour was completed with a traditional Onam Sadya.

Guwahati Airport organised a cleanliness drive under Swachh Bharat Abhiyan, wherein all the stakeholders and airport employees came together to clean the airport's city side area. We will continue to take on such initiatives for a neat and hygienic India.

As a part of the Independence Day celebration, Thiruvananthapuram Airport organised a Freedom Walkathon where around 200 team members walked for 5kms, holding the Tiranga. We also set up a visit for the school students and familiarised them with the airport.

Mumbai Airport is pleased to be given this opportunity to curate an educational airport visit for these bright students from Zilla Parishad School Mangrul – Palghar.

On the occasion of Children's Day, we at Mumbai airport strived to spread happiness by inviting a group of kids from YUVA (Youth for Unity and Voluntary Action), for a special airport visit. To make their airport tour memorable, we arranged a comfortable pick-up and drop-off facility, delicious snacks, exciting games and even gifted a goodie bag.

Mumbai Airport joined hands with an NGO – Trinayani, and hosted a special Art Walk to celebrate 'Daan Utsav' for our specially-abled guests. This endeavour was to passionately support the cause of creating equality and spreading awareness about several issues related to disability.

Thiruvananthapuram Airport welcomed 25 bright female graduates to give them insight into the aviation industry. We teamed up with 'Women In Aviation' and highlighted how the role of women has evolved and the importance of education and tech.

Natural Capital

Building a Greener Legacy

At AAHL, we have always been dedicated towards fulfiling our environmental obligations and strive to be a responsible organisation that is conscious of its impact on the broader society. Our environmental priorities span a wide range of target areas as follows:

- Energy Management
- Decarbonisation
- Water Stewardship
- Waste Management
- Biodiversity and Wildlife Management

By concentrating our efforts on these critical environmental concerns, we aim to contribute to shaping a sustainable future for generations to come. Our dedication to environmental stewardship is driven by a deep sense of responsibility and a desire to make a positive difference in the world.

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Environmental Management System

Environment management is a critical part of our IMS system which is implemented at our airports and works according to a well-developed plan for addressing environmental concerns relating to operations. To achieve sustainable growth, we align our strategy with the needs of the business. By doing so, we ensure that we are in accordance with all applicable environmental laws and standards.

All our airports have a robust certified Environment Management System (EMS) which enables efficient monitoring and management of environmental performance.

Our ISO certifications include:

	ISO Certifications	MIAL	TRV	LKO	JAI	AMD	IXE	GAU
1	ISO 9001 – Quality Management Systems	✓	✓	✓	✓	✓	✓	✓
2	ISO 14001 – Environmental Management System	✓	✓	✓	✓	✓	✓	✓
3	ISO 45001 – Occupational Health and Safety (OH&S) Management System	✓	✓	✓	✓	✓	✓	✓
4	ISO 50001 – Energy Management Systems	–	✓	–	–	–	–	–
5	ISO 22301 – Business Continuity Management System	✓	–	–	–	–	–	–
6	ISO 27001 Information Security Management System	✓	–	–	–	–	–	–
7	ISO 39001 Road Traffic Safety (RTS) Management System	✓	–	–	–	–	–	–
8	ISO 10002:2018: Customer Satisfaction – Guidelines for Complaints Handling in Organisations Certification	✓	–	–	–	✓	–	–

ENERGY MANAGEMENT

With our commitment to providing the best-in-class facilities to our passengers with reduced environmental impacts, we focus on conserving energy, increasing the share of renewable energy, and optimising energy use across our operations, thus minimising both our operating costs and our carbon footprint.

We have adopted Energy Management System as per ISO 50001:2018 at Mumbai and Thiruvananthapuram airports and continually work towards improving energy management through resource efficiency and optimisation.

Energy Consumption

Energy efficiency and responsible energy management play a pivotal role in reducing our energy footprint across all our airports. We rely on a combination of energy sources for powering our operations. While we do rely on conventional fuel sources such as petrol and diesel, we are transitioning to renewable energy sources and already have some of our operations powered by solar and wind energy and plan piloting green hydrogen fuel cell in the future.

We continuously trace our energy consumption across facilities and equipment which helps in mapping the consumption pattern and structuring energy conservation initiatives. We diligently employ energy consumption tracking systems across our business operations and adopt industry best practices.

Throughout our operations, we aim to reduce our energy consumption and have set targets to keep a check on those.

Our operational footprint and the total energy (Renewable and Non-Renewable) consumption for the current reporting period across all our airports stood at 3,22,849 MWh which includes grid electricity, onsite solar energy plant and open access renewable energy.

With a total 9175 Kilowatts (Kw) of rooftop solar generation capacity at our airports and purchased energy from renewable sources, energy consumption from renewable sources amounted to 45% of the total energy consumption during the reporting period.

Total Energy Consumption

	Energy Consumed						
Source	BOM	AMD	LKO	IXE	GAU	JAI	TRV
Non-renewable energy (MWh)	1,02,777	22,017	11,456	9,573	7,619	8,045	12,791
Renewable (MWh)	1,43,280	1,848	272	0	127	2,485	558
Total fuel consumption (GJ)	10,702	3,175	5,847	3,380	3,417	1,060	1,792

Mumbai's CSMIA Goes Green

As part of our efforts to reduce our carbon footprint and propel our journey towards Net Zero, Mumbai International Airport Limited paved the way by entirely switching to green sources for its energy consumption needs, making it one of India's 100% sustainable airports. The airport, which is the first in India to launch hybrid technology, solely runs on green energy since April 2022, thus enabling a highly efficient and low carbon future for aviation.

Out of the total 100%, the airport procures around 5% of the airport's electricity requirement through its onsite solar generation and the rest 95% from other green sources such as hydro and wind energy. Ushering into a sustainable future, MIAL witnessed a rise in natural energy procurement with 57% green consumption in April 2022 to a whopping 98% between May to July 2022 and finally attained the landmark 100% utilisation of renewable sources of energy in August 2022, thus making its Scope 2 emissions 0 tCO_2e.

Energy Conservation

We make constant efforts to reduce the energy intensity of our business operations. Our energy management policy places heavy emphasis on energy efficiency. Constant attempts are made to improve the energy efficiency of our operations by investigating a variety of integration strategies. As part of our energy saving initiative, our operational businesses are home to several energy efficiency and renewable energy initiatives. In some of our businesses, we are exploring deployment of energy efficient processes and technology, and we pursue research opportunities with institutions and Government agencies to rally our energy efficiency efforts.

Case Study

Retrofitted Electrically Controlled (EC) fan at AHU at Terminal-2, CSMIA, Mumbai

Conventional belt-driven AC fans run on 'brushless' DC motors using AC voltage, which is less energy efficient than Direct Current (DC) voltage. With more moving parts that create mechanical friction, AC fans need regular greasing and maintenance. AC induction motors are also larger as they have electrical windings in the stator that are supplied with alternating current to produce a rotating magnetic field. In comparison, the EC fans combine the best of AC and DC technologies by having permanent-magnet DC motors that run on AC voltage. The AC input coming into the EC motor is rectified to a high voltage DC for maximum efficiency. As EC fans need fewer operating components, and feature low mechanical friction, motor temperature, noise and vibration, they are more reliable and easier to install and maintain. EC fans are space saving too, as all power conversion and drive electronics are compactly integrated within each motor.

The line-fed EC fans offer further advantages over AC fans by enabling greater controllability, efficiency, and a longer lifespan. Built-in variable speed controls enable EC fan speeds to be adjusted in smaller increments, and power usage is proportionate to the operational fan speed – this results in significant energy and cost savings. In contrast, AC fan motors have a limited speed range and are designed to operate at the peak efficiency point on their performance curve. As they would typically run at full power regardless of the operational fan speed, AC fans are highly inefficient. We reviewed different technologies and their benefits and recommended replacing conventional AC fans with EC fans in the AHUs to increase energy savings and reduce operational costs at Chhatrapati Shivaji Maharaj International Airport (CSMIA). This initiative has helped us achieve emission reduction of 1,910 tonnes of CO_2 and 24,17,760 Kwh units of energy savings per year.

Making the Switch to Sustainable Lighting

We are constantly optimising our operations and adopting energy-efficient technology solutions to update our systems as we progress towards the goal of sustainable development. A major initiative we embarked on was replacing traditional lamps with energy-saving Light Emitting Diode (LED) lighting in our operational areas.

The replacement of traditional fluorescent, halogen and metal halide lamps with energy-efficient LED lamps would enable AAHL to cut energy consumption by 50%, result in up to 20% energy savings and reduction of 6,369 tonnes of CO_2 in emissions. Our airports installed 1,34,905 LEDs, achieving conversion rates of:

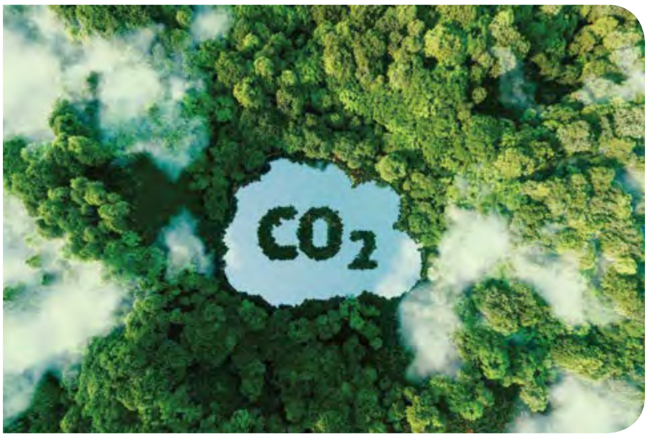
MIAL – 93% IXE – 95.8% AMD – 95%
GAU – 100% LKO – 63.4% JAI – 99.5%
TRV – 99.1%

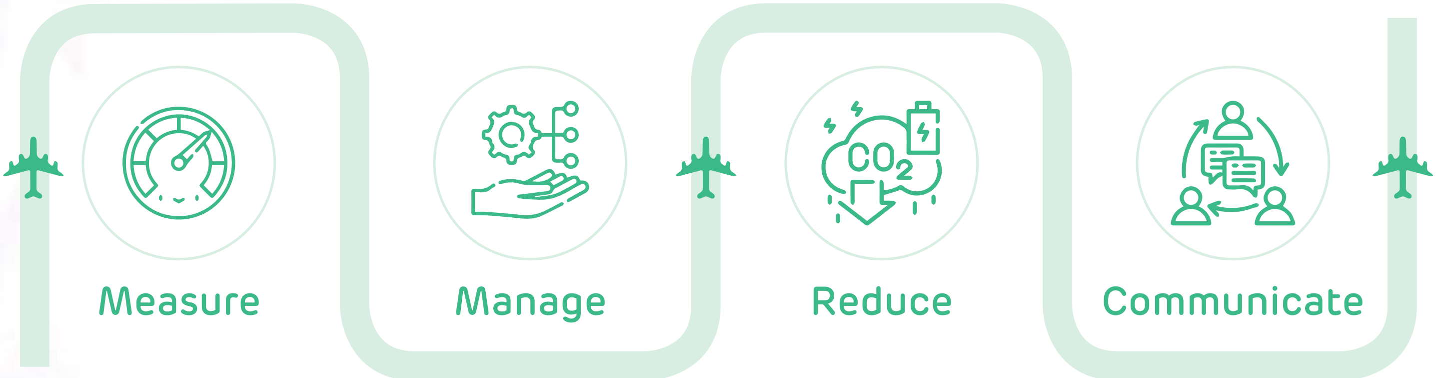
Airport	Annual savings achieved in GJ	No of conventional lights replaced
BOM	2,365	3,000
AMD	1,600	9,000
GAU	2,179	2,764
LKO	3,881	4,922
JAI	5,004	6,347
TRV	10,525	13,350
IXE	3,469	4,400

CARBON MANAGEMENT

We aspire to achieve operational net zero emissions across our airports, contribute to India's Nationally Determined Contribution (NDC) commitment and join our nation in the journey of achieving energy self-sufficiency and net zero emissions by 2070.

Furthering our efforts to reduce carbon emissions and mitigate environmental impacts, we have adopted a carbon management plan and a roadmap to achieve carbon neutrality at our airports. With 'Measure, Manage, Reduce and Communicate' as our core objectives, it exemplifies AAHL's dedication and expertise in effectively managing its operations to contribute to a better tomorrow.





MEASURE

- Carbon footprint in accordance with ISO14064 standards, the Greenhouse Gas Protocol (GHG Protocol) and the ACI Airport Carbon Accreditation (ACA) methodology
- Year on year emissions reporting

MANAGE

- Emissions monitoring and reporting
- Strategy and roadmap/plan – long & short-term plans

REDUCE

- Emission reduction measures/initiatives
- Emission reduction targets

COMMUNICATE

- Workshops and trainings
- Regular employee and stakeholder engagement to increase environmental awareness

Our comprehensive Climate Change Policy sets the tone for our approach towards GHG inventory management. We are taking progressive steps towards reducing emissions, as we continue to grow and operate our business. We are incrementally developing plans to reduce our emissions and are continually implementing various emission reduction strategies across our operations, including increasing the share of renewables in our energy mix.

As a key step in operationalising and meeting our climate change goals, we are tracking year-on-year trends in Scope 1 (direct) and Scope 2 (indirect from purchased energy) emissions generated from our operations. The estimated GHG emissions are based on the World Resource Institute's (WRI) Greenhouse Gas (GHG) Protocol recommendations. Relevant industry standard emission factors and emissions factors defined by the Intergovernmental Panel on Climate Change (IPCC) have been appropriately used to calculate GHG emissions.

	FY 2021-22	FY 2022-23
	In tonnes CO_2 equivalent (tCO_2e)	
Total Scope 1 emissions (Direct)	2736	5,614
Total Scope 2 emissions (Indirect)	1,10,081	61,204
Cumulative GHG emissions (Scope 1 and Scope 2 emissions)	1,12,816	66,818

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Decarbonisation Initiatives

In order to demonstrate our commitment towards addressing climate change and effective management of GHGs we have adopted the Airport Council International (ACI) Airport Carbon Accreditation (ACA) program. This is the only institutionally endorsed global carbon management certification programme for airports and we aspire to achieve leadership position by achieving Level 4+ (Transition - the highest level) for all our airports.

Since 2012, CSMIA began its journey towards reducing carbon footprint by implementing Carbon Accounting and Management System (CAMS) based on ISO 14064-1:2018 to identify, measure & manage GHG emissions as a part of GHG management program. And since then, the airport has been a part of ACI's ACA program and was also awarded with ACA Level 3+ "NEUTRALITY" in 2017, making CSMIA a Carbon Neutral airport since 2017. Confident in its transformational green practices, CSMIA is the only Indian airport to publish its biennial Sustainability report showcasing the progress of sustainability initiatives and presents an overview of its programme from the past two years.

In December 2022, Mumbai's CSMIA has achieved the ACA Level 4+ 'Transition' accreditation becoming the 3rd airport in Asia-Pacific region to receive this esteemed certification. This certification shows the airport's efforts in building a climate change strategy, which provides a comprehensive framework for managing its carbon footprint. Reaching Level 4+ 'Transition' means that the airport has aligned its emission reduction objectives with global climate goals (IPCC's 1.5 - degree scenario), has an active partnership with its stakeholders to manage and where feasible reduce Scope 3 emissions and compensated for the remaining residual emissions with high quality carbon credits.


CERTIFICATE
of ACCREDITATION

22 December 2022 - 16 May 2025

This is to certify that *Airport Carbon Accreditation*, under the administration of WSP, confirms that the carbon management processes at

CHHATRAPATI SHIVAJI MAHARAJ INTERNATIONAL AIRPORT

implemented by Mumbai International Airport Ltd

have earned the accreditation level of **TRANSITION**, in recognition of the airport's exceptional work in aligning its carbon management with global climate goals to reach absolute emissions reductions, establishing related partnerships with its business partners and compensating responsibly the residual CO_2 emissions under its control, as part of the Global airport industry's response to the challenge of Climate Change.

Stefano Baronci
Director General
ACI Asia-Pacific

Tim Danson
Programme Director
WSP

airport carbon accredited TRANSITION

Chhatrapati Shivaji Maharaj INTERNATIONAL AIRPORT MUMBAI

airport carbon accreditation

www.airportCO2.org

Under ACA programme TRV (Kerala) International Airport Limited is a Level 2 (Reduction) airport, and we are working towards achieving ACI ACA Level 4+ accreditation for all Ahmedabad, Lucknow, Mangaluru, Guwahati, Jaipur and Thiruvananthapuram airports by 2025.

With a continued focus on sustainability, we will consistently undertake effective measures and sustainable practices that demonstrate our firm belief and responsibility in contributing towards the global sustainability plan. We strive to undertake measures to decarbonise our operations and achieve operational net zero by 2029.

Transition to Electric Vehicles

We started to accelerate our journey towards achieving carbon neutrality by moving towards cleaner modes of transport in our business operations. We aimed to transition 40% of airport owned fossil fuel vehicles to electric in the current reporting period. Based on the EV market availability for SUVs, cars and bikes we replaced 101 conventional vehicles with electric vehicles. We currently operate a fleet of 111 electric vehicles across all our airports.

Airport wise breakup of EVs:

MIAL – 45 AMD – 18 LKO – 10 IXE – 5 GAU – 5 JAI – 12 TRV – 12

Transition to Electric vehicles not only reduces CO_2 emissions but also significantly lowers the running and maintenance costs. Electric Vehicles relatively need less fuel/energy to run compared to gasoline engines. EVs have very few parts that may break or need any repair or replacement, thus making it easier to maintain at lower costs.

Switching to EVs is a great initiative towards reducing the ecological damage and boosting public health. Each electric car on the road helps reduce harmful air pollutants, leading to better air quality.

EV Infrastructure

To facilitate transition to the transition of airports and the stakeholder vehicles to electric we have installed 32 Electric vehicle charging stations with 24 EVCS on landside and 8 EVCS on Airside.

EVCS installed on the landside are DC fast chargers with 60KW capacity, CCS2 type charger with dual guns. The chargers are capable of charging a car with 20KW battery capacity from 0 to 100% in 60 mins and a car with battery capacity of 30KW in 1.5 hrs from 0 to 100%.

To enable charging of passenger coaches and buses on the airside, we installed both 60 KW and 240 KW chargers at Mumbai, Thiruvananthapuram and Jaipur airports. These fast chargers can charge a bus with 240 KW battery capacity from 0 to 100% in 1.5 hrs. Use of fast chargers will ensure the charge time for the vehicles is less, thus improving the turnover time of the vehicles. We will provide the required charging infrastructure to meet the demand of electric vehicles introduced at our airports.

No of EV Charging Stations (number refers to the number of Charging guns)

Airport	Landside	Airside
MIAL	8	4
AMD	4	0
LKO	2	0
IXE	2	2
GAU	2	0
JAI	2	0
TRV	4	2
Total	24	8

Conversion to Lower Global Warming Potential (GWP) Refrigerants

Greenhouse gas emission is the predominant factor for global warming. When it comes to air conditioners, R22 is a widely used refrigerant. However, the global warming potential of R22, which is 1,760, is quite high. So, to reduce the impact, we have replaced 644 R22 ACs with R32 ACs with a GWP of 677 only. Thereby, achieving a 62% reduction in carbon emissions (~1010 tCO_2e)

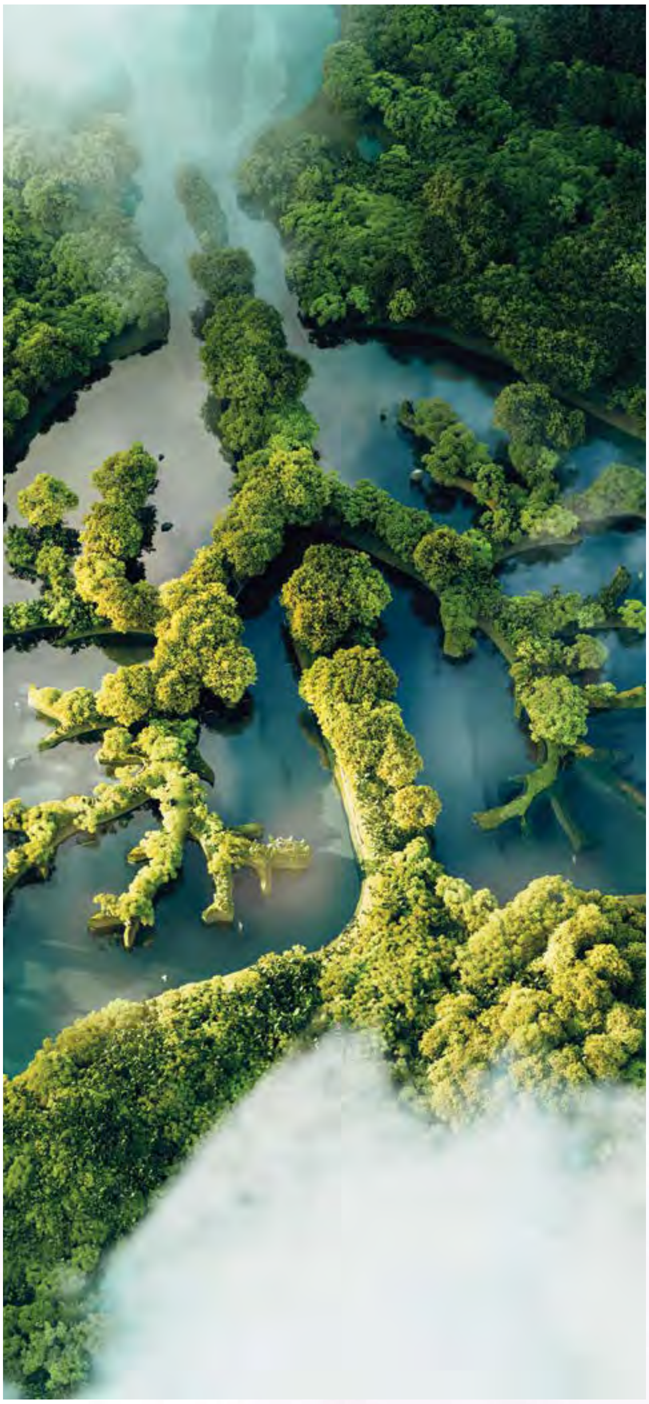
Conversion to Non-CO_2 Type Fire Extinguishers

Safety is an essential aspect of AAHL's business operations. Fire extinguishers are widely used to prevent the risk of a widespread fire. But CO_2 is a greenhouse gas, with damaging consequences to the atmosphere. To bring sustainability in our operations, we have converted 921 CO_2 based fire extinguishers to non-CO_2 type fire extinguishers there by eliminating ~1tCO_2e.

Monitoring Air Quality

We are committed to providing ambient air quality and ensuring that our operations have minimal impact on the atmosphere. We continuously monitor the ambient air quality at our airports by MoEF and PCB-approved Environment labs. This helps ensure compliance with regulatory standards.

CSMIA is installing an air quality monitoring board for real-time air monitoring.



WATER STEWARDSHIP

Water is critical to both mitigating and adapting to the effects of climate change. There is a growing concern over the state of the world's water supply. Degradation of water resources, water pollution, and the effects of global warming all contribute to a decreasing supply of water at a time when demand is increasing, making the quality and availability of freshwater a pressing worldwide issue.

We consider water to be a precious resource, necessitating its responsible use and treatment. Protecting and conserving water resources through prudent and effective water management practices and governance systems are a priority for AAHL and integral to our commitment towards water stewardship.

We understand the importance of wastewater management in protecting our natural ecosystems and our access to clean water. To that purpose, we adhere to all applicable discharge requirements mandated by pollution control boards in each individual state where our airports operate.

Our sustainable water management initiatives include:

- Ground water recharging pits are maintained as part of rainwater harvesting

  AMD: 41 Pits; JAI- 20 pits
- Recycling of treated wastewater for cooling, landscaping and washing among others
- Installation of sensor-based water taps in washrooms
- Dry cleaning of solar panels is being carried out instead of water wash which saves about 5KL of water per month
- Electromagnetic water flowmeters to standardise processes, which systematically measure and monitor the quantity of water consumed. This process also helps identify operations where water conservation techniques, such as water efficiency projects (including water-efficient plumbing fixtures) and waterless urinals, among others, can be implemented to reduce freshwater consumption

Water Recycled across Our Airports

2,03,550 KL

Water usage for airport operations results in the generation of wastewater with contaminants such as suspended solids (SS), oil and grease (O&G), and residual chlorine. These can pollute the surrounding soil, surface water, and groundwater; therefore, they must be treated before discharge.

Understanding this need, all our airports have leveraged technological aid and installed Sewage Treatment Plants (STPs) to treat the wastewater generated at the airport premises. This wastewater is collected from various sources such as terminal buildings, airside, landside, and cargo facilities. The resulting treated water is then used for alternate functions such as restrooms and cleaning or Heating Ventilation and Air Conditioning (HVAC) in terminal buildings, to name a few. Ensuring an optimum level of water quality and minimising its freshwater consumption, CSMIA continuously recycles the treated water to make it compatible with various uses across its operations.

CSMIA has redefined the cleaning and disinfection processes at the airport by undertaking sustainable water management operations. It is the first Indian airport to implement waterless urinals that reduce water wastage; CSMIA has converted approximately 539 urinals across both terminals, which has aided the airport in saving up to 1 Lac litres of water per day.

Wastewater Treatment at AMD

500KLD of Sewage Treatment Plant (STP) is Operational at SVPIA

Fluidised Media Reactor is installed at site for treating and handling the domestic sewage generated from airport premises. The treated wastewater at the STP is utilised for gardening and horticulture activity within SVPIA premises to conserve the freshwater consumption

Green Car Wash with Cleancart

Ahmedabad and Mangaluru airports launched a mobile car wash facility in partnership with CleanCart. CleanCart takes just 1.5 litres of water to wash the car in around 20 minutes and this adds to green and sustainability quotient of our airports. The portable CleanCart has a 40-litre tank, and this is enough to wash 25 cars in one filling.

It also uses a special eco-friendly formulation to clean the car. The car friendly wipes used to dry the car is squeezed into a separate compartment in the same cart. This dirty water is then drained from the cart in an environmentally friendly way.

IXE airport


Ahmedabad airport

WASTE MANAGEMENT

Waste generation is inevitable. And so, it requires an appropriate disposal mechanism which should be safe, eco-friendly and with identified avenues for upcycling materials wherever possible. AAHL promotes incubating self-sufficiency. With this, we embrace a circular economy through internal policies and practices aimed at reducing the amount of waste generated.

Our airports have adopted and implemented an effective solid Waste management plan which includes:

- Collection & segregation of waste from the source
- Providing separate waste bins (for dry & wet waste) at all the locations including Airside, Landside & Terminals
- Well demarcated four waste collection points are established, where the segregated waste is collected, shifted to waste yard situated at backend of the Airport
- Waste yard with proper spacing has been provided for further segregation of mixed waste
- Recycling of major portion of solid waste generated at site is carried out (constructed a 500 sq m shed to segregate all types of wastes and send to recyclers)
- Covid-19 pandemic-waste is being properly managed inline to the regulatory requirements
- All the waste after proper segregation is given to authorised agencies for further disposal for further handling
- Hazardous waste is managed inline to the Hazardous Waste Management Rules 2016

We have recovered 7,841 metric tonnes of waste through recycling, re-using and other recovery operations across all airports during the reporting period. We are taking measures for managing waste under 5R principle & strive to achieve Zero waste to Landfill status in the coming years.

Case study

Waste Management at TRV Airport

Thiruvananthapuram International Airport waste management is based on the cradle-to-cradle concept wherein the focus is on Refuse, Reduce, Reuse, Repurpose and Recycle the waste back into the system. It also comprises five stages – Identification, Storage, Segregation, Recycling and Disposal. Our waste management system implies use of best-in-class waste management practices as it forms an integral part of our environmental management system. All the waste generated from airport operations is being collected, segregated at source into hazardous and non-hazardous category, stored and disposed of by adhering to applicable regulatory requirements. Thiruvananthapuram International Airport is one of the major airports in Kerala. The operations and activities of both the international and domestic terminals generate around 500 kg of organic waste every day.

The bio/organic waste being collected from the airport and its adjoining colonies is treated in the Advanced Bioenergy Plant, where the Biogas generated from the process is converted into electricity using the 15KVA Biogas Genset at the Inhouse Advanced Bioenergy Plant and the generated units are consumed for operating the plant. The Biogas slurry generated from the process is used as manure for horticultural purposes.

The Biogas project also focusses on creating awareness among the workers working on site, who are in turn taking the learnings of segregation and waste management to their villages and homes and, furthering our impact towards the better development of the society. A 60-minute session on waste segregation every month, focusses on indigenous techniques like compost pit, washing plastics, and selling them for value; has helped in developing clean lifestyle choices for dozens of our employees.

Case study

'Give Garbage, Get Money' - at Chhatrapati Shivaji Maharaj International Airport (CSMIA)

CSMIA has set up three Reverse Vending Machines (RVM) to urge passengers and airport staff to recycle plastic bottles at Terminal 2. Three more machines will be set up at Terminal 1. Each Reverse Vending Machine at Mumbai International Airport is capable of both accepting and compressing a whopping 450 bottles per hour. It compresses around 70% of the waste, which can then be transported to recycling plants without any hassle. Earlier, CSMIA implemented rules to make the airport 100% single-use plastic free. With these new eco-friendly initiatives in place, the airport aims to reduce carbon emissions and achieve zero waste.

BIODIVERSITY AND WILDLIFE MANAGEMENT

At AAHL, we strongly believe that the sustainability of our business is intricately linked with the ecosystem we operate in. Protecting and enhancing biodiversity is an integral part of our commitment to sustainable development. Integrating the need for biodiversity conservation into operational decision-making process and taking measures to minimise impacts is a commitment across our airport business.

As reflected in our Biodiversity Policy, we strongly believe in conserving the local biodiversity and ecosystems impacted by our business activities. To further minimise the impacts of our operations, we have adopted an initiative-taking approach toward the wildlife hazard management system, which helps in identifying risks related to wildlife strikes. Some of the various actions that we took to prevent bird strikes:

- Deploying bird scarers alongside runways with firecrackers to repel birds
- Cleaning drains and reducing the amount of water lying on the airport grounds
- Introducing the Pyrotechnics technology and acoustics to scare away birds
- Eliminating bird attractants from the airfield and its surroundings
- Ensuring habitat management to deter birds from coming to the airport
- Controlling garbage, waste, and rubbish disposal at the airport
- Ensuring rodent control at operational areas
- Fitting anti-perching spikes on all airside structures, such as signages, aerobridges, and lights
- Non-destructive Wildlife Hazard Management techniques are practiced at SVPIA and as part of the same, organic chemical spray is carried out to control weeds & grass
- Airside inspection is practiced at regular intervals and accordingly the wild animals such as langurs, monkeys, etc are relocated to the safer areas (forest areas) to protect them from any accidents

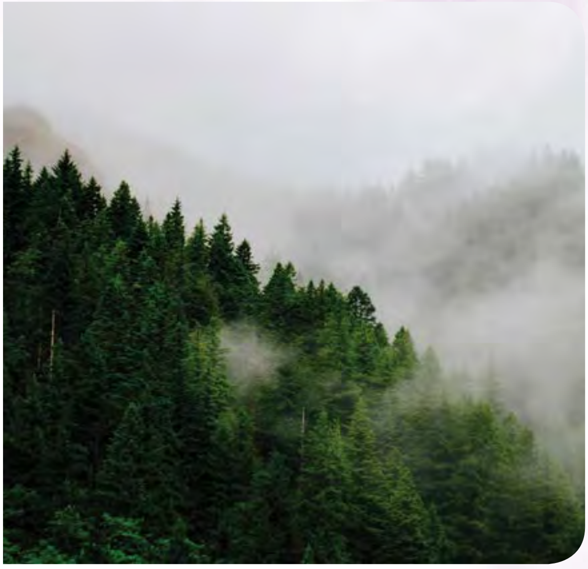
As part of our eco-friendly initiatives, we installed two green vertical walls of 2000 sq. ft. at the entrance road of Guwahati Airport. With 9000+ lush plants and a built-in irrigation system, these green walls will add to the city's natural beauty.

Green Wall at Thiruvananthapuram Airport

Illegal Wildlife Trafficking

Illegal wildlife trafficking poses a grave threat to biodiversity, ecosystems, and the survival of numerous species, demanding urgent global action to combat this illicit trade. Combating illegal wildlife trafficking is very important for us.

We actively combat illegal wildlife trafficking through collaboration with authorities, conducting awareness campaigns, providing training to staff, strengthening security measures, partnering with NGOs, and advocating for stricter laws. We collaborate with customs and wildlife enforcement agencies to gather intelligence and apprehend traffickers. Stringent security measures, such as baggage screening and surveillance systems, help detect and intercept wildlife trafficking. We also support stronger legislation and trade bans on endangered species and their products.



Green Building Initiatives and Certifications

At AAHL, we are fully committed to the UN Sustainability Development Goals (SDGs) with a specific focus on SDG 7 (Affordable and Clean Energy), SDG 11 (Sustainable Cities and Communities) & SDG 13 (Climate Action). The goal of developing green buildings is a part of the transformation initiative followed by us.

Our CSMIA premises is proud to have received the ACI Green Airport Recognition award in the GOLD category for our environmental practices and green infrastructure. We were also honoured with the 'Outstanding Contribution to Supply Chain Management - Air Cargo' award. Achieving ACA Level 4+ accreditation demonstrates our commitment. We became 100% single-use plastic-free in 2019 and follow Triple Bottom Line principles. Our Terminal 2 features in-situ indoor planting, green walls, and water features, making it India's first integrated terminal with such elements. This has contributed to LEEDS and IGBC certifications, emphasising our dedication to sustainability.

Moss Wall at T1, CSMIA, Mumbai

Fostering a Culture of SOUND GOVERNANCE

At AAHL, compliance serves as the cornerstone of our corporate management. We hold it dear to our value system and approach our compliance obligations with the utmost seriousness, aiming to foster stronger relationships of trust with society, customers, and stakeholders. Our Company is committed to responsible business management and adheres to the legal requirements in every location where we operate.

The Main Tenets of Our Corporate Governance Philosophy

- Courage: We shall embrace new ideas and businesses.
- Trust: We shall believe in our employees and other stakeholders.
- Commitment: We shall stand by our promises and adhere to high standard of business.

Our management team plays the role of an anchor in implementing compliance interventions. We firmly believe that sustainable and long-term growth for all stakeholders depends on the responsible and efficient use of available resources. Our focus is on achieving excellence in our business operations while actively contributing to societal progress, maintaining environmental equilibrium, and promoting economic development.

Number of Directors

04

Executive Directors

02

Women's Representation on the Board

25%

Our Board of Directors plays a vital role in our Company's decision-making processes and provides independent judgement on strategy and performance. The Board consists of four Directors, including two Executive Directors (one of whom is a female) and two Non-Executive Directors. This balanced composition ensures a mix of professionalism, competence, and expertise, enabling effective leadership.

Our Directors maintain a judicious portfolio, with none serving as Directors in more than ten public limited companies, or acting as Independent Directors in more than seven listed companies. Additionally, no Director on our Board is a member of more than ten committees or chairs more than five committees (including Audit and Stakeholders' Relationship Committees) across all the companies they are associated with.

Board Meetings and Attendance

Attendance of Dr. Malay Ramesh Mahadevia

100%

Attendance of Dr. Gargi Kaul

100%

Attendance of Jeet Adani

71%

Attendance of Karan Adani

100%

At AAHL, we prioritise informed and efficient decision-making in Board/Committee meetings. Our internal guidelines ensure structured agendas and comprehensive background information for major agenda items. Our Company Secretary, in consultation with Senior Management, prepares and circulates detailed agendas in advance.

We aim to facilitate focussed and meaningful discussions by including all relevant material information. Additional or supplementary agenda items are permitted in special circumstances. Urgent matters are addressed through the table or Chairman's agendas. These meetings provide a strategic roadmap for our future growth. We hold a minimum of four scheduled Board meetings annually, with additional meetings as needed. Detailed presentations cover finance, operations, global environment, opportunities, strategy, and risk management. Decisions are promptly communicated and action reports are presented for review at subsequent meetings.

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Our Policies

We have implemented comprehensive policies and frameworks to ensure the highest standards of governance, which form the foundation of our commitment to best practices and accountability.

Ethics and Compliance

All our Directors, senior management and employees act with the highest standards of integrity, honesty, and ethical conduct. All our employees are required to abide by Adani Group's Code of Conduct. At AAHL, we have also formulated a Code of Conduct specifically for the Board of Directors and senior management of our Company.

Whistle-Blower Mechanism

We have a whistle-blower mechanism guided by the Whistle-Blower Policy for Directors and employees to report concerns about unethical behaviour, improper activity including fraud and violations of the Code of Conduct. The vigilance and ethics officer is designated to receive the protected disclosures from the whistle-blower. In FY 2022-23, we did not receive any whistle blowing complaints.

Anti-Corruption and Anti-Bribery

Our Anti-Corruption and Anti-Bribery Policy lays down the norms of behaviour with regard to unethical business practices and ensures conformity with applicable laws and regulations. We do not tolerate any form of bribery, corruption, and unethical practices and uphold the standards of accountability and transparency in all our operations. We had zero non-compliance cases against corruption, bribery, and anti-competitive behaviour in the reporting period.

Grievance Redressal

Effective and timely redressal of the grievances raised by all stakeholder groups is considered a priority at AAHL. We have developed a well-structured grievance redressal mechanism for all our stakeholders. No grievances were reported in FY 2022-23.

Cyber Security and Data Privacy

Information systems and data resources form a crucial part of our everyday work. To effectively manage our diverse business portfolios, protect information and intellectual property and prevent any incident of data breach, it is essential to have a defined course of action. Recognition of threats and an appropriate response are necessary before the occurrence of cyber attacks. We have a strong incident response plan to detect potential threats and deploy necessary measures. We conduct a thorough vulnerability assessment for aspects such as adaptation of new applications, usage of network and wireless connections and data management systems.

Any such threats notified through the system are dealt through a corrective action plan. To protect the Information technology (IT) infrastructure from cyber attacks and threats, we have developed a Cyber Security and Data Privacy Policy. This policy ensures the implementation of risk mitigating systems, processes, and controls in order to protect the confidentiality, and integrity of our systems. The policy is applicable to all the stakeholders who have access to our information and network. To ensure that our employees are always safeguarded from these threats, we conduct regular training sessions to increase awareness on common cyber attack issues such as internet phishing, suspicious mails, and person impersonation, among others. This also enables employees to report any incidences and thus increases our catchment of such issues. In FY 2022-23, we received zero consumer complaints against data privacy and cyber security.

Privacy Policy

We have a specific policy guiding privacy protection. It outlines our practices in relation to the collection, storage, usage, processing, and disclosure of personal data that our stakeholders have consented to share with us when they access, use, or otherwise interact with our website available at our internal website or mobile application 'adanione' (collectively, the 'Platform') or avail products or services that Adani Digital offers them on or through the Platform (collectively, the 'Services'). At AAHL, we are committed to protecting personal data and respecting the privacy of our varied stakeholders. The data is collected with a view to enhancing user experience and processing necessary information to provide relevant and streamlined services. The data collection mechanism is aligned with the IT Act, 2000 (21 of 2000) and other national and state laws that relate to the processing of personal data.

Managing
RISKS PRUDENTLY

At Adani Airports, we firmly believe that effective risk management is a necessary step in ensuring the safety and success of our operations. As an airport operator, we face a range of potential risks, including those related to security, safety, finances and regulatory compliance. Through a robust risk governance structure, we position ourselves to identify, assess and mitigate these risks to prevent or minimise their impact on our operations. This is a testimony to our desire to ensure the safety and satisfaction of our diverse stakeholders' groups. As a key component of our operations, we believe risk management is a key enabler for growth and innovation and an essential component of our long-term success.

We have responsibly identified potential Environmental, Social and Governance risks that could pose a threat to our business operations in the long run. These identified risks are assessed and a targeted risk management plan with mitigation actions is prepared. Our ESG Policy acts as the foundation for ESG risk management. We monitor the identified risks periodically and update the risk management plan.

Aspect	Risk Description	Mitigation Plan
Water Scarcity	We are impacted by the availability and quality of water, considering the nature of our business operations. Water scarcity can interrupt our business operations, disrupt supply chains, raise the cost of raw materials, and put employees' and communities' health and safety at risk.	As water is material to our operations, it becomes a business imperative for us to optimise its consumption and move towards water security. Reduction of freshwater consumption, water recycling/ reusing and water saving initiatives are part of our water management strategy. We have also instituted a Water Stewardship Policy, which serves as a guiding principle to reduce water consumption in the operation and conserve water wherever feasible.
Waste Management	Waste management has become a global issue impacting the environment and health of the people. Airport operations encounter various types of waste and are directed by the pollution control board (PCB) for waste management practices. Not abiding to the practices prescribed by the PCBs may lead to legal penalties and impact the brand image	At AAHL, we have instituted a Resource Conservation Policy, which serves as a guiding principle to reduce generation of waste, treat the waste and dispose of it in an environmentally friendly manner. We have defined processes for managing waste at each of our airports. We follow the basic principle of segregation of the waste at source & adopt the 3R concept of 'reduce, reuse & recycle'.
Energy and Emissions Management	Considering India's commitment to become Net Zero by 2070, stringent energy and emission-related laws and regulations may be enacted for companies to follow. If as a company, we are not prepared in time to comply with these emerging laws and regulations, we may face additional expected cost to comply as a result of not timely anticipating new requirements. Business restrictions leading to loss of revenue and/or additional costs may also force our business to change our business model.	The energy-intensive nature of our business operations not only drives us towards energy saving measures but also directs us to increase the share of clean energy in our overall energy mix. We strive to manage our energy consumption and emissions, integrate renewable energy sources wherever feasible and adopt efficient ways of energy usage. To accomplish our goals of resource conservation, we regularly monitor our energy performance at all our airports
Climate Change Adaptation	Climate change-related regulations focussed on mitigation (e.g. carbon pricing) have a direct impact on AAHL's business. Emerging and potential regulations may introduce or escalate regulatory risks.	AAHL draws on input from subject matter experts as and when required to identify and manage exposure to risks and impacts associated with emerging regulations. Impacts to business considered include regulatory/legal impacts, health, safety, environment and community impacts, and reputational impacts.

Employee Health, Safety and Well-Being	Failure to ensure the health, safety and well-being of our Company's workforce can impact productivity. This can consequently affect our business operations, customer satisfaction and profitability.	We strive to foster a safe working environment and ensure Zero Harm. Hazards and risks are periodically identified, with mitigation plans devised for each. Additionally, safety trainings are provided to employees and workers on a regular basis to ensure their holistic well-being
Human Rights	Failing to address human rights issues can risk damaging brand value and reputation, and can also bring an increasing risk of litigation and of non-compliance with a growing body of legislation in the area.	Our Company has constituted a standing forum, both at the Group Level as well as at individual entity level, that aids and advises the management in its approach towards building sustainable Human Rights. HR is responsible to ensure that any issue or impact related to human rights are addressed in the defined manner within the stipulated timeline.
Labour Practices	Failing to manage sound labour management practices can lead to prosecution by regulators, insurance claims due to accidents and injuries, reduced employee motivation in turn leading to loss of productivity, and also hamper the brand's image and reputation.	Our airports have a robust Safety Management System, which focusses on the improvement of working conditions, working environment, and the protection and promotion of workers' health. We have implemented a robust Contract Labour Management System and the registration process ensures that the entire contractual workforce is above the legal minimum age for employment as defined by the legal authority.
Supply Chain Disruptions	The supply chain exposed to the ESG risks may cause disruptions and impact our business.	We internally screen suppliers across supply chains based on ESG criteria and their compliance with all regulatory laws to efficaciously lessen the risk. Our Company also has a Supplier Code of Conduct (SCC) that covers various human rights aspects; all procurement agreements of Our Company with critical suppliers, include conditions pertaining to labour standards and occupational health and safety. We are considering investing in integrated value chain to low-carbon energy products and components to ensure sustainability across our operations.

Business Ethics, Integrity, and Transparency	Ethical conduct, integrity and transparent two-way communication with stakeholders are integral to ensuring regulatory compliance and building stakeholder trust. Non-adherance to business ethics and integrity-related compliance obligations can lead to legal fines and penalties, financial forfeiture, damage to brand reputation, loss of business opportunities and valuation.	We adhere to the highest standards when it comes to personal and collective integrity, reflected by compliance with the standards stipulated by the Government, other regulatory agencies, and peer global standards. We have strengthened our commitment to gender respect, zero tolerance for sexual harassment, zero tolerance for ethical transgressions, commitment to recruit without prejudice and appraise without partiality, respect for the dignity of people and the integrity of the environment and respect for the laws of the lands of our presence. AAHL has also formulated and implemented a Code of Business Conduct and Ethics for all its Board members and senior management personnel. Apart from this, we have adopted the Group's Code of Conduct which is applicable to all employees across our airport business.
Cyber Security and Data Protection	Information technology is a crucial part of our business and cyber security risks can impact our operations and cause damage.	We have developed a Cyber Security and Data Privacy Policy to ensure the implementation of risk mitigating systems, processes, and controls to protect the confidentiality and integrity of our systems.

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Brief Profiles of the BOARD OF DIRECTORS

Dr. Malay Mahadevia

- Joined the Adani Group in 1992
- Master's degree in dental surgery from Nair Hospital Dental College
- Doctor of Philosophy in coastal ecology from Gujarat University
- Significant contributions to the development of Mundra Port since its inception
- Active member of the Gujarat Chamber of Commerce and Industry

Mr. Karan Adani

- Degree in economics from Purdue University, USA
- Actively involved in overseeing port operations since 2009
- Involved in the strategic development of all Adani ports in India
- Dedicated to establishing the Group's reputation as an integrated logistics business
- Extensive knowledge of new processes, systems, and macroeconomic factors
- Committed to driving the Group's success in the industry

Mr. Jeet Adani

- Joined the Adani Group in 2019
- Completed his studies at the University of Pennsylvania, School of Engineering and Applied Sciences
- Responsible for overseeing strategic finance, capital markets, and risk and governance policy
- Serves as a Director in several companies within the Adani Group's airport vertical, including our Company, Mumbai International Airport Limited and Navi Mumbai International Airport Private Limited

Dr. Gargi Kaul

- Seasoned officer of the Indian Audit and Accounts Service (1984 batch) with over 36 years of experience
- Various roles within the Indian Audit Accounts Department and the Government of India, including Secretary, Defence Finance, Ministry of Defence
- Key role in the formulation of the National Civil Aviation Policy 2016 while serving as Additional Secretary/ Joint Secretary and Financial Adviser in the Ministry of Civil Aviation
- Government Director on the Boards of Air India and its subsidiaries, Airports Authority of India, Pawan Hans, and Delhi International Airport Limited
- Financial Adviser to the Ministries of Food Processing Industries and New and Renewable Energy
- Principle Accountant General in Odisha, Accountant General in Madhya Pradesh, and Director of Commercial Audit in Mumbai
- International exposure through secondments to the Ministry of Finance, Government of Seychelles, and audits of United Nations Organisations
- Certified Internal Auditor from the Institute of Internal Auditors, Florida, USA
- Expert in Public Financial Management, Accountability, and Public Policy, with sector-specific knowledge in Civil Aviation, Defence, Rural Roads, and Food Processing Industries
- Guest lecturer at esteemed institutions like the Centre for Defence and Strategic Studies, Central University of Gujarat, Department of Commerce, Barkatullah University, Bhopal, and Atal Bihari Vajpayee School of Management Studies, JNU

MANAGEMENT DISCUSSION AND ANALYSIS

THE GLOBAL ECONOMY

The global economy was witness to a wide array of challenges during FY 2022-23. Faced with new economic and political challenges, economies have struggled with various policies. The post Covid-19 pandemic revival of the global economy led to inflation which was higher than it had been in several decades. These sharp rises in price were followed by aggressive interest rate hikes that ultimately contributed to a significant slowdown in global growth. The world also saw the growing tension between Russia and Ukraine, which led to a challenging geopolitical situation. In an attempt to condemn Russia's actions, the Western superpowers imposed several sanctions to reduce their involvement with the Russian economy. However, the world's dependence on Russian energy was eventually acknowledged as Russia continued to be a supplier to several economies - even though at greatly reduced prices.

Monetary policy measures implemented globally resulted in an aggressive slowdown in spending, consequently impacting several sectors. The sharp nature of the fluctuating interest rates developed the risk of stagflation as the rising levels of spending did not necessarily correspond to changes in output. On the other hand, the strict zero-Covid policy of China resulted in a prolonged disruption of China's manufacturing industry, shocking the global economy.

According to the World Economic Outlook, July 2023, by the International Monetary Fund (IMF), global growth was projected to fall from an estimated 3.5% in 2022 to 3.0% in both 2023 and 2024. Additionally, global headline inflation is expected to fall from 8.7% in 2022 to 6.8% in 2023 and 5.2% in 2024. Upside inflation surprises have been most widespread among advanced economies, with greater variability in emerging markets and developing economies. As a result, advanced developed economies are expected to account for nearly three-quarters of global GDP growth in 2023.

(Source: https://www.imf.org/en/Publications/WEO/Issues/2023/07/10/world-economic-outlook-update-july-2023)

GLOBAL ECONOMIC GROWTH RATE

Regional Growth	CY 2022 (%)	CY 2023F (%)	CY 2024F (%)
World	3.4	2.9	3.1
Advanced Economies	2.7	1.2	1.4
Emerging Markets and Developing Economies	3.9	4.0	4.2

THE INDIAN ECONOMY

Despite the macroeconomic environment that challenged the global economy throughout FY 2022-23, the robustness developed by India allowed it to navigate through the scenario with resilience. India is set to be the second-fastest-growing economy in the G20 in FY 2022-23. This, despite the decelerating global demand and the tightening of the monetary policy to manage inflationary pressures. Inflation is anticipated to cripple private consumption but will eventually ease out on the back of improved global conditions to boost growth to 6.3% in FY 2023-24.

Concerns about India's widening trade deficit persist, as rising food and energy prices account for a large chunk of the country's import bill. However, growth in exports, especially in the services sector, bodes well for the country. Tighter financial market conditions are affecting demand for capital goods, which is a key indicator of aggregate investment in an economy. Consumers are also becoming increasingly cautious over their non-essential spending owing to rising food and energy prices, which adversely impacts discretionary sectors.

Inflation remains above the upper limit of the 6% tolerance band and policy rates are expected to rise further before the tightening cycle is paused. In fighting inflation, monetary policy is supported by fiscal measures such as cuts in excise duties and Government measures such as export bans on the exports of several agricultural commodities, of which India is a major supplier.

(Source: OECD Economic Forecast Summary: November 2022)

GLOBAL ECONOMIC GROWTH RATE

	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24 (E)
Growth in Real GDP (%)	(5.8)	9.1	6.9	6.3

(Source: World Bank: April 2023)

OUTLOOK

India is already the fastest-growing economy in the world, clocking 5.5% average gross domestic product growth over the past decade. The three megatrends: global offshoring, digitalisation and energy transition, are setting the scene for unprecedented economic growth in the country.

Expanding infrastructure spending on projects such as railways and highways occupies a central position in the Government's strategy. It is also a major step in further strengthening India's capabilities as an emerging economy. India's investment in infrastructure and increased efforts towards self-reliance in various sectors will make India a manufacturing hub, attracting significant foreign investment and making the economy highly resilient.

As geopolitical uncertainties recede, consumer sentiment will improve, giving a big boost to all sectors. India's key investments in technology, infrastructure and energy will position it back on its trajectory to becoming one of the world's largest economies in the coming decade.

Morgan Stanley: Investment Ideas Report

INDIAN AVIATION INDUSTRY OVERVIEW

India has emerged as the world's third-largest air passenger market, behind China and the United States. The rising working group and widening middle-class demography are expected to boost demand as air travel becomes accessible to a much larger section of the Indian population. As the demand for air travel is forecasted to rise drastically in the coming years, the Government has made key strategic investments in developing the infrastructure to support the growing economy. The number of operational airports in the nation has nearly doubled since 2014 and the Government plans to develop and operationalise 220 airports in the next five years.

Investment of around ₹ 420-450 billion is expected in Indian airport infrastructure between FY 2017-18 and FY 2022-23. The Government has encouraged greater privatisation and liberalisation and we can expect to see greater private sector involvement in developing the nation's infrastructure. The Government of India has given 'in-principle' approval to 19 airports, out of which, seven are going to be developed on a PPP basis with an investment of ₹ 27,000 Crores. The aviation sector is also positioned to benefit from the allowance of Foreign Investment of up to 49% under the automatic route in scheduled air transport service, regional air transport service, and domestic air passenger airlines. Indian carriers are expected to double their fleet capacity to around 1100 aircraft by 2027.

Cargo flights for perishable food items will also be increased by 30%, with 133 new flights in the coming years. This, along with the entry of new low-cost carriers in the industry, will also contribute to the country's growing fleet capacity.

In FY 2021-22, India's passenger traffic stood at nearly 189 million, out of which domestic passenger traffic accounted for over 166 million, a 58% YOY rise from 105 million in FY 2020-21. On the other hand, international passenger traffic saw a 118% YoY rise to 22 million from 10 million in FY 2020-21. The Indian aviation sector is expected to touch 400 million passengers annually in the coming 7-10 years.

Aircraft Movement

(in Million)

FY 2020-21		FY 2021-22		FY 2022-23	
International	Domestic	International	Domestic	International	Domestic
0.43	2.15	0.13	1.06	0.21	1.55

Source: https://www.statista.com/statistics/588212/aircraft-movements-by-type-at-indian-airports/

INDIAN TOURISM INDUSTRY OVERVIEW

The tourism industry, comprising travel and hospitality services, is universally recognised as an agent of development. It has been a key contributor to the development of various countries. Tourism allows India to showcase its rich and magnificent culture, history and diversity and reap the economic benefits in the form of growing foreign exchange earnings and greater employment generation through a thriving sector. By 2028, Indian tourism and hospitality is expected to earn US$ 50.9 billion as visitor exports compared with US$ 28.9 billion in 2018. As a result, the Indian air travel market was estimated at USD 20 billion in FY 2019-20 and is expected to double by FY 2026-27 due to improved airport infrastructure and increased access to passports.

Growth Drivers (in Aviation Industry)

Rising Working Group and Middle-Class Demography

As the economy rebounds from the Covid-19 pandemic, the rising working group and growing population of the Indian middle-class are anticipated to strongly drive the number of flyers. The opportunity to meet the travel aspirations of the middle-class and the business requirements of the working group will provide a large market for the aviation industry to benefit from.

Rise in Disposable Incomes and the Number of Nuclear Families

Higher disposable incomes will make India one of the fastest-growing aviation markets in the coming years. The growth in the number of nuclear families, with greater financial freedom, will make air travel more accessible to a greater section of society. This, in turn, will be a major growth driver for the aviation industry.

Rising Domestic and Foreign Travellers

According to estimates from IBEF, the travel market in India is expected to reach USD 125 billion by FY 2026-27 from an estimated USD 75 billion in 2020. International tourists' arrival is expected to reach 30.5 million by 2028. The strong demand forecasted from the tourism industry is expected to significantly boost the aviation industry.

Strong Growth in External Trade

India's trade and external sectors have had a significant impact on the growth of the economy. India's merchandise exports clocked a CAGR of 8.2% to USD 419.7 billion in FY 2021-22. The aviation sector will have a crucial role in facilitating the increase in trade activity that the Indian economy is projected to witness.

Increasing Investment towards Infrastructure

The Indian Airport Industry is expected to see around ₹ 420-450 billion in investments in its infrastructure between FY 2017-18 - FY 2022-23. The increased efforts towards developing the level of service provided to passengers will add tremendous value to both customers and the industry.

Foreign Direct Investments

The Government has allowed 100% FDI under the automatic route for greenfield projects, whereas 74% FDI is allowed under the automatic route for brownfield projects. FDI inflows in India's air transport sector (including air freight) reached USD 3.54 billion between April 2000-March 2022.

Increasing Liberalisation

With the opening of the airport sector to private participation, opportunities to increase efficiency and value addition in the sector will be a critical factor. The Central Government intends to privatise a total of 25 airports between 2022 and 2025 under the National Monetisation Pipeline.

Rising Aircraft Penetration

Improved connectivity through the establishment of new airports will enable airlines to penetrate deeper into Indian markets. Air transport will be an increasingly preferred mode of transport for both passengers and freight.

COMPANY OVERVIEW

The Adani Group entered the airport industry in 2019 as part of its mission to become a recognised leader in the integrated infrastructure and transportation industry. Adani Enterprises Limited, a flagship company under Adani Group, acted as an incubator for the new venture, Adani Airports Holdings Limited ('AAHL' or 'We' or 'Our Company'). Adani Enterprises Limited received the Letter of Award to operate, manage, and develop six airports i.e Ahmedabad, Lucknow, Mangaluru, Jaipur, Guwahati, and Thiruvananthapuram, for a period of 50 years after winning the international tender from the Airports Authority of India.

Further, our Company has acquired Mumbai International Airport Limited in July 2021 from its existing promoters along with the right to develop and operate for a remaining period of 45 years (original period 30 years and further extended 30 years). Along with MIAL, our Company has acquired Navi Mumbai Airport (NMIAL), a subsidiary of MIAL, is building a state-of-the-art Airport which is scheduled to commence commercial operations by December 2024.

Furthering the objective of building future-ready, robust infrastructure, Adani Airports is committed to redefining the city-airport relationship by building shared facilities that cater to new global travel, life and work requirements.

OUR OPERATIONS

We took over the operations and management of six airports in FY 2020-21 and FY 2021-22 and have successfully been running these airports since. AAHL is now India's largest airport infrastructure company.

Our Company is developing and operating seven airports and one is being constructed in Navi Mumbai. We offer a variety of services across each airport to improve the efficiency for our customers.

OUR SERVICES

Duty Free

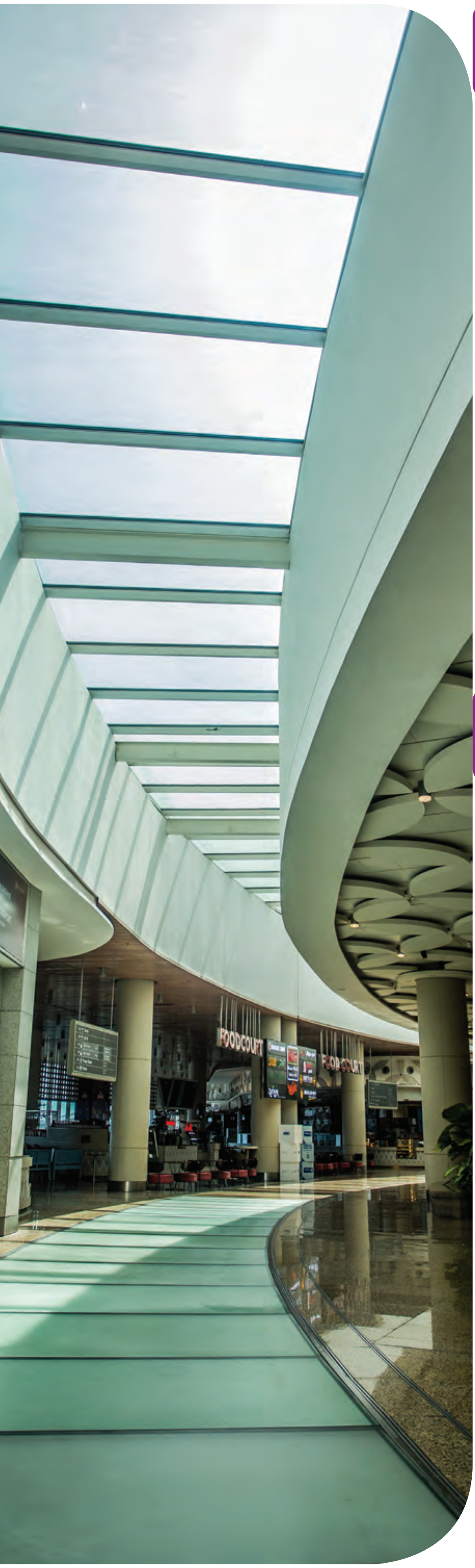
To improve our passenger experience, we have made sure that the right categories, brands, and prices are offered so that the passengers enjoy duty-free shopping.

Advertising & Sponsorship

We provide the best opportunities for our partners to showcase their brands and products using best-in-class infrastructure across mediums. Thereby creating a defining value for them. Our passengers will be drawn to our innovative and immersive advertising, and predictive advertising will increase the share of wallet.

Ground Transportation

With a focus on the customer's needs, our airports have multi-modal connectivity through private vehicles, metro (where possible), metered taxis, cars on rent, and inter- and intra-city bus services.



General aviation

AAHL's Corporate Terminals offer passengers specialised and catered services to handle flights for VIPs, CIPs, diplomats, and medical evacuations. With opulent pilot and passenger lounges, executive conference rooms, Wi-Fi, and big-screen plasma televisions, these terminals have been thoughtfully created to offer the most opulent and unwinding accommodations.

Airport concessions

AAHL is looking to create lifestyle destinations for customers inside and outside the airport, with a vision to be the trendsetting airport enterprise. By extending the boundaries of our customer experience, we are putting more power in the hands of the customer. Thus causing a rise in non-aeronautical revenues for the airports and its partners, making us the industry's preferred partner.

Cargo

Our cargo terminals dominate the Indian airport market, handling more than 0.96 million metric tonnes of air cargo annually, which is the highest amount ever. We provide our partners with a wonderful, top-notch experience through cutting-edge projects and high levels of operational automation.

- State-of-the-art facilities at the cargo terminal
- End-to-end integrated logistics services
- Air freight stations
- Air cargo logistics parks
- Air cargo e-commerce
- Specialised air cargo handling system
- Automated processes
- Effective air cargo pharma handling

Fuel farm

- Provision of a world-class Open Access Fuel Farm facility, a common facility used by all oil marketers
- Provision of a state-of-the-art Hydrant Refuelling System for quick and safe aircraft refuelling operations
- Resource optimisation, no duplication of infrastructure
- No entry barriers for new oil marketers – more options for airlines
- Reduction in front-end jet fuel operating expenses – better jet fuel price
- Benchmarking and standardisation of jet fuel services

OUTLOOK

India is currently the world's third-largest civil aviation market and is poised to surpass USA and China by the end of this decade owing to high growth in civil aviation supported by favourable Government initiatives. The operations of the greenfield Navi Mumbai International Airport Limited (NMIAL) will supplement the airport platform to transform the aviation ecosystem with several strategic adjacencies for other B2B businesses under the fold of Adani Group. This has also allowed the Group to connect its B2B and B2C business models. In 2024, this brand-new international airport is anticipated to be fully operational.

FINANCIAL REVIEW

Based on our strong operational performance across key and established businesses, AAHL continued to record robust financial performance.

Key Highlights of AAHL's FY 2022-23 Consolidated Performance

Total Income (₹ in Crores)

FY 2020-21	FY 2021-22	FY 2022-23
209	2,885	6,012

EBIDTA (₹ in Crores)

FY 2020-21	FY 2021-22	FY 2022-23
21	1,060	1,728

Total Assets (₹ in Crores)

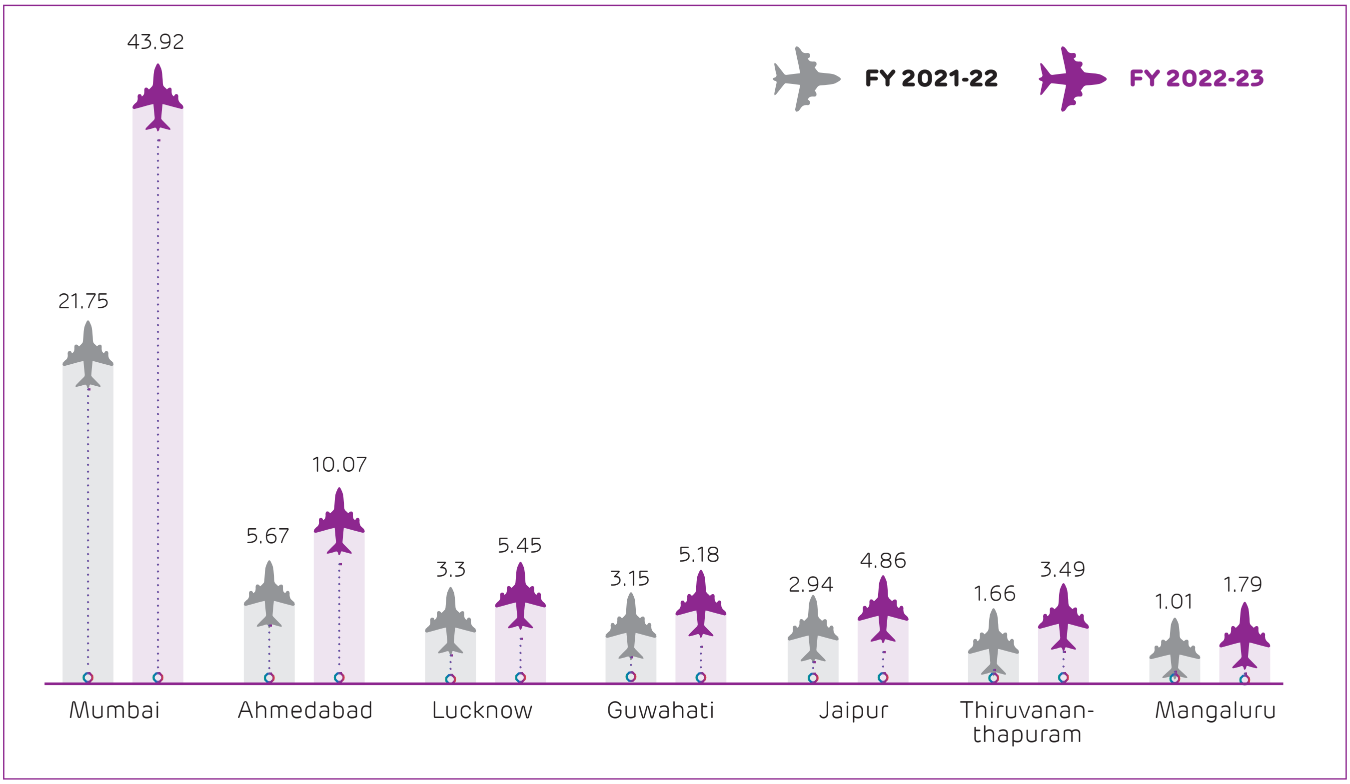
FY 2020-21	FY 2021-22	FY 2022-23
5,632	31,965	40,398

adani

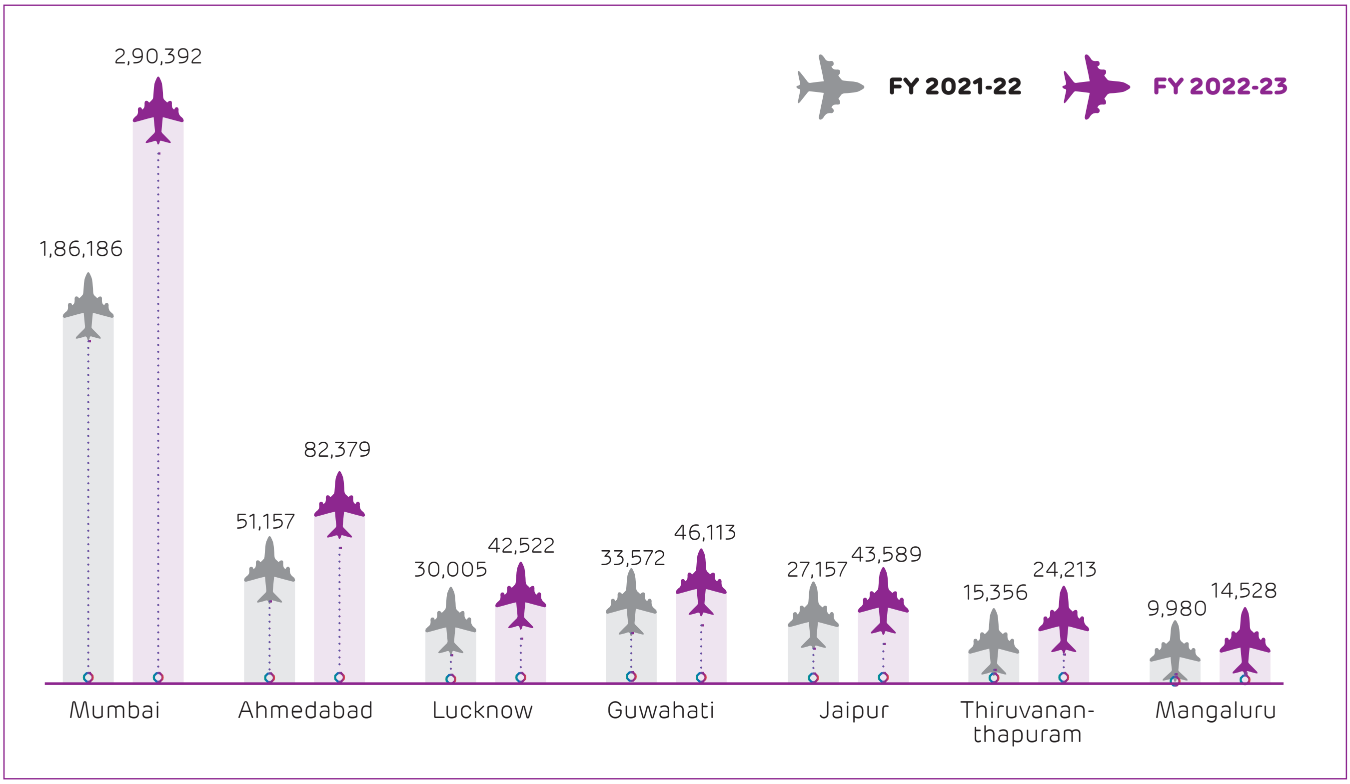
OPERATIONAL PERFORMANCE

Key highlights of seven operational airports' operational performance for FY 2022-23 are as follows.

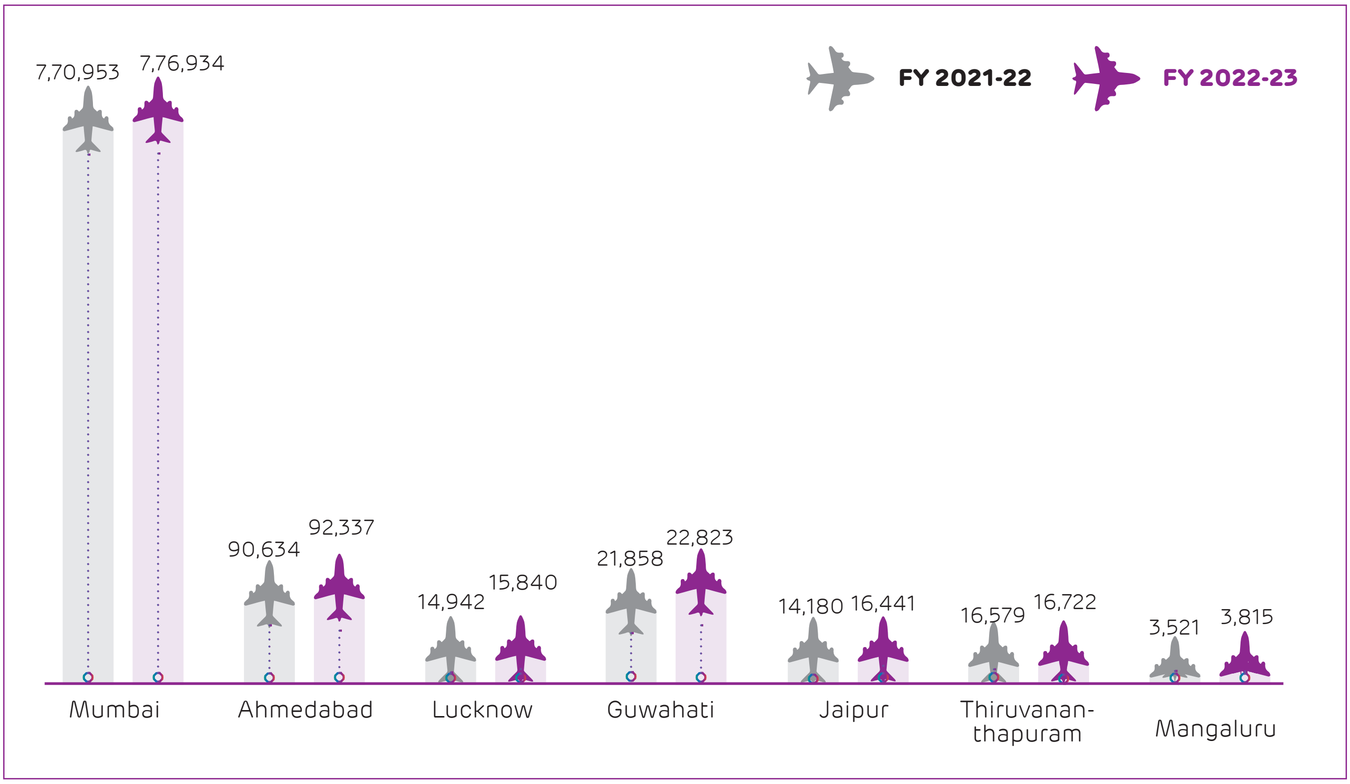
Passenger (Total) **(in Million)**



Air Traffic Management (ATM) (Total) **(Nos.)**



Cargo (Total) **(In MT)**



DATA FOR CARGO/TONNAGE HANDLED AT AIRPORTS

Year	FY 2020-21	FY 2021-22	FY 2022-23
Adani Airport Market Share Domestic	23.97%	26.12%	26.16%
Adani Airport Market Share International	31.60%	31.84%	32.52%
Overall Market Share	28.66%	29.69%	29.92%

RISK MANAGEMENT

AAHL has a strong risk management system that addresses both internal and external risks. The risk management system allows for early identification and assessment of risks so that we have sufficient time to put in place a mitigation plan.

The Corporate Risk Management Cell works with companies to develop and maintain unique profiles that may include risks to AAHL's operations, finances and strategy. We report corporate accounts and financial results in rupees.

With the help of the implementation and continuous improvement of our processes, we can get a comprehensive picture of the aggregated risk positions and make informed decisions.

Economic Risk

The aviation and tourism market's volatility, along with more recent changes in the global economy and the industry's cyclical nature, could have a negative effect on our Company's financial and operational condition.

Mitigation: One of India's most thriving industries is the airport sector, in which our Company operates. This enables AAHL to generate significant revenue. As a country, India is also prepared for rapid growth that the sector is anticipated to experience in the upcoming years, backed by effective Government stimulus measures.

Regulatory and Compliance Risk

Regulatory and administrative changes could have an effect on how our Company operates.

Mitigation: We monitor regulatory changes and adjust our strategy to comply with regulations. This helps ensure compliance with the pertinent laws and regulations, avoid penalties, and preserves our good standing in the marketplace.

Human Resource Risk

A demotivating work environment results from a company's lack of harmony in business practises, including its failure to maintain good relations with employees. Consequently, productivity and the ability to recruit and keep employees will suffer.

Mitigation: Our Company invests in people/employees and puts a lot of effort and time to create a positive environment within the organisation. This is a part of our mitigation strategy in order to build lasting relationships with our employees.

HUMAN RESOURCES

We follow human resource practices that reinforce market leadership by preparing our workforce for any challenges. In this direction, our Company invested in formal, informal, and on-the-job training in FY 2021-22. The result involved enhanced employee engagement by providing a holistic workplace, challenging job profile and regular interactions with the Management.

During the year, our Company's attrition rate was 12%. As on March 31, 2023, our employee base stood at 1,789.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Our Company has well-rounded internal control procedures in place befitting AAHL's size and operations. The Board of Directors, responsible for the internal control system, sets the guidelines and verifies their adequacy, efficacy and application. Our Company's internal control system's objective is to ascertain management efficiency, measurability and verifiability, reliability of accounting and management information, compliance with all applicable laws and regulations and the protection of our Company's assets. This helps us recognise and mitigate relevant risks such as operational, compliance-related, economic and financial, to ensure smooth functioning.

CAUTIONARY STATEMENT

This statement made in this section describes our Company's objectives, projections, expectations and estimations which may be forward-looking statements within the meaning of applicable securities laws and regulations.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the 4th Annual Report along with the audited financial statements of your Company for the financial year ended on March 31, 2023.

INCORPORATION

Your Company was incorporated on August 02, 2019 to acquire, promote, operate, maintain and develop domestic and international airports in India or abroad and to invest in all kinds of infrastructure development companies as a promoter, advisor, operator or otherwise by way of equity, preference, debentures, debt or otherwise and to carry on all such acts as are required to participate, float or acquire through bidding or negotiated process for any project either in infrastructure or otherwise and to develop and provide engineering, construction, operation and management consultancy services in airports projects and to undertake operations related to all or any of airport facilities connected therewith including consultancy services on all airport related activities and to do all necessary and incidental activities in this regard.

FINANCIAL PERFORMANCE SUMMARY

The summarised financial highlight is depicted below:

(₹ In Crores)

Particulars	Results	
	FY 2022-23	FY 2021-22
Revenue from Operations	1,315.75	471.98
Other Income	1,130.45	415.63
Total Revenue	**2,446.20**	**887.61**
Operating Expenses	11.12	9.80
Purchases of Stock-in-Trade	649.16	208.65
Revenue Share Expenses	172.76	111.87
Finance Costs	1,377.56	574.65
Employee Benefit Expenses	125.95	64.13
Depreciation and amortisation expenses	4.01	0.27
Other Expenses	44.10	20.55
Total Expenses	**2,384.66**	**989.92**
Profit / (Loss) Before Tax	**61.54**	**(102.31)**
Tax Expenses	(41.40)	-
Net (Loss) for the year	**102.94**	**(102.31)**
Other Comprehensive Income	10.02	(0.07)
Total Comprehensive Income for the year	**112.96**	**(102.38)**

DIVIDEND

Due to non-availability of distributable profits, your Directors express their inability to recommend any dividend for the financial year under review.

DEBENTURES

The company has outstanding Unsecured Unrated Unlisted Compulsory Convertible Debentures of ₹ 100/- each amounting to ₹ 19,95,50,73,400 as on March 31, 2023.

MATERIAL DEVELOPMENTS DURING THE PERIOD UNDER REVIEW

There are no material changes which have occurred between the end of financial year of the Company and the date of this report.

COMPANY ACQUIRED

During the period under review, the Company has acquired 49% equity shares of each of the following Airport SPVs:

a) Guwahati International Airport Limited

b) Jaipur International Airport Limited

c) TRV (Kerala) International Airport Limited

SUBSIDIARIES AND ASSOCIATES COMPANIES

Your Company has ten subsidiaries and six associates i.e. Sabarmati Infrastructure Services Limited, Vijaynagara Smart Solutions Limited, Rajputana Smart Solutions Limited, GVK Airport Developers Limited, GVK Airport Holdings Limited, Bangalore Airport Infrastructure Developers Limited, Mumbai International Airport

DIRECTORS' REPORT (Contd.)

Limited, Navi Mumbai International Airport Limited, April Moon Retail Private Limited, Mumbai Travel Retail Private Limited and Ahmedabad International Airport Limited, Lucknow International Airport Limited, Mangaluru International Airport Limited, Guwahati International Airport Limited, Jaipur International Airport Limited, TRV (Kerala) International Airport Limited.

During the year, Brahmaputra Metropolis Solutions Limited, Periyar Infrastructure Services Limited and Gomti Metropolis Solutions Limited have been struck off and hence have ceased to be subsidiaries of the Company.

FIXED DEPOSITS

During the period under review, your Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013 and the rules made there under.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The provisions of Section 186 of the Companies Act, 2013, with respect to loans, guarantees, investments or security are not applicable to the Company as the Company is engaged in providing infrastructural facilities and is exempted under Section 186 of the Companies Act, 2013. The details of investments made during the year under review are disclosed in the financial statements.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Retirement by Rotation:

Pursuant to the requirements of the Companies Act, 2013 and Articles of Association of the Company, Dr. Gargi Kaul (DIN: 07173427) is liable to retire by rotation and being eligible, offers herself for re-appointment.

There was no other change in the Directorship of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, state the following:

a. that in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b. that such accounting policies have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the loss of the Company for the year ended on that date;

c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. that the annual financial statements have been prepared on a going concern basis;

e. that proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

NUMBER OF BOARD MEETINGS

During the year under review, Seven Board Meetings were held on April 18, 2022, July 22, 2022, August 16, 2022, October 18, 2022, November 30, 2022, January 16, 2023, and March 15, 2023. The maximum time gap between any two meetings was not more than 120 days.

The attendance of each Director at the Board Meetings held during the period under review is as under:

Name of Directors	Meetings	
	Held during tenure	Attended
Dr. Malay Ramesh Mahadevia	7	7
Dr. Gargi Kaul	7	7
Mr. Jeet Adani	7	5
Mr. Karan Adani	7	7

BOARD EVALUATION

The Board adopted a formal mechanism for evaluating its performance and as well as that of individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Financial Control System, commensurate with the size, scale and complexity of its operations.

The Internal Audit Department of the Group monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company.

SECRETARIAL STANDARDS

The Company has complied with all applicable Secretarial Standards.

RISK MANAGEMENT

Your Company has a formal risk assessment and management system which identifies risk areas, evaluates their consequences, initiates risk mitigation strategies and implements corrective actions where required.

SHARE CAPITAL

Company does not have any equity shares with differential rights and hence disclosures as required in Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 are not required. The Company has not issued any sweat equity or stock options during the year under review.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

As per the requirement, the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013, read with rules made thereunder an Internal Complaints Committee of the Group is responsible for redressal of complaints related to sexual harassment. During the period under review there were no complaints pertaining to sexual harassment.

RELATED PARTY TRANSACTIONS

All the related party transactions entered into during the period under review were on an arm's length basis and in the ordinary course of business. The Company had not entered into any transactions with related parties which could be considered as material in terms of Section 188 of the Companies Act, 2013. Accordingly, the disclosure of related party transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC 2 is not applicable. Suitable disclosure as required by the Indian Accounting Standard (Ind AS 24) has been made in the notes to the Financial Statements.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations.

STATUTORY AUDITORS & AUDITORS' REPORT

M/s. Shah Dhandharia & Co., Chartered Accountants (Firm Registration No.: 118707W), the Statutory Auditors of the Company have been appointed as Statutory Auditors of the Company by the Members of the Company till the Conclusion of 6th Annual General Meeting of the Company to be held in the calendar year 2025. They have confirmed that they are not disqualified from continuing as Statutory Auditors of the Company for financial year 2023-24.

Notes to the financial statements referred in the Auditors Report are self-explanatory and therefore do not call for any comments under Section 134 of the Companies Act, 2013.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors and Secretarial Auditor of your Company have not reported any instances of fraud committed in your Company by its officers or employees to the Board under section 143(12) of the Act.

SECRETARIAL AUDITOR AND SECREATARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Act read with rules made thereunder, the Company had appointed M/s Chirag Shah & Associates, Practising Company Secretaries to undertake the Secretarial Audit of the Company. The report of the Secretarial Auditor is enclosed to this report as Annexure A. There were no qualifications, reservation or adverse remarks given by Secretarial Auditors of the Company.

PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in separate annexure which forms part of this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption, foreign exchange earnings and outgo stipulated under section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts)

Rules, 2014, as amended is provided as a Annexure B of this report.

ANNUAL RETURN

Pursuant to Section 134(3) (a) of the Act, the draft annual return as on March 31, 2023 prepared in accordance with Section 92(3) of the Act is made available on the website of the Company and can be assessed using the link https://www.adani.com/businesses/airports

ACKNOWLEDGEMENT

Your Directors are highly grateful for all the guidance, support and assistance received from the Government of India, Governments of various states in India, Ministry of Power, concerned Government departments, Financial Institutions and Banks. Your Directors thank all the esteemed shareholders, customers, suppliers and business associates for their faith, trust and confidence reposed in the Company.

Your Directors wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees at all levels, to ensure that the Company continues to grow and excel.

For and on behalf of the Board of Directors

Jeet Adani
Chairman
(DIN: 08556189)

Date : May 29, 2023
Place : Ahmedabad

ANNEXURE A TO THE DIRECTOR'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

for the financial year ended 31.03.2023
[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of
the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
ADANI AIRPORT HOLDINGS LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ADANI AIRPORT HOLDINGS LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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 by using appropriate Information technology tools like virtual data sharing by way of data room and remote desktop access tools, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, 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 herein after. The physical Inspection or Verification of documents and records were taken to the extent possible:

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 March 31, 2023 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 and the rules made thereunder;

(iii) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 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, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): - **(Not Applicable to the Company during the Audit period)**

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the Company during the Audit period);

e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

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;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not Applicable to the Company during the audit period);

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not Applicable to the Company during the audit period):-

i. SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015;

ANNEXURE A TO THE DIRECTOR'S REPORT (Contd.)

(vi) No other Laws specifically applicable to the industry to which the company belongs, as identified by the management.

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

a. Secretarial Standards issued by the Institute of Company Secretaries of India;

b. The Listing Agreements entered into by the Company with Stock Exchange(s);

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, Non-Executive Directors and Independent Directors. 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.

We further report that during the audit period there were no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

We further report that during the year under review, the Company has passed following special resolutions;

1. To give authority to borrow in excess of paid-up share capital and free reserves
2. To give authority to borrow in excess of paid-up share capital and free reserves

For, **Chirag Shah & Associates**

Raimeen Maradiya
Partner
FCS No: 11283
C P No: 17554
UDIN:F011283E000400067
Peer Review Cer. No. 704/2020

Place: Ahmedabad
Date: May 29, 2023

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

'ANNEXURE A'

To,
The Members
ADANI AIRPORT HOLDINGS LIMITED

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, **Chirag Shah & Associates**

Raimeen Maradiya
Partner
FCS No: 11283
C P No: 17554

Place: Ahmedabad
Date:May 29, 2023

ANNEXURE B TO THE DIRECTOR'S REPORT

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo Information as required under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014 are set out as under:

A. CONSERVATION OF ENERGY.

a) the steps taken or impact on conservation of energy:

Mumbai:

- Retrofitted Electrically Controlled (EC) fans in Air Handling Units (AHUs) at Terminal-2 to achieve energy saving of ~24,17,721 kWh
- Replaced 3,000 conventional lamps with energy efficient LEDs to achieve annual energy savings of 6,57,000 Kwh

Ahmedabad:

- Optimized chiller operations by optimal use of Air handling units (AHU) and optimization of chiller temperature set point to achieve energy saving of ~30,00,000kWh
- Replaced 992 conventional lamps with energy efficient LEDs to achieve annual energy savings of 2,82,291 Kwh

Lucknow:

- Replaced 25% of Airside perimeter lighting around the airport boundary with solar lights at Lucknow airport to achieve energy savings of 2,16,000kWh
- Replaced existing chillers with highly efficient chillers with latest technology at T1, Lucknow airports to achieve energy savings of 900kWh
- Replaced 4,922 conventional lamps with energy efficient LEDs to achieve annual energy savings of 10,77,918 Kwh

Mangaluru:

- Replaced 4,400 conventional lamps with energy efficient LEDs to achieve annual energy savings of 9,63,600 Kwh

Guwahati:

- Replaced 2,764 conventional lamps with energy efficient LEDs to achieve annual energy savings of 6,05,316 Kwh

Jaipur:

- Replaced 6,347 conventional lamps with energy efficient LEDs to achieve annual energy savings of 13,89,993 Kwh

Thiruvananthapuram:

- Replaced 13,350 conventional lamps with energy efficient LEDs to achieve annual energy savings of 29,23,650 Kwh

b) the steps taken by the Company for utilizing alternate sources of energy:

- 9.1MW capacity on site solar energy generation across all airports

Airport	BOM	AMD	LKO	GAU	JAI	TRV
Installed Solar generation capacity (in MW)	4.6	1.4	0.5	0.3	1.8	0.5

- 100% transition to green electricity at MIAL through purchase of electricity from renewable sources

c) the capital investment on energy conservation equipment:

- Cost of LED Lights – ₹ 14.30 crore aprrox.
- EC fans for AHU- ₹ 1 crore approx.
- Chiller Optimization– ₹ 2.20 crore approx.

B. TECHNOLOGY ABSORPTION

1. Efforts made towards technology absorption:

- Cloud First Approach: Implemented a mandatory cloud-first approach for all solutions, ensuring that new technologies are primarily considered for cloud deployment.
- A robust evaluation process for new technologies: Conducting proof-of-concepts with multiple partners, ensuring thorough testing and assessment of the proposed solutions.
- Consolidated Airport Operations System: Hosted Airport Operations System for all airports in a single cloud instance, promoting seamless integration and efficient management of critical operations.
- Customer Centric Initiatives: Implementation of various customer experience programs, such

as 'Desk of Goodness', Customer Relationship Management etc.

- Revenue Generation and Protection: Developed our own point-of-sales environment to safeguard against revenue leakage

2. Benefits derived like product improvement, cost reduction, product development or import substitution:

- Customer centric initiatives enhanced passenger satisfaction and engagement throughout their journey at the airport. By leveraging tech-driven solutions, we get valuable insights and provide personalised services and address feedback effectively.
- Cloud first approach enhances scalability, flexibility, and cost-effectiveness. We have reduced infrastructure costs, eliminated the need for physical servers and decreased licensing expenses.
- Automation and digitization of processes have streamlined workflows, reduced manual errors and minimized the need for manual interventions.
- Revenue protection solutions ensures secure transactions, accurate revenue tracking and comprehensive reporting, enabling us to maximize revenue while providing seamless experience for customers.

3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

   No technology imported

4. Expenditure incurred on Research and Development:

   NIL

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to foreign exchange earning and outgo during the yea under review are as under:

(in ₹)

Particulars	FY 2022-23	FY 2021-22
Foreign Exchange earned	4,41,50,722	0
Foreign Exchange outgo	3,57,85,09,401	8,12,42,830

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is about meeting our strategic goals responsibly and transparently, while being accountable to our stakeholders. Adani Airport Holdings Limited ("the Company" / "AAHL") is equipped with a robust framework of corporate governance that considers the long-term interest of every stakeholder as we operate with a commitment to integrity, fairness, equity, transparency, accountability and commitment to values. The framework lays down procedures and mechanisms for enhancing leadership for smooth administration and productive collaboration among employees, value chain, community, investors and the Government.

Courage, Trust and Commitment are the main tenets of our Corporate Governance Philosophy -

- **Courage:** We shall embrace new ideas and businesses.
- **Trust:** We shall believe in our employees and other stakeholders.
- **Commitment:** We shall stand by our promises and adhere to high standard of business.

The Company believes that sustainable and long-term growth of every stakeholder depends upon the judicious and effective use of available resources and consistent endeavor to achieve excellence in business along with active participation in the growth of society, building of environmental balances and significant contribution in economic growth.

2. BOARD OF DIRECTORS

The Board, being the trustee of the Company, is responsible for the establishment of cultural, ethical and accountable growth of the Company and is constituted with a high level of integrated, knowledgeable and committed professionals. The Board provides strategic guidance and independent views to the Company's senior management while discharging its fiduciary responsibilities.

Composition of the Board

The Company has a balanced Board with optimum combination of Executive and Non-Executive Independent Directors, which plays a crucial role in Board processes and provides independent judgment on issues of strategy and performance.

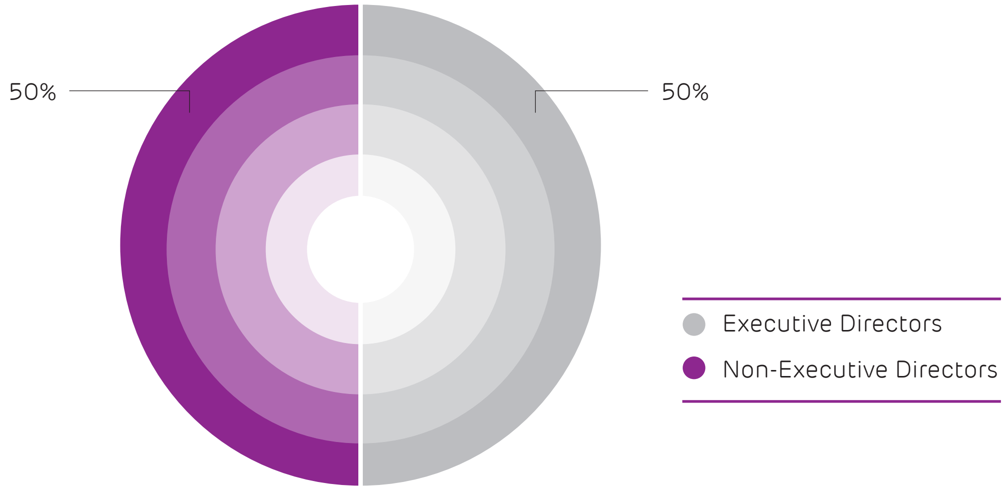
The Board currently comprise of 4 (four) Directors out of which 2 (two) Directors are Executive Directors including 1 (one) Woman Director and remaining 2 (two) are non-executive Directors.

The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

None of the Directors is a director in more than 10 (ten) public limited companies or acts as an independent director in more than 7 (seven) listed companies. Further, none of the Directors on the Company's Board is a member of more than 10 (ten) committees and chairperson of more than 5 (five) committees (committees being, audit committee and stakeholders' relationship committee) across all the companies in which he/she is a Director.

The composition of Board as on March 31, 2023.

BOARD COMPOSITION



The composition of the Board and the number of directorships and committee positions held by the Directors as on March 31, 2023, are as under:

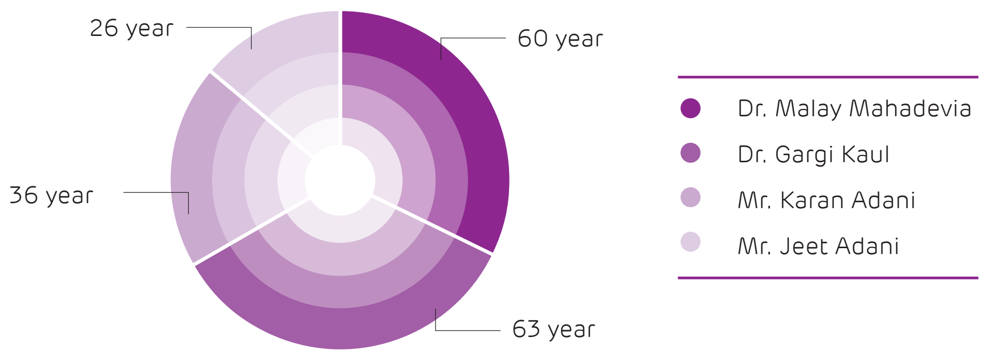
Name and Designation (DIN) of Director	Age & Date of Appointment	Category	No. of other Directorships held1 (Other than AAHL)	No. of Board Committees2 (other than AAHL) in which Chairman / Member.	
				Chairman	Member
Dr. Malay Mahadevia Managing Director (DIN: 00064110)	59 years, January 01, 2022	Executive	5	-	-
Dr. Gargi Kaul Whole-time Director (DIN: 07173427)	63 years, January 01, 2022	Executive	0	-	-
Mr. Karan Adani Director (DIN: 03088095)	36 years, January 01, 2022	Promoter Non-Executive	3	-	-
Mr. Jeet Adani Director (DIN: 08556189)	26 years, January 01, 2022	Promoter Non-Executive	5	-	-

Notes:

1. The Directorships held by the Directors, as mentioned above excludes alternate directorships, directorships in foreign companies, Companies under Section 8 of the Act and Private Limited Companies, which are not the subsidiaries of public limited companies.
2. Represents Membership / Chairmanship of two committees viz. audit committee and stakeholders' relationship committee as per Regulation 26 of the SEBI Listing Regulations.

Board Age profile and Board Experience is as under:

BOARD AGE PROFILE



Details of other listed entities where the Directors of the Company are directors, as on March 31, 2023, are as under:

Name of Director	Name of other Listed entities in which the concerned Director is a Director	Category of Directorship
Dr. Malay Mahadevia (DIN: 00064110)	Adani Wilmar Limited	Non-Executive & Non-Independent
	Adani Ports and Special Economic Zone Limited	Non-Executive & Non-Independent
Dr. Gargi Kaul (DIN: 07173427)	-	-
Mr. Karan Adani (DIN: 03088095)	Adani Ports and Special Economic Zone Limited	Promoter & Executive
Mr. Jeet Adani (DIN: 08556189)	-	-

Board Meetings and Procedure

The internal guidelines for Board / Committee meetings facilitate the decision-making process at the meetings of the Board / Committees in an informed and efficient manner.

Board Meetings are governed by structured agenda. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. The Company Secretary, in consultation with the Senior Management, prepares the detailed agenda for the meetings.

Agenda papers and Notes on Agenda are circulated to the Directors, in advance, in the defined agenda format. All material information is circulated along with agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, the same is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted. In order to transact some urgent business, which may come up after circulation agenda papers, the same is placed before the Board by way of table agenda or Chairman's agenda. Frequent and detailed deliberation on the agenda provides the strategic roadmap for the future growth of the Company.

Minimum 4 (four) pre-scheduled Board meetings are held every year. Apart from the above, additional Board meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are also passed by way of circulation.

Detailed presentations are made at the Board / Committee meetings covering finance, major business segments and operations of the Company, terms of reference of the Committees, global business environment, key business areas of the Company including business opportunities, business strategy and the risk management practices, before taking on record the quarterly / half yearly / annual financial results of the Company.

The important decisions taken at the Board / Committee meetings are communicated to departments concerned, promptly. Action taken report on the decisions taken at the meeting(s) is placed at the immediately succeeding meeting of the Board / Committee, for noting by the Board / Committee.

The option to participate in the Meeting through video conferencing is made available to the Directors, in compliance with the Act read with rules made thereunder.

During the year under review, Board met seven time

i.e on April 18, 2022, July 22, 2022, August 16, 2022, October 18, 2022, November 30, 2022, January 16, 2023 and March 15, 2023.

The Board meets at least once in every quarter to review the Company's operations and financial performance. The maximum time gap between any two meetings is not more than 120 days. The necessary quorum was present in all the meetings.

The details of attendance of Directors at the Board Meetings held during FY 2022-23 and at the last Annual General Meeting, held on July 25, 2022, are as under:

Name of Director(s)	Number of Board Meetings held and attended during FY 2022-23		Attended Last AGM	% of attendance
	Held during tenure	Attended		
Dr. Malay Ramesh Mahadevia	7	7	Yes	100
Dr. Gargi Kaul	7	7	Yes	100
Mr. Jeet Adani	7	5	Yes	71
Mr. Karan Adani	7	7	Yes	100

Skills / expertise competencies of the Board of Directors:

The following is the list of core skills / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available within the Board Members:

Business Leadership	Leadership experience including in areas of business development, strategic planning, succession planning, driving change and long-term growth and guiding the Company and its senior management towards its vision and values.
Financial Expertise	Knowledge and skills in accounting, finance, treasury management, tax and financial management of large corporations with understanding of capital allocation, funding and financial reporting processes.
Risk Management	Ability to understand and assess the key risks to the organisation, legal compliances and ensure that appropriate policies and procedures are in place to effectively manage risk.
Global Experience	Global mindset and staying updated on global market opportunities, competition experience in driving business success around the world with an understanding of diverse business environments, economic conditions and regulatory frameworks.
Merger & Acquisition	Ability to assess 'build or buy' & timing of decisions, analyse the fit of a target with the Company's strategy and evaluate operational integration plans
Corporate Governance & ESG	Experience in implementing good corporate governance practices, reviewing compliance and governance practices for a sustainable growth of the Company and protecting stakeholders' interest.
Technology & Innovations	Experience or knowledge of emerging areas of technology such as digital, artificial intelligence, cyber security, data centre, data security etc.

Each Director possesses varied combinations of skills/ expertise within the described set of parameters and it is not necessary that all Directors possess all skills/ expertise listed therein.

Remuneration Policy:

The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The Company endeavors to attract, retain, develop and motivate the high-caliber executives and to incentivise them to develop and implement the Group's strategy, thereby enhancing the business value and maintain a high-performance workforce. The policy ensures that the level and composition of remuneration of the Directors is optimum.

Remuneration to Executive and Promoter Group Directors:

The remuneration of the Executive Directors is based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities shouldered, performance/track record, macro-economic review on remuneration packages of heads of other organisations. The pay structure of Executive Directors has appropriate success and sustainability metrices built in. The remuneration paid/payable by way of salary, perquisites and allowances (fixed component), incentive and/ or commission (variable components), to its Executive Directors, within the limits prescribed under the Act, is approved by the Board and by the Members in the General Meeting.

The Executive Directors and Promoter Group Directors are not being paid sitting fees for attending meetings of the Board and its Committees. The Company has not granted stock option to the Executive Directors or employees of the Company.

Notes on Directors appointment / re-appointment

The Brief profile of directors are given hereunder:

Dr. Malay Mahadevia:

Dr. Malay Mahadevia holds a master's degree in dental surgery from Nair Hospital Dental College. He completed his Doctor of Philosophy in coastal ecology around Mundra area, Kutch District, from the Gujarat University in 2008. He is working with the group since 1992 and has contributed to the development of the Mundra Port since its conceptualisation. He is also a member of the Gujarat Chamber of Commerce and Industry.

Dr. Gargi Kaul:

Dr. Gargi Kaul, an officer of the Indian Audit and Accounts Service, 1984 batch, has an experience of over 36 years' in diverse roles in Indian Audit Accounts Department and Government of India, the last being Secretary, Defence Finance, Ministry of Defence from where she retired in October 2020.

Before becoming Secretary Defence Finance in December 2018, she worked as Additional Secretary / Joint Secretary and Financial Adviser in the Ministry of Civil Aviation from March 2015 to December 2018 where she was involved in the preparation of the National Civil Aviation Policy 2016 amongst other things. She was also Government Director on boards of the Public Sector Entities under the Ministry, namely Air India and its subsidiaries, Airport Authority of India, Pawan Hans and Delhi International Airport Limited. She was also the Financial Adviser to the Ministries of Food Processing Industries and New and Renewable Energy. As Financial Adviser she was on the Boards of all the Public Sector Enterprises and Autonomous Bodies under these Ministries too.

In the parent Department she worked as Principle Accountant General in Odisha, Accountant General Madhya Pradesh and Director of Commercial Audit Mumbai to name a few.

In addition, she has had international exposure on secondment to Ministry of Finance, Government of Seychelles and Audit of United Nations Organisations.

She is a Certified Internal Auditor from the Institute of Internal Auditors, Florida, USA. Her specialisation and experience has been in the field of Public Financial Management, Accountability and Public Policy. Sector specific experience relates to Civil Aviation, Defence, Rural Roads and Food Processing Industries.

She has been a guest lecturer at the Centre for Defence and Strategic Studies, Central University of Gujarat, visiting professor at the Department of Commerce, Barkatullah University, Bhopal and Atal Bihari Vajpayee school of Management Studies, JNU.

Mr. Karan Adani:

Mr. Karan Adani holds a degree in economics from the Purdue University, USA. He has been deeply involved in managing the port operations since 2009 and looks after the strategic development of all the Adani ports in India. He aims to build the Group's identity around an integrated logistics business model, backed by his sound understanding of new processes, systems and macroeconomic issues, coupled with his growing experience.

Mr. Jeet Adani:

Mr. Jeet Adani joined the Adani Group in 2019 after attending the University of Pennsylvania, School of Engineering and Applied Sciences. He started his career managing strategic finance, capital markets and risk and governance policy. He is also director of various companies in the airport vertical forming part of the Adani Group, including our Company, Mumbai International Airport Limited and Navi Mumbai International Airport Private Limited.

3. WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for its employees and Directors to report concerns about any unethical and improper activity. No person has been denied access to the Chairman of the Board. The Board monitors and reviews the investigations of the whistle blower complaints. During the year under review, no complaints were received under Whistle Blower Policy.

4. GENERAL BODY MEETINGS

a) Annual General Meetings

The date, time and location of the Annual General Meetings held during the preceding 3 years and special resolutions passed thereat are as follows:

Financial Year	Day & Date	Location of Meeting	Time	No. of Special Resolutions passed
2021-22	Monday. July 25, 2022	Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad - 382421	10.00a.m.	0
2020-21	Saturday, July 10, 2021	Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad - 382421	10.30 a.m.	0
2019-20	Wednesday, June 24, 2020	Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad - 382421	10.45 a.m.	1. Approval of shifting of Registered Office of the Company outside the local limits.

5. GENERAL SHAREHOLDER INFORMATION

A. Company Registration Details:

The Company is registered in the State of Gujarat, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is U62100GJ2019PLC109395.

B. Annual General Meeting:

Day and Date	Time	Venue
Monday, July 17, 2023	10.00 a.m.	At the Registered Office

C. Registered Office:

"Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382421.

D. Financial Calendar for FY 2023-24: (tentative schedule, subject to change)

Period	Approval of Quarterly results
Quarter ending June 30, 2023.	Mid August, 2023
Quarter and half year ending September 30, 2023.	Mid November, 2023
Quarter ending December 31, 2023.	Mid February, 2024
The year ending 31st March, 2024.	End May, 2024

Depositories:

1.	National Securities Depository Limited (NSDL) Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400013.
2.	Central Depository Services (India) Limited (CDSL) 25th Floor, A Wing, Marathon Futurex, Mafatlal Millis Compound, NM Joshi Marg, Lower Parel (E), Mumbai - 400013

E. Registrar and Share Transfer Agents:

M/s. NSDL Database Management Limited are appointed as Registrar and Share Transfer (R&T) Agents of the Company for both Physical and Demat Shares. The address is given below:

M/s NSDL Database Management Limited

4th Floor, Trade World, A Wing, Kamla Mills

Compound, Lower Parel (W), Mumbai, Maharashtra

Shareholders are requested to correspond directly with the R & T Agent for queries pertaining to their shares such as transfer / transmission of shares, change of address, queries pertaining to their shares, dividend etc.

Shareholding Pattern as on March 31, 2023 is as follows:

Category	No. of Shares	% of Total Shareholding
Promoters and Promoter Group	2,50,000	100.00
Total	**2,50,000**	**100.00**

F. Debenture Trustees (for privately placed debentures):

1. Catalyst Trusteeship Limited

GDA House, First Floor, Plot No. 85,

L. No. 94 & 95, Bhusari Colony (Right), Kothrud, Pune - 411038 Phone No. +91-20-2528 0081

Fax: +91-20-2528 0275

E-mail ID: dt@ctltrustee.com Website: www.catalysttrustee.com

G. Address for correspondence:

The shareholders may address their communications / suggestions / grievances / queries to:

1.	**Shri Dharmesh Desai** Company Secretary and Compliance Officer Adani Airport Holdings Limited "Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad - 382421 Email id: dharmesha.desai@adani.com	2.	**M/s NSDL Database Management Limited** 4th Floor, Trade World, A Wing, Kamla Mills Compound, Lower Parel (W), Mumbai, Maharashtra Email id: sachin.shinde@nsdl.co.in

H. Rating:

Rating Agency	Entity	Facility	Rating/Outlook
CRISIL Credit	AAHL	Long Term- A+	Negative
	MIAL	Long Term- AA-	Stable
	NMIAL	Long Term- A Short Term-A1	Stable
India Ratings	AAHL	Long Term-A+	Stable
	NMIAL	Long Term-A Short Term-A	Stable
	MTRPL (DF JV)	Long Term-A	Stable
CareEdge	MIAL	Long Term-AA-	Positive

I. International

Rating Agency	Entity	Facility Rating	Rating Outlook
Fitch Ratings	MIAL	BB+	Stable

NON-MANDATORY REQUIREMENTS:

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

1. The Board:

The Non-Executive Chairman was not reimbursed any expenses during the FY 2022-23 for maintenance of the Chairman's office or performance of his duties.

2. Modified opinion(s) audit report:

The Company already has a regime of un-qualified financial statements. Auditors have raised no qualification on the financial statements.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

SN	Particulars	Details
1.	Corporate Identity Number (CIN) of the Entity	U62100GJ2019PLC109395
2.	Name of the Entity	Adani Airport Holdings Limited
3.	Year of incorporation	2019
4.	Registered office address	Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar Ahmedabad – 382421.
5.	Corporate address	Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382421.
6.	E-mail	dharmesha.desai@adani.com
7.	Telephone	+91 79 -25557608
8.	Website	https://www.adani.com/businesses/airports
9.	Financial year for which reporting is being done	April 01, 2022 to March 31, 2023
10.	Name of the Stock Exchange(s) where shares are listed	None
11.	Paid-up Capital	**Paid up Equity Capital - ₹ 25 Lacs** 2,50,000 Equity shares of ₹ 10/- each
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Shri Pankaj Singh SVP – ESG & Business Excellence Email: pankaj.singh@adani.com Phone: 079 - 25555265
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Reporting is based on the standalone basis and special purpose combined financial statements ("Restricted Group Entities" or "AAHL")

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Transport and storage	Operation, management, and development of airports.	100

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Services incidental to air transportation	52231	100

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	7 Operational Airports		
International	--		

17. Markets served by the entity:

a. **Number of locations**

Locations	Number
National (No. of States)	7
International (No. of Countries)	--

b. **What is the contribution of exports as a percentage of the total turnover of the entity?**

We are not a manufacturing entity. We are in the business of operation, management and development of airports.

c. **A brief on types of customers**

AAHL serves B2B customers (Airlines, Ground Handlers, Concessionaires etc) and B2C customers (passengers)

IV. Employees

18. Details as at the end of Financial Year:

1. **Employees and workers (including differently abled):**

Employees	Current FY 2022-23				
	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
Permanent (D)	1581	1397	88%	184	12%
Other than Permanent (E)	208	151	73%	57	27%
Total employees (D + E)	**1789**	**1548**	**87%**	**241**	**13%**

Workers	Current FY 2022-23				
	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
Permanent (D)	414	341	82%	73	18%
Other than Permanent (E)	10161	8649	85%	1512	15%
Total employees (D + E)	**10575**	**8990**	**85%**	**1585**	**15%**

2. **Differently abled Employees and workers:**

Employees	Current FY 2022-23				
	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
Permanent (D)	1	1	100%	0	0%
Other than Permanent (E)	0	0	0	0	0
Total employees (D + E)	**1**	**0**	**0**	**0**	**0**

Workers	Current FY 2022-23				
	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
Permanent (D)	0	0	0	0	0
Other than Permanent (E)	0	0	0	0	0
Total employees (D + E)	**0**	**0**	**0**	**0**	**0**

V. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	4	1	25%
Key Management Personnel*	2	1	50%

*includes CMD and CEO

VI. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	12	11	12	5	6	5	NA	NA	NA
Permanent Workers	7	3	6	11	1	9	NA	NA	NA

VII. Holding, Subsidiary and Associate Companies (including joint ventures)

VIII. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Adani Enterprises Limited	Holding	100	We are not an Listed entity yet we are reporting voluntarily. Business Responsibility of the entity are applicable to all the companies mentioned in column A.
2.	Ahmedabad International Airport Limited	Associate	49	
3.	Lucknow International Airport Limited	Associate	49	
4.	Jaipur International Airport Limited	Associate	49	
5.	Guwahati International Airport Limited	Associate	49	
6.	TRV (Kerala) International Airport Limited	Associate	49	
7.	Mangaluru International Airport Limited	Associate	49	
8.	Sabarmati Infrastructure Services Limited	Subsidiary	100	
9.	Vijaynagara Smart Solutions Limited (Applied for Strike-off)	Subsidiary	100	
10.	Rajputana Smart Solutions Limited	Subsidiary	100	
11.	Mumbai International Airport Limited	Subsidiary	74	
12.	Navi Mumbai International Airport Private Limited	Subsidiary	74	
13.	GVK Airport Developers Limited	Subsidiary	97.97	
14.	GVK Airport Holdings Limited	Subsidiary	100	
15.	Bangalore Airport & Infrastructure Developers Limited	Subsidiary	100	
16.	Mumbai Travel Retail Private Limited	Subsidiary	74	
17.	April Moon Retail Private Limited	Subsidiary	74	

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Entities forming part of Restricted Group	Principal activity	Country of Incorporation	% Held by Holding Company & Restricted Group as on March 31, 2023	Commercial Operation Date (COD)
Adani Airport Holdings Limited (AAHL)	Acquire, promote, expand, manage airports	India	100.00	Not Applicable
Ahmedabad International Airport Limited	Operation, Management and Development of Airports (6 Airport SPVs)	India	100.00	November 07, 2020
Mangaluru International Airport Limited		India	100.00	October 31, 2020
Lucknow International Airport Limited		India	100.00	November 02, 2020
Jaipur International Airport Limited		India	100.00	October 11, 2021
Guwahati International Airport Limited		India	100.00	October 08, 2021
TRV (Kerala) International Airport Limited		India	100.00	October 14, 2021
Sabarmati Infrastructure Services Limited	Establish, develop & manage either by itself or in association with interested parties to provide airport related services	India	100.00	Not Applicable
Vijaynagara Smart Solutions Limited		India	100.00	Not Applicable
Rajputana Smart Solutions Limited		India	100.00	Not Applicable
Mumbai International Airport Limited (Mial)	Operation, Management and Development of Airport	India	72.97	May 03, 2006
Navi Mumbai International Airport Private Limited (Nmial)	Construction, Operation, Maintenance and Management of an Airport	India	54*	Project under implementation
GVK Airport Holdings Limited	Invest in companies engaged in Development of Airports	India	97.97	Not Applicable
GVK Airport Developers Limited	Operation, Management and Development of Airports	India	97.97	Not Applicable
Bangalore Airport & Infrastructure Developers Limited	Develop & provide airport related infrastructure services	India	97.97	Not Applicable
April Moon Retail Private Limited	Operate & run retails shops	India	74.00	Not Applicable
Mumbai Travel Retail Private Limited	Operate & run duty free shops at Airports	India	74.00	Not Applicable

6 Airport SPVs of The Restricted Group as mentioned above has signed concession agreement with Airport Authority of India for operation, management, and development of Airport for a period of 50 years from COD. MIAL & NMIAL has also signed concession agreement for operation, management, and development of Airport for a period of 50 years from COD. NMIAL is in the project stage to set the business operations.

*74% of Share Capital in NMIAL are held by MIAL

IX. CSR Details

I. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

1. Turnover (in ₹) ₹ 1315.75 Crores
2. Net worth (in ₹) ₹ 3574.73 Crores

X. Transparency and Disclosure Compliances

I. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	(If Yes, then provide web-link for grievance redress policy)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	0	0	0	0
Investors (other than shareholders)	Yes	0	0	0	0	0	0
Shareholders	Yes	0	0	0	0	0	0
Employees and workers	Yes	0	0	0	0	0	0
Customers	Yes	1504	0	All resolved	1672	0	All resolved
Value Chain Partners (including airlines, ground handlers and concessioners)	Yes	0	0	0	0	0	0
Other (Regulators)	Yes	0	0	0	0	0	0

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

II. Overview of the entity's material responsible business conduct issues-

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Customer Satisfaction	Risk	Customer satisfaction affects our Airports reputation, revenue, and regulatory compliance	• In order to meet consumer needs we have developed a robust consumer relationship management system, processes, policies, and guidelines, while ensuring a consumer-centric approach in all our businesses. • We have implemented Pranaam Meet and Greet Services at all Adani Airports to provide guests with a seamless and stress free experience while travelling. • We have implemented Desk of Goodness: AI-enabled REACH Programme to extend our help to people in need at the airport premises. • We have implemented a robust Mechanism for Passenger feedback and grievance redressal tool at Airports.	The process of identifying and quantifying the financial implications of the identified risks and opportunities is currently underway.
2	Energy and Emission Management	Risk	Controlling its energy consumption and emissions footprint is crucial to mitigate climate change. Adopting low-carbon technologies is also helping the organisation prepare for a future, which could bring more stringent legislation and taxation related to energy and emissions.	• An Energy & Emission Management Policy has been instituted by the Company. It is designed to aid and formalise the Company's efforts to manage its energy consumption and emissions and align with country's goal to become net zero. • We have committed to become Operational Net Zero by 2029. • We have targeted to achieve ACA level 4+ for all Adani Airports by FY 2025.	

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Occupational Health, Safety and Well-being	Risk	Failure to ensure the health, safety and well-being of the Company's workforce can impact productivity. This can consequently affect our business operations, customer satisfaction and profitability.	• AAHL strives to foster a safe working environment and ensure Zero Harm. • Hazards and risks are periodically identified, with mitigation plans devised for each. • All Airports are having ISO 45001: 2018 Safety Management System in place. • Safety trainings are provided to employees and workers on a regular basis to ensure their holistic well-being.	
4	Risk Management	Risk	Devising appropriate risk mitigation strategies is integral to helping the Company leverage opportunities, stay ahead of the curve, and avoid shocks and disruptions to the business.	• Risks, including ESG risks, are periodically identified and a systematic approach is defined to managing them.	
5	Training and development	Opportunity	Equipping the workforce with the requisite technical and behavioral skills, through regular trainings, helps the Company raise the bar on quality of its offerings and become increasingly future-ready.	• Not Applicable	
6	Business Ethics, Integrity and Transparency	Risk	Ethical conduct, integrity and transparent two-way communication with stakeholders is integral to ensuring regulatory compliance and building stakeholder trust.	• We have instituted several policies and procedures on business ethics, integrity and transparency. Annual internal audits are being conducted to review the effective implementation of policies.	

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Regulatory Compliance	Risk	Failure to comply with regulatory requirements can manifest in financial consequences for the Company and erode stakeholder trust.	• The Company has a robust set of environmental, social and governance -related policies to foster a culture of compliance within the organisation. • Disciplinary measures and reinforcement mechanisms have been defined as well. • In addition, legal and functional teams also monitor the regulatory compliances across businesses at defined frequencies.	

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	https://www.adanienterprises.com/investors/corporate-governance								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes. The suppliers are required to comply with all the applicable Company's policies including ESG, as stated in Suppliers Code of Conduct.								
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	• ISO 9001: 2015 (7 airports) • ISO 14001: 2015 (7 airports) • ISO 45001: 2018 (7 airports) • ISO 50001: 2018 (Mumbai & Thiruvananthapuram) • ISO 22301: 2012 (Mumbai) • ISO 27001: 2013 (Mumbai) • ISO 39001: 2012 (Mumbai) • ISO 10002:2018 (Mumbai & Ahmedabad) • Mumbai International Airport Limited: ACI Airport Carbon Accreditation (ACA) Level 4+ accreditation • TRV (Kerala) International Airport Limited: ACI ACA Level 2 Accreditation								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company's commitment to contribute to sustainable development is well aligned with Adani Group's purpose of Nation Building that provides a guiding framework for investment in businesses that accelerate India's economic growth and enhance citizen wellbeing. We have worked to embed this sustainability commitment into our strategy, our business processes and decision making. Some of our key ESG goals and ambitions include: • Achieve 100% transition to Green Energy at Ahmedabad, Lucknow, Mangaluru, Guwahati, Jaipur and Thiruvananthapuram Airports • Work towards achieving Carbon Neutrality and ACI Airport Carbon Accreditation Level 4+ for Ahmedabad, Lucknow, Mangaluru, Guwahati, Jaipur and Thiruvananthapuram airports by 2025 • Achieve operational net zero at all airports by 2029 • Transparent disclosures to CDP, DJSI & SEBI BRSR as part of AEL								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Key Performance targets across ESG parameters are set internally and monitored and acted upon continuously.								
Governance, leadership and oversight									
Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements – Backed by our sheer operational competency, we remain deeply committed to our objective of delivering sustainable value. We have established objectives, targets, processes towards absolute greenhouse gas emission reduction and are steadily moving towards achieving a net-zero status in long term. Managing an airport, unsurprisingly, is a very energy-intensive process. We have made efforts towards implementing energy-efficient technologies and are transitioning towards renewable sources of energy. I am extremely delighted to share that we have achieved the milestone of transforming Mumbai's Chhatrapati Shivaji Maharaj International Airport (CSMIA) to one of India's first 100% sustainable airports. CSMIA was the first in India to launch hybrid technology which solely runs on green energy since April 2022, thus ensuring a highly efficient and low-carbon future for aviation.									
7. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The Board of Directors of the Company and the Chief Executive Officer of AAHL oversee strategies, activities and policies including environment, social, governance, health and safety, human talent management and related material issue and indicators in the global context and evolving statutory framework.								
8. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, ESG Steering Committee at Management Level								

9. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Quarterly								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	P1	P2	P3	P4	P5	P6	P7	P8	P9									
	Y	Y	Y	Y	Y	Y	Y	Y	Y									

Question	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
2. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	N	N	N	N	N	N	N	N	N

11. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	4	- Talent Development - Top Talent Assessment	100%
Key Managerial Personnel	2	- Talent Development - Top Talent Assessment - POSH - Personal Security in cyberspace	100%
Employees other than BoD and KMPs	401	1. Prevention of Sexual Harrasment 2. Cyber Security Awareness 3. Introduction to Environment Social and Governance 4. Insider Trading policy	100%
Workers	17	1. Prevention of Sexual Harrasment 2. Cyber Security Awareness 3. Insider Trading policy	100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Monetary					
Penalty/ Fine	Nil	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	Nil	Nil	Nil	Nil	Nil
Non-Monetary					
Imprisonment	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/enforcement agencies/ judicial institutions
Not Applicable	Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. The Company has an Anti-Corruption and Anti-Bribery (ACAB) Policy in place.

The Company is committed to upholding the utmost standards for transparency and accountability in all its operations and strives to attain its purpose through compliance with national and international legal and ethical requirements. The Company does not tolerate any form of bribery, embezzlement, or corruption, and will uphold all applicable laws countering these unethical practices.

The ACAB Policy lays out the spirit and guiding principles for all stakeholders to ensure compliance with the applicable laws, rules, and regulations. The Company also complies with all applicable anti-money laundering laws wherever it does business, including any applicable registration and suspicious transaction reporting obligations.

The ACAB Policy applies to all dealings, transactions, and expenses for and on behalf of the Company.

The policy applies to all stakeholders working for or acting on behalf of the Company or any of its subsidiaries, and such persons must adhere to this policy.

Web-link of the anti-corruption & anti-bribery policy: https://www.adanienterprises.com//media/Project/Enterprises/Investors/corporate-governance/Polices/ANTICORRUPTION--ANTIBRIBERY-POLICY.PD

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

4. Details of complaints with regard to conflict of interest:

	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Not Applicable	Nil	Not Applicable
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Not Applicable	Nil	Not Applicable

5. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:-

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	• Body language and etiquette • Passenger Interaction • Grooming & Hygiene • ESG- Guidelines, Company Initiatives and Vision	100%
3	• Meet & Greet Etiquettes • Communication Skills • First Aid, PRM, Disability, Occupational Health	100%
20	• Customer Centric Approach • Aviation Grooming • Meet and Greet • Adani Core Values and Behavioral Framework	100%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, Company has framed a Policy for Code of Conduct applicable for all the members of the Board of Directors and all the members of Senior Management of the Company, detailing the process and management of Conflict of Interest.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.-**

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	NA	NA	NA
Capex	26.3 Cr	NA	• Transition to EV's • Switching from R22 to R32 Air conditioners • Purchasing of Non-CO2 fire extinguishers • Infrastructure for EV charging stations • Reverse winding machine (PET bottle recycling) • Installation of Organic waste composter • IoT – Water Flow Meter • Thermal Insulation

2. a. Does the entity have procedures in place for sustainable sourcing? Yes

   b. If yes, what percentage of inputs were sourced sustainably?

   Two Policies- Supplier code of conduct and green procurement policy-

   Yes. AEL's Suppliers' Code of Conduct applicable for AAHL states specific expectations for engaging with suppliers. Here, "supplier" refers to material suppliers/service providers/vendors/traders/agents/ consultants/ contractors/third parties including their employees, agents and other representatives, who have a business relationship with and provide, sell, seek to sell, any kinds of goods or services to the Company or any of its subsidiaries and associated entities.

   The Suppliers' Code of Conduct facilitates collaboration with our suppliers in the promotion of professional and fair business practices that integrates respect of human rights, business ethics and environment. Our objective is to ensure that we minimise our potential impacts on people and on the environment, and that we manage business and reputation risks while capitalising on opportunities. For example, we make efforts to source supplies and services from local sources where possible. We also organise various capacity building programmes for our value chain partners.

   We also encourage our suppliers to be compliant with social and environmental standards such as SA8000, ISO 14001, and ISO 45001. All of our suppliers are expected to apply the Suppliers' Code of Conduct or more stringent standards in a manner that is appropriate and proportional to the nature and scale of their activities, the goods that they supply and the services that they perform.

   Apart from Supplier Code of Conduct and Green Procurement Policy at Mumbai Airport, we have also implemented an internal system for vendor registration which includes supplier screening based on ESG criteria. This system helps to ensure that the vendor onboarded meets all the sustainability criteria defined by the system.

   However, at present, percentage of inputs sourced sustainably is not currently mapped for AAHL.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.-**

   Not Applicable to us as we are operating in services sector but we responsibly recycle and dispose waste generated at our airports.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.-**

   Not Applicable to us as we are operating in services sector but we responsibly recycle and dispose waste generated at our airports.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chain

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	1,397	1,397	100%	1,397	100%	0	0%	1,397	100%	0	0%
Female	184	184	100%	184	100%	184	100%	0	0%	111	60%
Total	**1,581**	**1,581**	**100%**	**1,581**	**100%**	**184**	**12%**	**1,397**	**88%**	**111**	**7%**
Other Than Permanent Employees											
Male	151	151	100%	151	100%	0	0%	151	100%	0	0%
Female	57	57	100%	57	100%	57	100%	0	0%	51	89%
Total	**208**	**208**	**100%**	**208**	**100%**	**57**	**27%**	**151**	**73%**	**51**	**25%**

b. Details of measures for the well-being of workers:

Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	341	341	100%	341	100%	0	0%	341	100%	0	0%
Female	73	73	100%	73	100%	73	100%	0	0%	71	97%
Total	**414**	**414**	**100%**	**414**	**100%**	**73**	**18%**	**341**	**82%**	**71**	**17%**
Other Than Permanent Workers											
Male	8,649	8,649	100%	8,649	100%	0	0%	8,649	100%	0	0%
Female	1512	1512	100%	1512	100%	1512	100%	0	0%	25	2%
Total	**10,161**	**10,161**	**100%**	**10,161**	**100%**	**1,512**	**15%**	**8,649**	**85%**	**25**	**0.2%**

2. Details of retirement benefits, for Current FY and Previous Financial Year.

FY 2022-23			
Benefits	**No. of employees covered as a % of total employees**	**No. of workers covered as a % of total workers**	**Deducted and deposited with the authority (Y/N/N.A.)**
PF	100	100	Yes
Gratuity	100	100	Yes
ESI	100	100	Yes
Others - Pls specify	Nil	Nil	Nil

FY 2021-22			
Benefits	**No. of employees covered as a % of total employees**	**No. of workers covered as a % of total workers**	**Deducted and deposited with the authority (Y/N/N.A.)**
PF	100	100	Yes
Gratuity	100	100	Yes
ESI	100	100	Yes
Others - Pls specify	Nil	Nil	Nil

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

At our corporate office, we have made special provisions for differently abled employees and workers in accordance with Rights of Persons with Disabilities Act, 2016. We strongly promote equal opportunities for everyone, and we acknowledge the importance of having diverse and equitable work environment. We have designed workplaces for providing assistance or making changes to a position or workplace to enable employees with disabilities for carrying out their jobs.

Our Corporate office has ramps at entry locations and lobbies to facilitate wheelchairs. We have dedicated toilets for differently abled employees. We have elevators with Braille signs, designed for blind people or visually impaired people. Our other locations also comply with all the national/local requirements to accommodate differently abled person and their needs.

All the Company's existing and new infrastructure has implemented comprehensive plan to address accessibility of workplaces for differently abled employees. Work areas, rest rooms, common areas and areas for movement in and around facilities have been designed with all accessibility aspects in mind.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. The Company is committed to delivering value through equality and to nurture and promote human diversity across its operations.

We promote an inclusive work culture of creating a supportive professional environment that promotes trust, empathy, and mutual respect. AEL's policy on Employment of Differently abled People and Diversity and Inclusion applicable for AAHL has been developed in line with our commitment.

Weblink: https://www.adanienterprises.com/-/media/Project/Enterprises/Investors/corporate-governance/Polices/Policy-on-Diversity-Equity-and-Inclusion.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	**100%**	**100%**	**100%**	**100%**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes. An online grievance redressal mechanism is available for permanent employees and workers. The system is designed to redress the grievance within a defined timeline of 14 working days. The grievances are resolved in a fair and time bound manner maintaining utmost confidentiality.
Other than Permanent Workers	Yes. Workers who are engaged on contractual basis can report their grievances to their respective contractor representative or the Company supervisor. The contractor is expected to take the required action to address the worker grievances, and if required, can raise the grievance to HR and respective functional heads.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Permanent Employees	Yes. Apart from the on-line grievance redressal platform, the Company also has a policy on prevention, prohibition and redressal of sexual harassment of women at the workplace and has Internal Complaints Committees (ICCs) in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Members of the ICCs are responsible for conducting inquiries pertaining to such complaints. The Company, on a regular basis, sensitises its employees on the prevention of sexual harassment at the workplace through workshops, group meetings, online training modules and awareness programmes which are held on a regular basis.
Other than Permanent Employees	Yes. Suppliers, Consultants, Retainers, Clients or any other parties that are engaged on a project / periodic basis are governed by the terms & conditions of the contract. Grievances if any, can be raised with concerned HR Business Partners and respective functional heads.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

The Company does not have any employee associations. However, we recognise the right to freedom of association and does not discourage collective bargaining.

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total Permanent Workers						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA

8. Details of training given to employees and workers:

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (A)	On Health and safety measures		On Skill upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (B)	% (B/A)	Number (C)	% (C/A)
Employees										
Male	1,548	970	63%	753	49%	1,134	338	30%	486	43%
Female	241	121	50%	102	42%	217	44	20%	69	32%
Total	**1,789**	**1,091**	**61%**	**855**	**48%**	**1,351**	**382**	**28%**	**555**	**41%**
Workers										
Male	8,990	5,383	60%	1,682	19%	7,865	170	2%	184	2%
Female	1,585	546	34%	360	23%	1,366	22	2%	16	1%
Total	**10,575**	**5,929**	**56%**	**2,042**	**19%**	**9,231**	**192**	**2%**	**200**	**2%**

9. Details of performance and career development reviews of employees and worker:

We have a robust Performance Management System (PMS) with an objective to establish utmost clarity in terms of the process to be followed at each step and what is expected from all the stakeholders involved. The process covers activities related to measuring performance of all employees as part of the year-end review, rating & promotion recommendation, moderation and individual feedback.

All the employees undergo an annual performance appraisal process as determined by the Company. With regards to worker category, their performance is reviewed by the contractors based on the conditions outlined in the contract.

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	1,397	1,298	93%	999	999	100%
Female	184	178	97%	156	156	100%
Total	**1,581**	**1,476**	**93%**	**1,155**	**1,155**	**100%**
Workers						
Male	341	298	87%	323	311	96%
Female	73	72	99%	74	74	100%
Total	**414**	**370**	**89%**	**397**	**385**	**97%**

All the employees undergo an annual performance appraisal process as determined by the Company. With regards to worker category, their performance is reviewed by the contractors based on the conditions outlined in the contract.

10. Health and safety management system:-

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes, all our airports are certified with ISO 45001: 2018 "Occupational Health and Safety Management System". It is applicable to the Company's entire operations/ employees as well as contractors or individuals under the Company's supervision. It is developed in Consultation with workers and their representatives.

AAHL has adopted and implemented the Adani Group's Safety Management System framework by integrating all critical business activities and applying principles, processes in order to provide safe and healthy workplaces across all Company's establishments, prevent work related injury and ill health, minimise risks and continuously improve safety performance.

Eight major elements of the Adani Safety Management System are on performance orientation, executive commitment, teamwork orientation, employee empowerment and enlistment, scientific decision making, continual improvement, comprehensive and ongoing training, and unity of purpose.

AAHL is well aligned with Group Safety Management System and has well defined internal controls to implement the safety requirements on the ground.

The operational airports have also linked the Group Safety Management System with their existing Integrated Management System (IMS), e.g., ISO 14001 (EMS), and ISO 45001 (OHSMS).

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Adani Group has established and aligned globally recognised high level Safety Intervention and Risk

Assessment programmes such as Safety Interaction (SI), Vulnerability Safety Risks (VSR), Site Risk Field

Audits (SRFA), Process Hazard Analysis (PHA), and Pre-Startup Safety Review (PSSR) with Airport specific Integrated Management System based Hazard Identification and Risk Assessment Process

(HIRA). HIRA is prepared for all activities at the airport before commencing the work. Inspection is carried out by concerned departments & Safety Team to identify the work-related hazards and risks.

The Company has adopted this framework and the reporting businesses have developed an ecosystem of participative and consultative approach for engaging concerned stakeholders, including, employees, associates, and contract workmen.

The Company recognises that the dynamic risks need to be managed and mitigated as per Hierarchy of Control to protect its stakeholders and achieve objective of Zero Harm with enablement of Sustainable Growth. These interventions bring together an understanding of the potential upside and downside of all job and personal factors which can impact the organisation with an objective to prevent injury, protect assets and add maximum sustainable value to all the activities and processes of the organisation.

c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

Yes, the Company uses the Adani Group's well established Incident Management and Investigation System for fair and transparent reporting of work-related hazards and risks as unsafe Acts/ unsafe Conditions, near misses, injuries and illness and serious incidents. This is followed by a comprehensive Root Cause Failure Analysis (Investigation), formulation of corrective actions as per Hierarchy of Controls, its tracking and monitoring and subsequent closure. The outcome and learnings from these events and incidents are deployed horizontally across the Group through a systemic process of 'Critical Vulnerable Factor' (CVF) as a part of Group Safety Governance Process. The progress on CVF is reviewed during Adani Apex Group Safety Steering Council Meetings as well as during their Business Safety Council Meetings.

At the airports, the process of safety hazard reporting has been implemented. Reporting is done online through QR Codes, sending of emails or through phone calls. Thereafter, Safety Risk Management procedure is followed.

d. **Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes, the employees and workers have access to non-occupational medical and healthcare services.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.18	0.051
Total recordable work-related injuries	Employees	0	0
	Workers	16	9
No. of fatalities	Employees	0	0
	Workers	1	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

11. Describe the measures taken by the entity to ensure a safe and healthy work place.

Health and Safety of our people is of utmost importance to us. To achieve this, we have adopted a shared

responsibility approach, with increased engagements at all levels of workforce and strengthening the safety culture across all Company's businesses. We are taking steps to reduce reportable incidents, minimise injuries and regularly monitor the safety performance of our sites.

Our occupational health and safety management system is also well aligned with Adani Safety Management System framework and covers all employees, contractors, business associates, visitors and the community as well. In addition to that, all our airports are ISO 45001 (2018) certified.

As a part of our strategy to prevent health and safety related incidents, we have identified two focus areas which are contractor safety management (CSM) and operational discipline. CSM procedure provides support in manpower deployment whereas the operational discipline ensures that proper measures to eliminate hazards are taken at all our sites.

All our employees and contractors are provided with appropriate PPEs and it is ensured that they are not negligent in using them. We are providing job related training to our employees to perform given task safely along with display of do's and don'ts at prominent locations of the sites. Beside this, we have stringent work permit system in place. Toolbox talks, task briefing, job specific training, job hazard analysis and mock drill help us in building safety culture within our businesses.

Mental and emotional health is a core part of our work culture. In view of this, an emotional wellness programme was launched as part of Adani Care - Our integrated suite of health and well-being services and support platform.

As an inclusive health service, the programme offers professional and confidential counselling for our employees. Family member of our employee can also avail these services at any time of the day and in any location. We also have various rewards and recognition programmes in place to appraise the champions of safety working in Company's businesses.

12. Number of Complaints on the following made by employees and workers:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	Nil	Nil	Nil	Nil
Health & Safety	Nil	Nil	Nil	Nil	Nil	Nil

Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

13. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

All incidents are investigated thoroughly as per Group Safety Guidelines on Incident Reporting & Investigation and corrective action is taken as and when any safety concern is reported or identified. Also, employees and workers are encouraged to report maximum number of unsafe acts and conditions to eliminate such incidents.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

   Yes. Life insurance benefits are provided for Employees as well as Workers as per Group Term Life Insurance Policy

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

   The entity ensures adherence to statutory compliances related to workers such as timely wage payment, and Provident fund. In case of non-compliances stringent actions are taken against defaulter business partner.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Category	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23 (Current Financial Year)	**FY 2021-22 (Previous Financial Year)**	**FY 2022-23 (Current Financial Year)**	**FY 2021-22 (Previous Financial Year)**
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?

   Yes, there are facilities available for employees covered under group HR policy

5. Details on assessment of value chain partners

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%
Working Conditions	100%

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

   At IXE, During shop inspection observed that most of the concessioners shops distribution boards are without RCCB. After inspection RCCB installed on all distribution boards and In MOWP RCCB Installation added mandatory to all. Electrical Schematic Diagram also added as mandatory to get the work permit approval.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

We have identified our relevant stakeholder groups on the basis of factors impacting our business. Any individual or group of individuals or institution that adds value to the business chain of the Company is identified as a core stakeholder. This inter alia includes customers, suppliers, communities, government regulators, shareholders and e employees. That said, identification of stakeholders is an on-going process. We proactively engage with our stakeholders on a regular basis. For long term ongoing projects, stakeholders are identified before initiation of the project, basis the geographical area of the project as well as through the baseline & need assessment that is conducted. For any new proposed project or expansion, we map and engage with all such stakeholders on a proactive basis, particularly through our CSR activities. Further, we have stakeholder management processes in place at all our locations.

Our stakeholder identification and prioritisation process is based on inclusivity, materiality and responsiveness.

Our stakeholder groups have been majorly classified as:

Direct: Customers, Employees, Suppliers, Investors, Shareholders, Government, Local authorities and Neighboring Communities.

Indirect: Peers and Key Partners, Rating Agencies, Third Party Agencies, Associations, International Community, Media, Research Agencies, Citizens and NGOs.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Key identified stakeholders	Whether identified as Vulnerable and marginalised group(Yes/No)	Channel of communication	Frequency of engagement	Purpose and scope of engagement
Employees	No	Online survey, emails, intranet, online grievance mechanism, HR interactions, Performance management, Townhalls, announcements	Continual	HR policies, Career progression, trainings
Shareholders/ Investors	No	Email, Annual General Meetings, Quarterly/Annual results, Website information, Official press release	Regular/Need based	Business sustainability, economic performance
Customers	No	Regular customer meetings, Business Visits, Sales visit, Customer satisfaction Survey	Quarterly, annually, as and when required	Business info, transaction, awareness, training feedback, query, grievances
Community and NGOs	Yes	Focused group discussions, one-to-one interactions, media, website, online grievance mechanism and field visits	Frequent, Need based	CSR, Education, complaints, Awareness, Welfare
Suppliers	No	Regular supplier meeting, Suppliers Assessments, Seminars, Conferences	Continual	Quality, Sustainability, Cost
Regulatory authorities	No	Compliance meetings, Industry associations, Events, Telephonic, Video conferences and email communication	Continual, Need based	Compliance, Policy advocacy
Media	No	Press Conferences, Telephonic and email communication	Continual, Need based	Outlook, announcements
Peers and Key Partners	No	Industry association, Events, and conferences	Need based	Knowledge sharing

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

   To guide our approach to stakeholder engagement, we have established Stakeholder Partnership Plan. The appointment of respective stakeholder representatives enables this exercise to be conducted more efficiently as these representatives' act as a channel to enable two-way engagement between the organisation and stakeholders.

   Consultation with the stakeholders is a continuous process. It is led by Leadership from the front through regular engagements at various platforms. There is continuous dialogue with the community stakeholders which are reviewed at Business Unit levels. In addition to this through regular engagements at various platforms there is continuous dialogue with the stakeholders and the same is also presented to the Board. Public consultations is also a part of the new project and expansion plans, where feedback and views of the stakeholders is considered for project design.

   ESG Steering Committee is responsible for structuring Sustainability Strategy and long-term goals & targets, also plays a key strategic role in all business decisions to ensure workplace safety, eliminating any potential damage to the environment, enhancing a commitment towards stakeholders, and maintaining Company's reputation as one of leading Airports company.

Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes. Business partners are encouraged to share inputs and feedback during various stakeholder interactions within our business. Stakeholder consultation is used to support and strengthen the Company's initiatives.

Financial planning, CSR outflows, programmes designing, etc. has been taken up as per the materiality assessment.

We engage with selected stakeholders, identified on the principles of responsibility, influence, impact and dependency. Customised questionnaires for various stakeholder categories are developed to identify areas of concern or ongoing focus desired by stakeholders. This is to facilitate consultative process to ensure full coverage of environmental, social and governance issues as well as the involvement of the personnel and management of APSEZ to address all stakeholder queries and grievances.

The results of the materiality survey are used to identify material topics, with the highest priority for stakeholders and the biggest estimated impact on Adani Port's business into high-high and high-medium priority areas. The responses included various stakeholders, such as senior/middle management employees, contract employees, suppliers etc.

2. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.

   The Company identifies the disadvantaged, vulnerable and marginalised stakeholders on an on-going basis. Any new proposed project or expansion is mapped by engaging the stakeholder proactively. A comprehensive stakeholder management and grievance mechanism exists at all our locations. Company engages with the disadvantaged, vulnerable and marginalised stakeholders through various programmes with an aim to empower women and make them financially independent and also develop their skills towards leadership and economic enhancement.

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	No. of employees /workers covered (B)	% (B/A)	Total (C)	No. of employees /workers covered (D)	% (D/C)
Employees						
Permanent	1,581	1,581	100%	1,155	866	75%
Other than permanent	208	208	100%	196	155	79%
Total Employees	**1,789**	**1,789**	**100%**	**1,351**	**1,021**	**76%**
Workers						
Permanent	414	414	100%	397	336	85%
Other than permanent	10,161	3,517	35%	8,834	214	2%
Total Workers	**10,575**	**3,931**	**37%**	**9,231**	**550**	**6%**

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F / D)
Permanent Employees										
Male	1397	0	0%	1397	100%	999	0	0%	999	100%
Female	184	0	0%	184	100%	156	0	0%	156	100%
Other than Permanent Employees										
Male	151	0	0%	151	100%	135	0	0%	135	100%
Female	57	0	0%	57	100%	61	0	0%	61	100%
Permanent Workers										
Male	341	0	0%	341	100%	323	0	0%	323	100%
Female	73	0	0%	73	100%	74	0	0%	74	100%
Other than Permanent Workers										
Male	8649	0	0%	8649	100%	7542	0	0%	7542	100%
Female	1512	0	0%	1512	100%	1292	0	0%	1292	100%

3. Details of remuneration/salary/wages, in the following format

Gender	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (Cr)	Number	Median remuneration/ salary/ wages of respective category (Cr)
Board of Directors	-	-	--	-
Key Managerial Personnel	4	1.80	1	1.8
Employees other than BoD and KMPs	1545	0.144	241	0.09
Workers	697	0.04	144	0.05

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has constituted a standing forum, both at the Group Level as well as at individual entity level, that aids and advises the management in its approach towards building sustainable Human Rights. Group HR through Business HR is responsible for ensuring that any issue or impact related to human rights is addressed in the defined manner within the stipulated timeline.

6. Number of Complaints on the following made by employees and workers:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	--	0	0	--
Discrimination at workplace	0	0	--	0	0	--
Child Labour	0	0	--	0	0	--
Forced Labour/ Involuntary Labour	0	0	--	0	0	--
Wages	0	0	--	0	0	--
Other human rights related issues	0	0	--	0	0	--

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.-

The POSH policy has the mechanism for addressing complaints pertaining to sexual harassment. All complaints related to sexual harassment are taken up by the Internal Complaint Committees (ICCs), which are governed under strict confidentiality and there are defined procedures to protect the complainant from any retaliatory actions.

Any employee can raise grievances through the online grievance portal. The system is designed to redress the grievance within a defined timeline of 14 working days. The grievances are resolved in a fair and time bound manner maintaining utmost confidentiality. However, no such cases of harassment and discrimination were reported during the financial year 2022-23.

8. Do human rights requirements form part of your business agreements and contracts?

(Yes/No) -Yes

9. Assessments for the year:

We have defined systems for ensuring compliance with regulatory requirements. There is a Code of Conduct for employees and Suppliers' Code of Conduct to ensure conformity with business ethics and human rights requirements. Also, the human rights criteria are screened through the online ARIBA portal during vendor onboarding process.

In addition, we review compliance with these requirements during contract execution. In all our business units, it is mandatory to check the age proof documents at the time of recruitment to prevent employment of child labour and during the induction session essential business ethics and human rights related aspects are covered for creating awareness among employees.

Indicators	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced Labour/Involuntary Labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	-

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

There were no risks/concerns identified during the assessments.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 Previous Financial Year
Total electricity consumption (A)	1162256 GJ	501633 GJ
Total fuel consumption (B)	29311 GJ	16845 GJ
Energy consumption through other sources (C)	0	9538 GJ
Total energy consumption (A+B+C)	1191629 GJ	528016 GJ
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.090 MJ/₹	NA
Energy intensity (optional) – the relevant metric may be selected by the entity	15922367.4 MJ/Million Pax	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NO

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

No, Airport sector is not covered under PAT scheme of the Government of India.

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	Not reported for FY 2022
(ii) Groundwater	646049	
(iii) Third party water	1161290	
(iv) Seawater / desalinated water	0	
(v) Others/Tankers	8940	
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1816279	
Total volume of water consumption (in kilolitres)	1816279	
Water intensity per rupee of turnover (KL/₹)	0.00013	
Water intensity (KL/Million Pax)	24268.83	

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

4. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

At 5 Airports (Ahmedabad, Jaipur, Guwahati, Lucknow, Mangalore) we have implemented a mechanism for Zero Liquid Discharge. we have installed sewage treatment plant for sewage treatment and the treated water from it is being used at Airports for horticulture purpose.

Further, at Mumbai & Trivandrum Airports partial stream of wastewater goes to Common Wastewater Treatment Plant (CWTP) of Municipal Corporation for treatment and remaining sewage water is treated into 15 MLD STP at MIAL and 500 KLD STP at TRV. Final treated water is being re-used in cooling tower (HVAC System) & horticulture.

5. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 Previous Financial Year
NOx	KG	7546	Not reported for FY 2022
SOx	KG	4128	
Particulate matter (PM)	KG	6122	
Persistent organic pollutants (POP)	KG	Not Generated at Airports	
Volatile organic compounds (VOC)	KG	Not Generated at Airports	
Hazardous air pollutants (HAP)	KG	Not Generated at Airports	
Others - please specify	KG	Not Generated at Airports	

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, M/s Intertek India Private Limited has done independent assurance for AAHL's Data

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6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 Previous Financial Year
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	5,614	2,735.75
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	61,204	1,10,080.5
Total Scope 1 and Scope 2 emissions per rupee of turnover-	Kg/₹	0.005	NA
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	tonnes/million pax	892.8	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, Airport business have done significant projects to reduce Green House Gas emission at Airports. Details are as below:-

1. Transition of fossil fuel vehicle into Electric vehicles - 101 Nos
2. Installation of EV charging Station at Airports to support EV's operations - 30 Nos
3. Replacement of CO2 based fire extinguisher with Non-CO2 based fire extinguisher - 921 Nos
4. Replacement of higher GWP refrigerant (R22) AC's with lower GWP refrigerant (R32) AC's - 644 Nos
5. Implementation of 100% green electricity at Mumbai Airport
6. Conversion of conventional lighting with energy efficient lightings

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	1092	Not reported for FY 2021-22
E-waste **(B)**	6	
Bio-medical waste **(C)**	0	
Construction and demolition waste **(D)**	27909	
Battery waste **(E)**	35	
Radioactive waste **(F)**	0	
Other Hazardous waste. Please specify, if any. **(G)**	43	
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	3429	
Total (A+B + C + D + E + F + G + H)	32515	
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	2303	Not reported for FY 2021-22
(ii) Re-used	4103	
(iii) Other recovery operations	1435	
Total	**7841**	

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	15	Not reported for FY 2021-22
(ii) Landfilling	4937	
(iii) Other disposal operations	0	
Total	**4952**	

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Our waste management is based on the cradle-to-cradle concept wherein the focus is on Refuse, Reduce, Reuse, Repurpose and Recycle the waste back into the system. It also comprises of five stages – Identification, Storage, Segregation, Recycling and Disposal. Our waste management system implies use of best-in-class waste management practices as it forms an integral part of our environmental management system. All the waste generated from airport operations is being collected, segregated at source into hazardous and non-hazardous category, stored separately in waste storage yard and disposed by authorised recyclers/disposal facility. These recyclers/disposal facilities ensure proper collection, segregation, recycling/reuse, and disposal of waste in accordance with applicable regulatory requirements and best industry practices.

For reduction/reuse/recycling of waste we have adopted practices such as:

a) Reduction in Usage of Single use plastic and CSMIA has become 100% SUP free Airport certified by CII.

b) Reuse of bio/organic waste at Thiruvananthapuram International Airport by installing of Advanced Bioenergy Plant wherein the Biogas generated from the process is converted into electricity using the 15KVA Biogas Genset at the Inhouse Advanced Bioenergy Plant and the generated units is consumed for operating the plant. The Biogas slurry generated from the process is used as manure for Horticultural purposes.

c) Promoting Recycling of plastic bottles by setting up three Reverse Vending Machines (RVM) to urge passengers and airport staff to recycle plastic bottles at Terminal 2. Each Reverse Vending Machine at Mumbai International Airport is capable of both accepting and compressing a whopping 450 bottles per hour. It compresses around 70% of the waste, which can then be transported to recycling plants without any hassle.

At Adani Airports, we do not use any hazardous and toxic chemicals in our processes.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
--	---	---	---

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results commun_icated in public domain (Yes / No)	Relevant Web link
1) Proposed Expansion of Mangaluru International Airport (MIA) to enhance the Passenger Handling Capacity up to 22.5 MPPA & Cargo Handling Capacity up to 0.12 MTPA	Proposal No. SIA/KA/INFRA2/404084/2022 & File No. F. No. SEIAA 13 CON 2023	Applied on 14th Nov 2022	Yes	Yes	https://www.adani.com/-/media/Project/MangaloreAirport/Home/Files-Env/26-05-2023-Environmental-Clearance-of-MIA.pdf
2) Proposed Capacity Expansion of Sardar Vallabhbhai Patel International Airport (SVPIA) to Enhance the Passenger Handing Capacity to 40.33 MPPA & cargo handling capacity up to 1.00 MTPA.	EC No -EC22B029GJ165952 File No- SIA/GJ/134807/2022	12/11/2022	Yes	Yes	https://www.adani com/-/media/Project/AhmedabadAirport/Downloads/Environment-Clearance/EC-AIAL_SVPIA.pdf
3) Proposed Expansion of Chaudhary Charan Singh International Airport (CCSIA) Lucknow, to enhance the Passenger Handling Capacity up to 39 MPPA & Cargo Handling Capacity up to 0.25 MTPA	EC22B000UP138223	15-12-2022	Yes	Yes	https://www.adani.com/-/media/Project/LucknowAirport/Home/Environment-Clearances/15122022--Proposed-Expansion-of-CCSIA.pdf

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Not Applicable

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
1.	NIL	NIL	NIL	NIL

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	534854 GJ	9358 GJ
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	534854 GJ	9358 GJ
From non-renewable sources		
Total electricity consumption (D)	627402 GJ	501633 MJ
Total fuel consumption (E)	29311 GJ	16845 GJ
Energy consumption through other sources (F)	0	0
Total energy consumed from non- renewable sources (D+E+F)	656775 GJ	518478 MJ

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

2. Provide the following details related to water discharged:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		Not reported for FY 2022
- No treatment	0	
- With treatment – please specify level of treatment	0	
(ii) To Groundwater		
- No treatment	0	
- With treatment – please specify level of treatment	0	
(iii) To Seawater		
- No treatment	0	
- With treatment – please specify level of treatment	0	
(iv) Sent to third-parties		
- No treatment	92819	
- With treatment – please specify level of treatment	2477	
(v) Others		
- No treatment	0	
- With treatment – please specify level of treatment	203520	
Total water discharged (in kilolitres)	**298816**	

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

   For each facility / plant located in areas of water stress, provide the following information:

   (i) Name of the area : No facility located in areas of water stress

   (ii) Nature of operations : Not applicable

   (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres)	NA	NA
Total volume of water consumption (in kilolitres)	NA	NA
Water intensity per rupee of turnover (Water consumed / turnover)	NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) Into Groundwater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) Into Seawater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iv) Sent to third-parties		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v) Others		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	6333115	NA
Total Scope 3 emissions per rupee of turnover-	Kg/₹	0.48	NA
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Tonnes/Million pax	0.085	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NO

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities

Not applicable

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Conversion of Conventional Vehicles to EV vehicles	101 nos of conventional fossil fuel vehicle that is being used for Airport operations have been replaced with electric vehicles such as Tata Tiago and MG ZS EV.	Scope 1 GHG emission reduction
2	Installation of EV charging Station at Airports to support EV's operations	30 nos of Electric vehicle charging guns have been installed at each Airport to support EV operations and maximise the use of Evs that is reducing fuel consumption and CO2e emissions from vehicle operations	Scope 1 GHG emission reduction
3	Replacement of CO2 based fire extinguisher with non-CO2 based fire extinguisher	921 nos of CO2 based fire extinguishers are replaced with non-CO2 based fire extinguisher wherever possible without compromising safety of Airport operations. This initiative will reduce CO2e emission	Scope 1 GHG emission reduction
4	Replacement of higher GWP refrigerant (R22) AC's with lower GWP refrigerant (R32) AC's	644 nos of higher Global Warming potential (GWP) refrigerant-based AC's are replaced with lower GWP refrigerant (R32) AC's	Scope 1 GHG emission reduction
5	Implmentation of 100% green electricity at Mumbai Airport	we have started to purchase 100% green electricity for Mumbai Airport through paying green tarrif.	Scope 2 GHG emission reduction of 100000 tCO2e per annum
6	Airside perimeter light 25% converted to solar lights at LIAL	Conventional perimeter light around Airport boundary has been replaced with solar lights.	Scope 2 GHG emission reduction by electricity saving of 216000 KWH
7	T1 Chiller with latest technology installed at LIAL	At lucknow Airport, we have installed chiller with efficient latest technology	Scope 2 GHG emission reduction by electricity saving of 900 KWH
8	Installation of three Reverse Vending Machines (RVM) at Mumbai and Ahmedabad Airport	Promoting Recycling of plastic bottles by setting up three Reverse Vending Machines (RVM) at Mumbai and Ahmedabad Airports to urge passengers and airport staff to recycle plastic bottles	Each Reverse Vending Machine is capable of both accepting and compressing a whopping 450 bottles per hour. It compresses around 70% of the waste, which can then be transported to recycling plants without any hassle.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

   Business Continuity Plan (BCP) is available and appropriate measures are taken for Business continuity. Apart from BCP, the site has got Emergency Response Plan including layout, processes, control measures, evacuation plan, emergency declaration procedures, emergency action plans etc.

   Environment Impact Assessment and Environment Management Programmes have been prepared and mitigation measures are being implemented.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

   None

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts

   Assessment is in process.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

AAHL's is affiliated with three trade and industry chambers/ associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	The Associated Chambers of Commerce & Industry of India (ASSOCHAM), New Delhi	National
2	Association of Private Airport Operators	National
3	Airport Council International	International

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

AAHL do not conduct any anti-competitive activity in its operations and have not received any adverse orders from regulatory authorities regarding this conduct.

Name of authority	Brief of the case	Corrective action taken
NA	NA	NA
NA	NA	NA

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NIL	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
NA	NA	NA	NA	NA	NA	NA

1. Describe the mechanisms to receive and redress grievances of the community.

The airports BU have a robust Mechanism for community to reach out for any feedback, query or complaints. The individual can reach out both via on ground and digital touchpoints such as

1. Call Centre
2. Websites
3. Social Media Handles
4. Emails
5. Letters

- We are committed to resolving community concerns in real time through a first-time response & resolution for all queries, complaints and feedbacks. As a standard practice all acknowledgements are sent instantly and resolution is provided in most cases within 48 hours and thus SLAs set in process.
- As a standard compliance All grievances are closed within 28 days of receipt with a final resolution if they require third party interventions.

2. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	NA (As we are services provider, we don't have any products	
Sourced directly from within the district and neighbouring districts		

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The airports BU have a robust Feedback Mechanism for users to reach out for any feedback, query or complaints. The users can reach out both via on ground and digital touchpoints such as

1. Call Centre
2. Websites
3. Social Media Handles
4. Emails
5. Feedback Forms
6. QR code-based Feedbacks
7. Letters
8. Information Desks Assistance
9. Complaint Register at Terminal Offices

- We are committed to resolving customer concerns in real time through a first-time response & resolution for all queries, complaints and feedbacks. As a standard practice all acknowledgements are sent instantly and resolution is provided in most cases within 48 hours and thus SLAs set in process.

- As a standard compliance All grievances are closed within 28 days of receipt with a final resolution if they require third party interventions.

  Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable considering the nature of Company's product and services offerings
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2022-23		Remarks	FY 2021-22		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0		0	0	--
Advertising	0	0		0	0	--
Cyber-security	0	0		0	0	--
Delivery of essential Services	0	0		0	0	--
Restrictive Trade Practices	0	0		0	0	--
Unfair Trade Practices	0	0		0	0	--
Other	1,504	0	All closed	1,672	0	All closed

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	NA	NA
Forced recalls	NA	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes

1. AMD: https://www.adani.com/svpia-ahmedabad-airport/Privacy-Policy
2. LKO: https://www.adani.com/ccsia-lucknow-airport/privacy-policy
3. IXE: https://www.adani.com/mangaluru-airport/privacy-policy
4. JAI: https://www.adani.com/jaipur-airport/Privacy-Policy
5. TRV: https://www.adani.com/thiruvananthapuram-airport/privacy-policy
6. GAU: https://www.adani.com/lgbia-guwahati-airport/Privacy-Policy
7. BOM: https://csmia.adaniairports.com/Privacy_Policy.aspx

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

   Regular review as a part of the process for Privacy Policy to ensure its in line with new regulations & policies recommended globally.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

   Airport Websites have information on Services available.

   1. AMD: https://www.adani.com/svpia-ahmedabad-airport
   2. LKO: https://www.adani.com/ccsia-lucknow-airport
   3. IXE: https://www.adani.com/mangaluru-airport
   4. JAI: https://www.adani.com/jaipur-airport
   5. TRV: https://www.adani.com/thiruvananthapuram-airport
   6. GAU: https://www.adani.com/lgbia-guwahati-airport
   7. BOM: https://csmia.adaniairports.com/

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

   Usage signages at the airport terminals and Guidelines on Websites

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

   Passenger Advisories are issued regularly on the basis of any interruptions foreseen.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

   Yes, User Charters are displayed at the Terminals as per the law. Charter explains our commitments to the users of the Airport and what they can expect from as a part of their rights.

   Yes, ACI ASQ Survey is a Customer Satisfaction survey which is conducted across airports which measure satisfaction scores across airport touchpoints.

5. Provide the following information relating to data breaches:

   a. Number of instances of data breaches along-with impact - None

   b. Percentage of data breaches involving personally identifiable information of customers – None

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Adani Airport Holdings Limited

Report on the audit of the Standalone Financial Statements

OPINION

We have audited the accompanying Standalone Financial Statements of **Adani Airport Holdings Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, the profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

EMPHASIS OF MATTER

We draw attention to Note 45 of the accompanying financial statements, regarding the ongoing investigations of Securities and Exchange Board of India and the committee constituted by Hon'ble Supreme Court in respect of the matters more fully described in aforesaid note.

Our opinion is not modified in respect of this matter.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE 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 Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITY

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" statement on the matters specified in the paragraph 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 purposes of our audit;

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

   c) the Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   d) in our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

   e) on the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act;

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B";

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

      a. The Company does not have any pending litigations which would impact its financial position;

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

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

      d. (i) The management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

         (ii) The management of the company has represented that, to the best of it's knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

         (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

e. There were no amount of dividend declared or paid during the year by the company.

f. The Ministry of Corporate Affairs (MCA) has amended the Rule 3 of Companies (Accounts) rules, 2014 by way of notification dated 31st March, 2022. Accordingly, requirement to have accounting software with a feature of recording audit trail is extended till 1st April, 2023. Therefore, nothing is required to be reported under this para for the year under review.

3. With respect to the matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act.

For, **SHAH DHANDHARIA & CO LLP**
Chartered Accountants
Firm Registration No. 118707W/W100724

Karan Amlani
Partner
Membership No. 193557
UDIN: 23193557BGSKFM4154

Place : Ahmedabad
Date: April 27, 2023

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

RE: ADANI AIRPORT HOLDINGS LIMITED

(Referred to in Paragraph 1 of our Report of even date)

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the Standalone Financial Statements for the year ended 31st March, 2023, we report that:

(i) (a) (A) In our opinion and according to the information and explanation given to us and the records produced to us for our verification, the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) In our opinion and according to the information and explanation given to us and the records produced to us for our verification, the company is maintaining proper records showing full particulars of Intangible assets.

(b) In our opinion and according to the information and explanation given to us and the records produced to us for our verification, the Company has a regular programme of physical verification of its Property, Plant and Equipment's by which all Property, Plant and Equipment's are verified by the management in a phased manner over a period of three years. In accordance with this programme, certain Property, Plant and Equipment were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Based on our verification, no material discrepancies were noticed on such verification.

(c) The Company has no immovable properties (Other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, the provisions of clause 3 (i) (c) of the Order is not applicable.

(d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, the provision of clause 3(i)(d) of the Order is not applicable.

(e) According to the information and explanation given to us and the records produced to us for our verification, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) The Company does not carry any inventory, Accordingly, the provision of clause 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanation given to us and the records produced to us for our verification, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, the provision of cluse 3(ii)(b) of the Order is not applicable.

(iii) According to the information and explanation given to us and the records produced to us for our verification, during the year the company has not provided any guarantee or security to companies, firms, Limited Liability Partnerships or any other parties. However, the company has made investment and granted unsecured loans to certain companies.

a) According to the information and explanation given to us and the records produced to us for our verification, the company has provided unsecured loans in certain companies as under:

(₹ In Crores)

Particulars	Guarantees	Security	Loans	Advances in the nature of loans
Aggregate amount granted/ provided during the year				
- Subsidiaries *	-	-	7,638.55	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	3,393.89	-
Balance outstanding as at balance sheet date in respect of above cases				
- Subsidiaries *	-	-	8,700.53	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	2,131.92	-

*Includes Fellow Subsidiaries

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT RE: ADANI AIRPORT HOLDINGS LIMITED (Contd.) (REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE)

b) According to the information and explanation given to us and the records produced to us for our verification, the investments made and the terms and conditions of the grant of loans are not prejudicial to the company's interest.

c) According to the information and explanation given to us and the records produced to us for our verification, in respect of an unsecured loan to companies, the schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts are regular. However, in certain cases accrued interest on ICD has been added to the outstanding loans at year-end as per the terms of agreements.

d) According to the information and explanation given to us and the records produced to us for our verification, there are no amount of loan which are overdue for more than ninety days. Accordingly, the provision of clause 3(iii)(d) of the Order is not applicable.

e) According to the information and explanation given to us and the records produced to us for our verification, any loan or advance in the nature of loan granted which has fallen due during the year, has not been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties. Accordingly, the provision of paragraph 3(iii)(d) of the Order are not applicable.

f) According to the information and explanation given to us and the records produced to us for our verification, the company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Accordingly, the provision of paragraph 3(iii)(f) of the Order are not applicable.

(iv) In our opinion and according to information and explanations given to us and representations made by the Management, the Company has not granted any loans, given any guarantees or provided any securities to the parties covered under section 185 of the Act. Accordingly, compliance under section 185 of the Act is not applicable to the company. According to the information and explanations given to us, the Company is engaged in the business of providing infrastructural facilities and accordingly, the provisions of Section 186 (except subsection (1) of Section 186) of the Act are not applicable to the Company. In our opinion, and according to the information and explanations given to us, the Company has not made investments referred in Section 186(1) of the Act.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder. Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.

(vi) According to the information and explanation given to us, the maintenance of cost records under section 148(1) of the Act as prescribed by the Central Government is not applicable to the company for the year under consideration. Accordingly, the provisions of paragraph 3(vi) of the Order is not applicable.

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

According to the information and explanations given to us, no undisputed amounts payable in respect of Income-Tax, Provident fund, Employees' State Insurance, Goods and Service Tax and other material statutory dues were in arrears as at 31st March, 2023, for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no undisputed dues of Income-tax, Goods and Service Tax, and other material statutory dues as at 31st March, 2023, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT RE: ADANI AIRPORT HOLDINGS LIMITED (Contd.) (REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE)

(ix) a) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender, although in certain cases of loan taken from related parties, interest accrued and remaining unpaid has been added to loan outstanding at year-end, as per terms of the agreements.

b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.

c) In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.

d) According to the information and explanations given to us and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that the company has used funds raised on short-term basis aggregating to Rs. 4,625.62 Crores for long-term purposes.

e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, joint ventures or associates. However, the Company has given loan to its subsidiaries/ fellow subsidiaries during the year out of borrowed funds to provide financial support/ assistance.

f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable to the Company.

b) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement or not issued any fully or partly convertible debenture during the year under review. Accordingly, the provisions of paragraph 3(x)(b) of the Order are not applicable.

(xi) a) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees has been noticed or reported during the year.

b) No report on any matter under sub-section (12) of section 143 of the Companies Act has been filed by us in accordance with Guidance Note on CARO 2020 in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

(xii) In our opinion, the Company is not a nidhi company. Accordingly, the provisions of Clauses 3 (xii) of the Order is not applicable.

(xiii) As per the information and explanation given to us and on the basis of our examination of the records of the Company, all the transaction with related parties are in compliance with section 177 and 188 of Companies Act 2013, where applicable, and all the details have been disclosed in Standalone Financial Statements as required by the applicable Indian Accounting Standards.

(xiv) a) According to the information and explanations given to us and on the basis of our examination of the records, we are of the opinion that the company has an internal audit system commensurate with the size and nature of its business.

b) We have considered the internal audit reports of the company issued till date, for the period under audit.

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT RE: ADANI AIRPORT HOLDINGS LIMITED (Contd.) (REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE)

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions, within the meaning of Section 192 of the Act, with directors or persons connected with them. Accordingly, clause 3(xv) of the Order is not applicable to the Company.

(xvi) a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) of the Order is not applicable to the Company.

b) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934.

c) In our opinion and according to the information and explanations given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the provisions of clause 3(xvi) (c) & (d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the financial year under review but the company has incurred cash loss of Rs. 96.71 Crores in the immediately preceding financial year.

(xviii) There is no resignation of the statutory auditors during the year in the company. Accordingly, clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and further strengthen by financial support assurance provided by the parent company to meet its liabilities as and when they fall due and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanations given to us and based on our examination of the records of the Company, section 135 is not applicable on the company. Accordingly, clause 3(xx) of the Order is not applicable to the Company.

For, **SHAH DHANDHARIA & CO LLP**
Chartered Accountants
Firm Registration No. 118707W/W100724

Karan Amlani
Partner
Membership No. 193557
UDIN: 23193557BGSKFM4154

Place : Ahmedabad
Date: April 27, 2023

ANNEXURE – B TO THE INDEPENDENT AUDITOR'S REPORT

RE: ADANI AIRPORT HOLDINGS LIMITED

(Referred to in Paragraph 2(f) of our Report of even date)

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act 2013 (the act).

We have audited the internal financial controls over financial reporting of the company as of 31st March, 2023 in conjunction with our audit of the Standalone Financial Statements of the company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over

ANNEXURE – B TO THE INDEPENDENT AUDITOR'S REPORT RE: ADANI AIRPORT HOLDINGS LIMITED (Contd.) (REFERRED TO IN PARAGRAPH 2(F) OF OUR REPORT OF EVEN DATE)

financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, **SHAH DHANDHARIA & CO LLP**
Chartered Accountants
Firm Registration No. 118707W/W100724

Karan Amlani
Partner
Membership No. 193557
UDIN: 23193557BGSKFM4154

Place : Ahmedabad
Date: April 27, 2023

ADANI AIRPORT HOLDINGS LIMITED

CIN : U62100GJ2019PLC109395

BALANCE SHEET AS AT MARCH 31, 2023

(₹ in Crores)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-Current assets			
(a) Property, Plant and Equipment	3.1	23.89	13.74
(b) Right of Use Assets	3.2	4.40	4.97
(c) Capital work-in-progress	3.3	33.85	10.98
(d) Other Intangible Assets	3.4	0.51	0.17
(e) Financial Assets			
(i) Investments	4	7,658.61	7,251.62
(ii) Loans	5	8,729.58	1,676.39
(iii) Other Financial Assets	6	38.35	36.22
(f) Income Tax Assets	7	39.43	13.73
(g) Deffered Tax Assets (Net)	8	38.03	-
(h) Other Non-Current Assets	9	82.87	86.30
Total Non-Current assets		**16,649.52**	**9,094.12**
Current assets			
(a) Financial Assets			
(i) Trade Receivables	10	168.68	120.57
(ii) Cash and Cash Equivalents	11	67.72	30.08
(iii) Bank balance other than cash and cash equivalents	12	61.87	-
(iv) Loans	13	2,103.52	169.41
(v) Other Financial Assets	14	88.46	39.12
(b) Other Current Assets	15	18.67	24.83
Total Current assets		**2,508.92**	**384.01**
Total Assets		**19,158.44**	**9,478.13**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	16	0.25	0.25
(b) Instruments entirely equity in nature	17	2,500.00	-
(c) Other Equity	18	1,074.48	961.52
Total Equity		**3,574.73**	**961.77**
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	6,804.03	6,923.85
(ii) Lease Liabilities	38	4.61	4.88
(iii) Other Financial Liabilities	20	277.46	33.36
(b) Provisions	21	9.14	5.40
Total Non-Current Liabilities		**7,095.24**	**6,967.49**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	6,078.95	1,396.05
(ii) Lease Liabilities	38	0.28	0.24
(iii) Trade Payables			
- Total outstanding dues of micro enterprises and small enterprises	23	1.42	1.20
- Total outstanding dues of creditors other than micro enterprises and small enterprises	23	92.62	78.20
(iv) Other Financial Liabilities	24	283.52	37.65
(b) Other Current Liabilities	25	2,024.05	29.89
(c) Provisions	26	7.63	5.63
Total Current Liabilities		**8,488.47**	**1,548.86**
Total Liabilities		**15,583.71**	**8,516.36**
Total Equity And Liabilities		**19,158.44**	**9,478.13**

The accompanying notes are an integral part of Financial Statements

As per our report of even date
For SHAH DHANDHARIA & CO LLP
Chartered Accountants
Firm Registration No.: 118707W/ W100724

Karan Amlani
Partner
Membership No. 193557

Place: Ahmedabad
Date: April 27, 2023

For and on behalf of the Board of Directors

Malay Mahadevia
Managing Director
DIN: 00064110

Place: Ahmedabad
Date: April 27, 2023

Gargi Kaul
Whole Time Director
DIN: 07173427

Place: Ahmedabad
Date: April 27, 2023

Dharmesh Desai
Company Secretary
A34273

Place: Ahmedabad
Date: April 27, 2023

ADANI AIRPORT HOLDINGS LIMITED

CIN : U62100GJ2019PLC109395

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

(₹ in Crores)

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from Operations	27	1,315.75	471.98
Other Income	28	1,130.45	415.63
Total Income		**2,446.20**	**887.61**
Expenses			
Operating Expenses	29	183.88	121.67
Purchases of Stock-in-Trade		649.16	208.65
Employee Benefit Expenses	30	125.95	64.13
Depreciation and Amortisation Expenses	3.1 3.2 & 3.4	4.01	0.27
Finance Costs	31	1,377.56	574.65
Other Expenses	32	44.10	20.55
Total Expense		**2,384.66**	**989.92**
Profit/(Loss) Before Tax		**61.54**	**(102.31)**
Tax Expense:			
Current Tax	33	-	-
Deferred Tax	8	(41.40)	-
Total Tax Expenses		**(41.40)**	**-**
Profit/(Loss) After Tax for the year	(A)	**102.94**	**(102.31)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gains/(Loss) on defined benefit plans		(0.67)	(0.07)
Income Tax Credit / (Charge)		0.17	-
Items that will be reclassified to profit or loss			
Effective portion of cash flow hedges (net)		14.06	-
Income Tax Credit / (Charge)		(3.54)	-
Net other comprehensive gain / (loss)	(B)	**10.02**	**(0.07)**
Total Comprehensive Income for the year	(A)+(B)	**112.96**	**(102.38)**
Earnings per Share - (Face value of ₹ 10 each) Basic and Diluted (in ₹)	34	**1,334.04**	**(4,021.95)**

The accompanying notes are an integral part of Financial Statements

As per our report of even date
For SHAH DHANDHARIA & CO LLP
Chartered Accountants
Firm Registration No.: 118707W/ W100724

Karan Amlani
Partner
Membership No. 193557

Place: Ahmedabad
Date: April 27, 2023

For and on behalf of the Board of Directors

Malay Mahadevia
Managing Director
DIN: 00064110

Place: Ahmedabad
Date: April 27, 2023

Gargi Kaul
Whole Time Director
DIN: 07173427

Place: Ahmedabad
Date: April 27, 2023

Dharmesh Desai
Company Secretary
A34273

Place: Ahmedabad
Date: April 27, 2023

ADANI AIRPORT HOLDINGS LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

CIN : U62100GJ2019PLC109395

(₹ in Crores)

Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
A.	**Cash Flow From Operating Activities**		
	Profit/(Loss) Before Tax	**61.54**	**(102.31)**
	Adjustments For:		
	Depreciation and Amortisation Expenses	4.01	0.27
	Interest Income	(1,128.21)	(415.61)
	Notional Expense on Security Deposit	4.49	2.64
	Loss on sale / discard of Property, Plant and Equipments (net)	0.03	-
	Investment in equity share of Subsidiary Write off	0.03	-
	Profit on Sale of Current Investments (Net)	(0.04)	(0.01)
	Finance Cost	1,377.56	574.65
	Operating Profit/(Loss) Before Working Capital Changes	**319.41**	**59.63**
	Movements in Working Capital :		
	(Increase) /Decrease in Trade Receivables	(48.11)	(86.59)
	(Increase) /Decrease in Inventories	-	0.08
	(Increase) /Decrease in Financial Assets	2.06	(22.74)
	(Increase) /Decrease in Other Assets	6.14	(109.40)
	Increase in Trade Payables	14.64	70.43
	Increase in Other Liabilities	1,994.16	22.26
	Increase in Provision	5.07	9.90
	Increase in Financial Liabilities	29.45	29.78
	Cash generated from operations	**2,322.82**	**(26.66)**
	Direct Taxes Paid (Net of Refunds)	(25.70)	(11.25)
	Net Cash Generated from/(used in) Operating Activities	**2,297.12**	**(37.90)**
B.	**Cash Flows From Investing Activities**		
	Payment for Purchase of Property, Plant and Equipments (Including Capital work in progress and Capital Advances)	(37.74)	(22.96)
	Interest Received	361.76	149.52
	Income from Mutual Fund	0.04	0.01
	Deposits of Margin Money With Banks (net)	(61.87)	-
	Investments made in Equity Shares	(0.02)	(6.34)
	Investments made in Preference Shares	-	(1.27)
	Investments made in Debentures	(407.00)	(1,330.60)
	Proceeds from issuance of OCDs	-	(1,196.00)
	Loans given (Non Current)	(7,638.55)	(2,644.79)
	Loans Received Back (Non Current)	1,284.11	959.08
	Loans given (Current-Net)	(1,838.34)	70.91
	Net Cash (used in)/ generated from Investing Activities	**(8,337.63)**	**(4,022.44)**
C.	**Cash Flows From Financing Activities**		
	Proceeds from compulsorily convertible debenture	-	1,995.51
	Proceeds from Borrowings (Non Current)	13,681.96	8,821.73
	(Repayment) of Borrowings (Non Current)	(13,883.21)	(6,910.91)
	Proceeds from Inter Corporate Deposits (Current - Net)	4,203.32	884.23
	Proceeds from Unsecured perpetual securities	2,500.00	-
	Repayment of Lease liability	(0.85)	(0.14)
	Interest and Finance Charges Paid	(423.07)	(700.16)
	Net Cash generated from/(used in) Financing Activities	**6,078.15**	**4,090.26**
D.	**Net Increase in Cash & Cash Equivalents (A + B + C)**	37.64	29.91
E.	**Cash & Cash Equivalents at the beginning of the year**	**30.08**	**0.17**
F.	**Cash & Cash Equivalents at the end of the Year**	**67.72**	**30.08**

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)
CIN : U62100GJ2019PLC109395

(₹ in Crores)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Component of Cash and Cash Equivalents		
Balances with Scheduled Bank		
- On Current Accounts	67.61	3.77
- Deposits with original maturity of less than three months	-	26.25
Cash on hand	0.11	0.06
Cash and Cash Equivalents at the end of the Year	**67.72**	**30.08**

Notes:

(1) The Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS 7 on Cash Flow Statements notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

(2) Disclosure with regards to changes in liabilities arising from Financing activities as set out in Ind AS 7 – Statement of Cash flows is presented as under.

Ind AS 7 Statement of Cash Flows: Disclosure Initiative

Ind AS 7 require entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). The Company has provided the information for current period.

Changes in liabilities arising from financing activities

(₹ in Crores)

Particulars	As at April 01, 2022	Cash Flows	Other Changes	As at March 31, 2023
Long-term Borrowings	6,923.85	(201.25)	81.44	6,804.03
Short-term Borrowings	1,396.05	4,203.32	479.58	6,078.95
Unsecured Perpetual Securities	-	2,500.00	-	2,500.00
Interest Accrued but not due	48.08	(423.07)	804.05	429.06
Lease Liabilities	5.12	(0.85)	0.61	4.89
TOTAL	**8,373.10**	**6,078.15**	**1,365.68**	**15,816.93**

(₹ in Crores)

Particulars	As at April 01, 2021	Cash Flows	Other Changes	As at March 31,2022
Long-term Borrowings	4,197.47	3,906.33	(1,179.95)	6,923.85
Short-term Borrowings	511.82	884.23	-	1,396.05
Interest Accrued but not due	170.86	(700.16)	577.38	48.08
Lease Liabilities	-	(0.14)	5.27	5.12
TOTAL	**4,880.15**	**4,090.26**	**(597.31)**	**8,373.10**

As per our report of even date
For SHAH DHANDHARIA & CO LLP
Chartered Accountants
Firm Registration No.: 118707W/ W100724

Karan Amlani
Partner
Membership No. 193557

Place: Ahmedabad
Date: April 27, 2023

For and on behalf of the Board of Directors

Malay Mahadevia
Managing Director
DIN: 00064110

Place: Ahmedabad
Date: April 27, 2023

Gargi Kaul
Whole Time Director
DIN: 07173427

Place: Ahmedabad
Date: April 27, 2023

Dharmesh Desai
Company Secretary
A34273

Place: Ahmedabad
Date: April 27, 2023

adani

ADANI AIRPORT HOLDINGS LIMITED

CIN : U62100GJ2019PLC109395

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

A. SHARE CAPITAL

(₹ in Crores)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Equity Share Capital		
Balance as at beginning of the year	**0.25**	**0.25**
Issued during the year	-	-
Balance as at end of the year	**0.25**	**0.25**

B. INSTRUMENT ENTIRETY IN EQUITY NATURE

(₹ in Crores)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Unsecured Perpetual Securities		
Balance as at beginning of the year	**-**	**-**
Issued during the year	2,500.00	-
Balance as at end of the year	**2,500.00**	**-**

C. OTHER EQUITY

(₹ in Crores)

Particulars	Other Equity			Total
	Equity Component of Compulsory Convertible Debenture	Reserves and Surplus	Items of Other Comprehensive Income (OCI)	
		Retained Earning	Effective portion of Cash Flow Hedges- (Refer Note : 42)	
As at April 01, 2021	**-**	**(113.22)**	**-**	**(113.22)**
(Loss) for the year	-	(102.31)	-	(102.31)
Other Comprehensive Income				-
Re-measurement gains/(Loss) on defined benefit plans	-	(0.07)	-	(0.07)
Effective portion of cash flow hedges (net)	-	-	-	-
Total Comprehensive Income for the year	**-**	**(102.38)**	**-**	**(102.38)**
Share Capital issued during the year	-	-	-	-
Issue of compulsorily convertible debentures during the year	1,177.12	-	-	1,177.12
Issue of Unsecured Perpetual Securities	-	-	-	-
As at March 31, 2022	**1,177.12**	**(215.60)**	**-**	**961.52**

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)
CIN : U62100GJ2019PLC109395

(₹ in Crores)

Particulars	Other Equity			Total
	Equity Component of Compulsory Convertible Debenture	Reserves and Surplus	Items of Other Comprehensive Income (OCI)	
		Retained Earning	Effective portion of Cash Flow Hedges- (Refer Note : 42)	
As at March 31, 2022				
Profit for the year	-	102.94	-	102.94
Other Comprehensive Income				
Re-measurement gains/(Loss) on defined benefit plans	-	(0.50)	-	(0.50)
Effective portion of cash flow hedges (net)	-	-	10.52	10.52
Total Comprehensive Income for the year	**-**	**102.44**	**10.52**	**112.96**
Share Capital issued during the year	-	-	-	-
Issue of compulsorily convertible debentures during the year	-	-	-	-
Issue of Unsecured Perpetual Securities	-	-	-	-
As at March 31, 2023	**1,177.12**	**(113.16)**	**10.52**	**1,074.48**

The accompanying notes are an integral part of the financial statements

As per our report of even date
For SHAH DHANDHARIA & CO LLP
Chartered Accountants
Firm Registration No.: 118707W/ W100724

Karan Amlani
Partner
Membership No. 193557

Place: Ahmedabad
Date: April 27, 2023

For and on behalf of the Board of Directors

Malay Mahadevia
Managing Director
DIN: 00064110

Place: Ahmedabad
Date: April 27, 2023

Gargi Kaul
Whole Time Director
DIN: 07173427

Place: Ahmedabad
Date: April 27, 2023

Dharmesh Desai
Company Secretary
A34273

Place: Ahmedabad
Date: April 27, 2023

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023

1 CORPORATE INFORMATION

Adani Airport Holdings Limited ("AAHL" or "the Company") was incorporated on August 02, 2019 as a wholly owned subsidiary of Adani Enterprises Limited (Parent Company or "AEL") with an objective to acquire, promote, operate, maintain, develop, design, construct, upgrade, modernise, renovate, expand and manage domestic and international airports in India or abroad.

The financial statements were authorised for issue in accordance with the resolution of directors on April 27, 2023.

2 BASIS OF PREPARATION

2.1 The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind ASs), prescribed under Section 133 of the Companies Act 2013 (as amended) (herein after referred to as "the Act" read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable.

The Financial Statements have been prepared on going concern basis under the historical cost convention on an accrual basis except for fair value through other comprehensive income (FVOCI) instruments, and financial assets and liabilities designated at fair value through profit or loss (FVTPL), all of which have been measured at fair value at the end of each reporting period, as explained in the accounting policies below.

The financial statements are presented in Indian National Rupees (₹) which is also Company's functional currency and all values are rounded to the nearest Crores Rupees. Further (₹) 0.00 Crores denotes value less than (₹) 50,000 , unless otherwise indicated.

2.2 Summary of significant accounting policies

a Property, Plant and Equipment

i. Recognition and measurement

Property, plant and equipment (PPE) including land are stated at cost, less accumulated depreciation and accumulated impairment losses. Such cost includes purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Financing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for intended use are also included to the extent they relate to the period upto such assets are ready for their intended use. Expenditure directly relating to construction/ erection activity is capitalised. Indirect expenditure incurred during construction/ erection period is capitalised as part of the construction/erection cost to the extent such expenditure is related to construction or is incidental thereto.

ii. Subsequent measurement

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Subsequent costs are depreciated over the residual life of the respective assets. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

iii. Depreciation

PPE which are significant to total cost of the item of Property, Plant and equipment having different useful life are accounted and depreciated separately.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as prescribed under Part C of Schedule II of the Companies Act, 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

iv. Derecognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. Any gain or

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss account when the asset is derecognised. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

v. **Spare Parts:**

Spare parts are recognised as property, plant and equipment's when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory.

b Intangible Assets

i. **Recognition and measurement**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

ii. **Amortisation**

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

The Computer Software are amortised over their useful life of 3 to 6 years.

ii. **Derecognition**

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

c Capital Work in Progress

Expenditure related to and incurred during implementation of capital projects to get the assets ready for intended use is included under "Capital Work in Progress". The same is allocated to the respective items of property plant and equipment on completion of construction of the capital project/ property plant and equipment. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

d Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments comprise of financial assets and financial liabilities. Financial assets primarily comprise of loans and advances, deposits, trade receivables and cash and cash equivalents. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments. Derivatives can be financial assets or financial liabilities depending on whether value is positive or negative respectively. Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

e Financial assets

Initial recognition and measurement

The Company initially recognises loans and advances, deposits and debt securities issued on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. A financial asset is initially measured at fair value plus / minus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. However, trade receivables that do not contain significant financing component are measured at transaction price.

Subsequent measurement

All recognised financial assets are measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

i) **At amortised cost**

After initial measurement, the financial assets that meet the following conditions are subsequently measured at amortised cost using effective interest method ("EIR") (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The effective interest method is a method of calculating the amortised cost of financial assets and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and transaction costs and other premiums or discounts) through the expected life of the financial assets, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value through Profit and Loss (FVTPL).

ii) **At fair value through Other comprehensive income (FVOCI)**

After initial measurement, the financial assets that meet the following conditions are measured initially as well as at the end of each reporting date at fair value, recognised in other comprehensive income (OCI).

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The contractual terms of the asset give rise on specified dates to cash flows that represent solely payment of principal and interest.

iii) **At fair value through profit and loss (FVTPL)**

After initial measurement, the financial assets that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Statement of Profit and Loss on disposal of that financial asset.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

Impairment of Financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

For Trade Receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of Trade Receivables. At all reporting dates, these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

For other assets, the Company uses 12-month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk, full lifetime ECL is used.

Expected credit losses are measured through a loss allowance at an amount equal to:

i) The 12-months expected credit losses (expected credit losses that result from those default events on the Financial Instrument that are possible within 12 months after the reporting date); or

ii) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

f Financial liabilities and equity instrument

Classification as financial liabilities/ debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value, net of directly attributable transaction costs, if any.

Subsequent Measurement

The financial liabilities used to minimise accounting mismatch are classified and measured as at FVTPL in accordance with Ind AS 109. All other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial liabilities at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item in the Statement of Profit and Loss.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

Financial liabilities at FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if these are incurred for the purpose of repurchasing in the near term.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of profit and loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Fair values are determined in the manner described in note 'u'.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value through profit or loss, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derivative Financial Instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, cross currency swaps and principal only swap. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the Statement of Profit and Loss as Foreign Exchange (Gain) / Loss except those relating to borrowings, which are separately classified under Finance Cost and those pertaining to the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Embedded derivatives

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 "Financial Instruments" except for the effective portion of cash flow hedges are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL. These embedded derivatives are measured at fair value with changes in fair value recognised in profit and loss.

Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

g Inventories

Inventories in the nature of stores and spare parts are carried at the lower of cost and net realisable value after providing for obsolescence and other losses where considered necessary. Costs include all non-refundable duties and all charges incurred in bringing the goods to their present location and condition. Cost is determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs necessary to make the sale.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

h Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

i Foreign currency and presentation currency

These financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency.

Foreign currencies

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Exchange differences are recognised in the Statement of Profit and Loss except exchange differences on foreign currency borrowings relating to assets under construction, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

j Revenue recognition

Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

Income from services

Revenue from operations are recognised on accrual basis, net of Goods and Service Tax (GST), and applicable discounts when services are rendered.

Revenue from services rendered is recognised when the work is performed and as per the terms of agreement

Sale of Goods

Revenue from sale of goods is recognised when the control of the goods has been passed to the customer as per the terms of the agreement and there is no continuing effective control or Managerial involvements with the goods.

Interest income

Interest income is recognised on time proportion basis at the effective interest rate

("EIR") applicable.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Company performs obligations under the contract.

k Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing cost.

l Retirement and other employee benefits

Contributions to defined contribution plans are recognised as expense on accrual basis when employees have rendered services and as when the contributions are due. These expenses are confined to contribution only.

The Company determines the present value of the defined benefit obligation and fair value of plan assets. The net liability or assets represents the deficit or surplus in the Company's defined benefit plans. (The surplus is limited to the present value of economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans). The present value of the obligation is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each year.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

Past service costs are recognised in the statement of profit and loss on the earlier of the date of the plan amendment or curtailment, and the date that the Company recognises related restructuring costs. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation in the statement of profit and loss:

- Service costs comprising current service costs, past service costs, gains and losses on curtailments and nonroutine settlements as employee benefit expense.
- Net interest expense or income as finance cost/ finance income.

The Company classifies between current and non-current based on independent actuarial valuation.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

Compensated absences

Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short-term employee benefit and this is shown under short term provision in the Balance Sheet. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss. The Company classified the Compensated absences between current and non-current based on independent actuarial valuation.

Short term employee benefits:

Short-term employee benefit obligations are recognised at an undiscounted amount and is charged to the Statement of Profit and Loss for the period in which the related services are received.

m Taxation

Tax on Income comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in net parent investment or in other comprehensive income.

Current tax

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

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences except when the deferred tax liability arises at the time of transaction that affects neither the accounting profit or loss nor taxable profit or loss.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

n Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) (net off distribution on Unsecured Perpetual Securities whether declared or not) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for the effects of dividend, interest and other charges relating to the dilutive potential equity shares by weighted average number of shares plus dilutive potential equity shares.

o Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably.

Contingent assets are not recognised but are disclosed in the notes where an inflow of economic benefits is probable.

p Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets, other than inventories and deferred tax assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU for which the estimates of future cash flows have not been adjusted.

The Company bases its impairment calculation on detailed budget and forecast calculations, which are prepared separately for each of the Company's cash-generating unit to which the individual assets are allocated. For longer periods, a long term growth rate is calculated and applied to project future cash flows. To estimate cash flow projections beyond periods covered by the most recent budget / forecasts, the Company estimates cash flow projections based on estimated growth rate.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss . Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of the assets of the CGU (or group of CGUs) on a pro rata basis.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit or loss.

q Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-Use Assets

The Company recognises right-of-use assets ("RoU Assets") at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right of- use assets are also subject to impairment. Refer to the accounting policy for Impairment of non-financial assets.

(ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date in case the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

r Hedge Accounting

The Company designates certain hedging instruments, which include derivatives in respect of foreign currency risk, as cash flow hedges.

To qualify for hedge accounting, the hedging relationship must meet all of the following requirements:

- there is an economic relationship between the hedged items and the hedging instruments,
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.
- the effect of credit risk does not dominate the value changes that result from that economic relationship. At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair value or cash flows of the hedged item attributable to the hedged risk.

Cash flow hedges

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative / hedging instruments is recognised in the cash flow hedging reserve being part of other comprehensive income. The effective portion of cash flow hedges is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the Statement of Profit and Loss.

If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively.

If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

s Investments in Subsidiaries, associates and Joint Ventures

Investments in subsidiaries, associates and joint ventures are accounted for at cost of acquisition.

t Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Cash and cash equivalents for the purpose of Statement of Cash Flow comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

Other Bank deposits

Margin money comprise of bank deposits restricted as to withdrawal or usage and are used to collateralise certain debt related obligations required under the Trust and Retention Account agreement entered with the various lenders and restricted under other arrangements. Margin money bank deposits are classified as current and non-current based on management expectation of the expiration date of the underlying restrictions.

u **Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets such as business undertaking for transfer under the scheme and unquoted financial assets and financial liabilities.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.3 Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis and any revisions thereto are recognised in the period of revision and future periods if the revision affects both the current and future periods. Uncertainties about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Key Sources of Estimation uncertainty:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i) **Fair value measurement of financial instruments**

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

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

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

ii) **Defined benefit plans (gratuity benefits)**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iii) **Taxes**

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies and future recoverability of deferred tax assets.

iv) **Impairment of Non Financial Assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted future cash flows model. The recoverable amount is sensitive to the discount rate used for the discounted future cash flows model as well as the expected future cash-inflows and the growth rate used.

v) **Recognition and measurement of provision and contingencies**

The Company recognises a provision if it is probable that an outflow of cash or other economic resources will be required to settle the provision. If an outflow is not probable, the item is treated as a contingent liability. Risks and uncertainties are taken into account in measuring a provision.

vi) **Depreciation / amortisation and useful lives of property, plant and equipment / intangible assets**

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Group's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

3.1 Property, Plant and Equipment

(₹ in Crores)

Description of Assets	Computer Hardware	Plant and Equipments	Office Equipments	Furniture and Fixtures	Total
I. Cost					
As at April 01, 2021	**-**	**-**	**-**	**-**	**-**
Additions during the year	0.65	5.49	0.20	7.45	13.79
Disposals during the year	-	-	-	-	-
Balance as at March 31, 2022	**0.65**	**5.49**	**0.20**	**7.45**	**13.79**
Additions during the year	1.23	0.15	10.03	1.96	13.37
Disposals during the year	-	-	(0.04)	-	(0.04)
Balance as at March 31, 2023	**1.88**	**5.63**	**10.19**	**9.42**	**27.12**
II. Accumulated depreciation					
As at April 01, 2021	**-**	**-**	**-**	**-**	**-**
Depreciation expense for the year	0.05	0.00	0.00	0.00	0.05
Disposals during the year	-	-	-	-	-
Balance as at March 31, 2022	**0.05**	**0.00**	**0.00**	**0.00**	**0.05**
Depreciation expense for the year	0.31	0.56	1.39	0.92	3.18
Disposals during the year	-	-	(0.01)	-	(0.01)
Balance as at March 31, 2023	**0.36**	**0.56**	**1.38**	**0.93**	**3.23**
III. Net Block					
As at March 31, 2023	**1.52**	**5.07**	**8.81**	**8.49**	**23.89**
As at March 31, 2022	0.60	5.49	0.20	7.45	13.74

For Charges created refer note 19.

3.2 Right-of-use Assets

(₹ in Crores)

Description of Assets	Right-of-use Assets Building	Total
I. Cost		
As at April 01, 2021	**-**	**-**
Additions during the year	5.16	5.16
Disposals during the year	-	-
Balance as at March 31, 2022	**5.16**	**5.16**
Additions during the year	-	-
Disposals during the year	-	-
Balance as at March 31, 2023	**5.16**	**5.16**
II. Accumulated depreciation		
As at April 01, 2021	**-**	**-**
Depreciation expense for the year	0.19	0.19
Disposals during the year	-	-
Balance as at March 31, 2022	**0.19**	**0.19**
Depreciation expense for the year	0.57	0.57
Disposals during the year	-	-
Balance as at March 31, 2023	**0.76**	**0.76**
III. Net Block		
As at March 31, 2023	**4.40**	**4.40**
As at March 31, 2022	4.97	4.97

3.3 Capital Work in Progress

(₹ in Crores)

Description of Assets	As at March 31, 2023	As at March 31, 2022
Capital Work in Progress	33.85	10.98
Total	**33.85**	**10.98**

CWIP Ageing Schedule

As at March 31, 2023

(₹ in Crores)

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	26.31	7.54	-	-	33.85
Projects temporarily suspended	-	-	-	-	-
Total	**26.31**	**7.54**	**-**	**-**	**33.85**

As at March 31, 2022

(₹ in Crores)

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	10.98	-	-	-	10.98
Projects temporarily suspended	-	-	-	-	-
Total	**10.98**	**-**	**-**	**-**	**10.98**

3.4 Intangible Assets

(₹ in Crores)

Description of Assets	Computer software	Total
I. Cost		
As at April 01, 2021	**-**	**-**
Additions during the year	0.20	0.20
Disposals during the year	-	-
Balance as at March 31, 2022	**0.20**	**0.20**
Additions during the year	0.58	0.58
Disposals during the year	-	-
Balance as at March 31, 2023	**0.78**	**0.78**
II. Accumulated amortisation		
As at April 01, 2021		
Amortisation expense for the year	0.03	0.03
Disposals during the year	-	-
Balance as at March 31, 2022	**0.03**	**0.03**
Amortisation expense for the year	0.25	0.25
Disposals during the year	-	-
Balance as at March 31, 2023	**0.27**	**0.27**
III. Net Block		
As at March 31, 2023	**0.51**	**0.51**
As at March 31, 2022	0.17	0.17

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

4 INVESTMENTS

(₹ in Crores)

	Particulars	As at March 31, 2023	As at March 31, 2022
	Non Current		
(a)	**Investments In equity shares of Subsidiary (valued at cost) (unquoted)**		
	28,20,00,000 (previous year 28,20,00,000) fully paid Equity Shares of ₹ 10 each of Mumbai International Airport Limited	1,686.03	1,686.03
	2,68,83,16,183 (previous year 2,68,83,16,183) fully paid Equity Shares of ₹ 10 each of GVK Airport Developers Limited	2,885.73	2,885.73
	28,49,000 (previous year 28,49,000) fully paid Equity Shares of ₹ 10 each of Mumbai Travel Retail Private Limited	2.85	2.85
	74,000 (previous year 74,000) fully paid Equity Shares of ₹ 10 each of April Moon Retail Private Limited	0.07	0.07
(b)	**Investments In equity shares of Fellow Subsidiary (valued at cost) (unquoted)**		
	4,900 (previous year 4,900) fully paid Equity Shares of ₹ 10 each of Ahmedabad International Airport Limited	0.00	0.00
	4,900 (previous year 4,900) fully paid Equity Shares of ₹ 10 each of Mangaluru International Airport Limited	0.00	0.00
	4,900 (previous year 4,900) fully paid Equity Shares of ₹ 10 each of Lucknow International Airport Limited	0.00	0.00
	4,900 (previous year Nil) fully paid Equity Shares of ₹ 10 each of Jaipur International Airport Limited	0.00	-
	4,900 (previous year Nil) fully paid Equity Shares of ₹ 10 each of Guwahati International Airport Limited	0.00	-
	4,900 (previous year Nil) fully paid Equity Shares of ₹ 10 each of TRV(Kerala) International Airport Limited	0.00	-
(c)	**Investments In equity shares of Wholly Owned Subsidiary (valued at cost) (unquoted)**		
	10,000 (previous year 10,000) fully paid Equity Shares of ₹ 10 each of Sabarmati Infrastructure Services Limited	0.01	0.01
	10,000 (previous year 10,000) fully paid Equity Shares of ₹ 10 each of Vijaynagara Smart Solutions Limited	0.01	0.01
	10,000 (previous year 10,000) fully paid Equity Shares of ₹ 10 each of Rajputana Smart Solutions Limited	0.01	0.01
	Nil (previous year 10,000) fully paid Equity Shares of ₹ 10 each of Gomti Metropolis Solutions Limited	-	0.01
	Nil (previous year 10,000) fully paid Equity Shares of ₹ 10 each of Brahmaputra Metropolis Solutions Limited	-	0.01
	Nil (previous year 10,000) fully paid Equity Shares of ₹ 10 each of Periyar Infrastructure Services Limited	-	0.01
Investments in debentures (At Amortised cost) (unquoted)			
(d)	**In Non-Convertible Redeemable Debentures - Ahmedabad International Airport Limited**		
	- 2,500 (previous year 2,500) Non-Convertible Redeemable Debentures of ₹ 10 lacs each	250.00	250.00
(e)	**In Non-Convertible Redeemable Debentures - Lucknow International Airport Limited**		
	- 2,000 (previous year 2,000) Non-Convertible Redeemable Debentures of ₹ 10 lacs each	200.00	200.00
(f)	**In Non-Convertible Redeemable Debentures - Mangaluru International Airport Limited**		
	- 750 (previous year 750) Non-Convertible Redeemable Debentures of ₹ 10 lacs each	75.00	75.00
(g)	**In Non-Convertible Redeemable Debentures - Jaipur International Airport Limited**		

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

(₹ in Crores)

	Particulars	As at March 31, 2023	As at March 31, 2022
	- 2,413. (previous year 2,413) Non-Convertible Redeemable Debentures of ₹ 10 lacs each	241.30	241.30
(h)	**In Non-Convertible Redeemable Debentures - Guwahati International Airport Limited**		
	- 4,170 (previous year 100) Non-Convertible Redeemable Debentures of ₹ 10 lacs each	417.00	10.00
(i)	**In Non-Convertible Redeemable Debentures - TRV (Kerala) International Airport Limited**		
	- 4,093 (previous year 4,093) Non-Convertible Redeemable Debentures of ₹ 10 lacs each	409.30	409.30
(j)	**In Compulsory Convertible Debentures - Ahmedabad International Airport Limited**		
	- 9,80,00,000 (previous year 9,80,00,000) Compulsory-Convertible Redeemable Debentures of ₹ 10 each	98.00	98.00
(k)	**In Compulsory Convertible Debentures - Mangaluru International Airport Limited**		
	- 11,27,00,000 (previous year 11,27,00,000) Compulsory-Convertible Redeemable Debentures of ₹ 10 each	112.70	112.70
(l)	**In Compulsory Convertible Debentures - Lucknow International Airport Limited**		
	- 27,93,00,000 (previous year 27,93,00,000) Compulsory-Convertible Redeemable Debentures of ₹ 10 each	279.30	279.30
Investments in Preference Share (valued at cost) (unquoted)			
(m)	**In Preference Shares - GVK Airport Developers Limited**		
	- 10,00,000 (previous year 10,00,000) Non-Convertible Redeemable Preference Shares of ₹ 0.10 lacs each	1,001.27	1,001.27
	Total Non-Current Investments (Unquoted)	**7,658.61**	**7,251.62**

5 LOANS - NON CURRENT

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured and considered good, unless otherwise stated)		
Loans to others	29.05	29.68
Loans to Related Parties- (Refer Note : 46)	8,700.53	1,646.71
	8,729.58	**1,676.39**

6 OTHER NON-CURRENT FINANCIAL ASSETS

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured and considered good, unless otherwise stated)		
Security and other deposits	20.13	18.15
Interest accrued but not due	18.22	18.07
	38.35	**36.22**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

7 INCOME TAX ASSETS

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured and considered good, unless otherwise stated)		
TDS Receivables	39.43	13.73
	39.43	**13.73**

8 DEFERRED TAX ASSETS (NET)

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred Tax Liabilities		
Depreciation on PPE, Intangible Assets	(0.33)	(0.23)
Gross deferred tax liabilities	**(0.33)**	**(0.23)**
Deferred Tax Assets		
Depreciation on PPE, Intangible Assets		
Unabsorbed Depreciation	-	0.25
Unused Tax Losses	35.39	49.94
Lease Assets under Ind AS 116	0.12	0.04
Provision for Employee Benefits	2.85	3.10
Gross Deferred Tax Assets	**38.36**	**53.32**
Net Deferred Tax Asset / (Liabilities) (Refer Note Below)	**38.03**	*

Movement in Deferred Tax Liability / Asset (net) for the year ended March 31, 2023

(₹ in Crores)

Particulars	As at April 01, 2022	Recognised in P&L	Recognised in OCI	As at March 31, 2023
Tax effect of items constituting deferred tax liabilities:				
Difference between book base and tax base of property, plant and equipment	-	(0.33)	-	(0.33)
Total deferred tax liabilities	**-**	**(0.33)**	**-**	**(0.33)**
Tax effect of items constituting deferred tax assets :				
Tax losses	-	38.76	-	38.76
Lease Assets under Ind AS 116	-	0.12	-	0.12
Provision for Employee Benefits	-	2.85	0.17	3.02
Effective portion of cash flow hedges (net)	-	-	(3.54)	(3.54)
Total Deferred Tax Assets	**-**	**41.73**	**(3.37)**	**38.36**
Net Deferred Tax Asset	**-**	**41.40**	**(3.37)**	**38.03**

*** Note:**

No deferred Tax Asset was recognised in FY 2021-22.

Expiry of Income Tax Losses for Set off

(₹ in Crores)

Particulars	As at March 31, 2023			
	AY	Loss Amount	Tax Impact	Expiry AY
Business Losses	2021-22	45.75	11.52	2029-30
Business Losses	2022-23	94.86	23.87	2030-31
		140.61	**35.39**	

(₹ in Crores)

Particulars	As at March 31, 2022			
	AY	Loss Amount	Tax Impact	Expiry AY
Business Losses	2021-22	112.68	28.36	2029-30
Unabsorbed Depreciation	2022-23	0.98	0.25	2030-31
Business Losses	2022-23	85.73	21.58	2030-31
		199.39	**50.18**	

9 OTHER NON-CURRENT ASSETS

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured and considered good, unless otherwise stated)		
Capital Advances	1.60	0.39
Deferred Expenses on security deposits carried at amortised cost	81.27	85.91
	82.87	**86.30**

Note:

(i) No advance or deposit are due from directors or other officers of the Company either severally or jointly with any other person; nor any trade or other receivable are due from firms or private companies respectively, in which any director is a partner, a director or a member.

10 TRADE RECEIVABLES

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Trade Receivables (refer notes below)		
- Secured, considered good	12.08	4.99
- Unsecured, considered good	156.60	115.58
- Trade Receivables which have significant increase in credit risk	-	-
- Trade Receivables - credit impaired	-	-
	168.68	120.57
Less: Allowance for credit losses	-	-
Total Trade Receivables	**168.68**	**120.57**

Trade Receivables Ageing Schedule

As at March 31, 2023

(₹ in Crores)

Sr No	Particulars	Unbilled	Not Due	Outstanding for following periods from due date of receipt					Total
				Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
1	Undisputed Trade receivables - Considered good	13.18	32.56	117.64	5.18	0.12	-	-	168.68

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

(₹ in Crores)

Sr No	Particulars	Unbilled	Not Due	Outstanding for following periods from due date of receipt					Total
				Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
2	Undisputed Trade receivables - which have significant increase in Credit risk	-	-	-	-	-	-	-	-
3	Undisputed Trade receivables - Credit impaired	-	-	-	-	-	-	-	-
4	Disputed Trade receivables - Considered good	-	-	-	-	-	-	-	-
5	Disputed Trade receivables - which have significant increase in Credit risk	-	-	-	-	-	-	-	-
6	Disputed Trade receivables - Credit impaired	-	-	-	-	-	-	-	-
	Total	**13.18**	**32.56**	**117.64**	**5.18**	**0.12**	**-**	**-**	**168.68**

As at March 31, 2022

(₹ in Crores)

Sr No	Particulars	Unbilled	Not Due	Outstanding for following periods from due date of receipt					Total
				Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
1	Undisputed Trade receivables - Considered good	4.58	5.37	109.17	1.46	-	-	-	120.57
2	Undisputed Trade receivables - which have significant increase in Credit risk	-	-	-	-	-	-	-	-
3	Undisputed Trade receivables - Credit impaired	-	-	-	-	-	-	-	-
4	Disputed Trade receivables - Considered good	-	-	-	-	-	-	-	-
5	Disputed Trade receivables - which have significant increase in Credit risk	-	-	-	-	-	-	-	-
6	Disputed Trade receivables - Credit impaired	-	-	-	-	-	-	-	-
	Total	**4.58**	**5.37**	**109.17**	**1.46**	**-**	**-**	**-**	**120.57**

Note:

For Amount Due from Related Parties Refer Note -46.

For Charges created refer note 19.

11 CASH AND CASH EQUIVALENTS

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks:		
Balance in current account	67.61	3.77
Cash on hand	0.11	0.06
Margin Money deposits		
Deposits with original maturity of less than three months	-	26.25
	67.72	**30.08**

Note:

(i) Short-term deposits are made with banks for varying periods of up to three months depending on the immediate cash requirements of the Company and to earn interest at the respective short-term deposit rates.

12 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Margin Money deposits		
Deposits with Banks	61.87	-
	61.87	**-**

Note:

(i) Fixed deposits with banks have been lien marked in favor of Catalyst Trusteeship Limited.

13 LOANS CURRENT

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured and considered good, unless otherwise stated)		
Loan to Related Parties- (Refer Note : 46)	-	166.29
Loan to others	2,102.87	3.00
Loans to employees	0.65	0.12
	2,103.52	**169.41**

14 OTHER CURRENT FINANCIAL ASSETS

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured and considered good, unless otherwise stated)		
Security Deposits	0.04	0.00
Interest accrued on inter-corporate deposits & debentures	0.91	30.39
Other Receivables	4.12	8.74
Derivative Assets- (Refer Note : 42)		
- Due to change in fair values	83.39	-
	88.46	**39.12**

15 OTHER CURRENT ASSETS

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured and considered good, unless otherwise stated)		
Advances recoverable in cash or in kind	1.08	8.92
Advance to employees	0.32	0.18
Prepaid Expenses	9.70	8.60
Balance with Government Authorities	3.08	2.61
Deferred Expenses on security deposits carried at amortised cost	4.49	4.51
	18.67	**24.83**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

16 SHARE CAPITAL

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised		
1,00,00,000 (Previous Year 1,00,00,000) Equity Shares of ₹ 10 each	10.00	10.00
	10.00	**10.00**
Issued, subscribed and fully paid up share capital		
2,50,000 (Previous Year 2,50,000) Equity Shares of ₹ 10 each fully paid up	0.25	0.25
	0.25	**0.25**

Notes:

(a) Reconciliation of the number of the shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2023		As at March 31, 2022	
	No in Crores	(₹ in Crores)	No in Crores	(₹ in Crores)
As the beginning of the year	0.03	0.25	0.03	0.25
Share capital issued during the year	-	-	-	-
Outstanding at the end of the year	**0.03**	**0.25**	**0.03**	**0.25**

(b) Terms/rights attached to equity shares:

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Company has not reserved any shares for issue under options and contracts / commitments for the sale of shares/disinvestment.

During the year, No Dividend has been declared or Paid by the Company.

(c) Details of shareholder holding more than 5% shares in the Company and shares held by Holding Company

(₹ in Crores)

Particulars		As at March 31, 2023	As at March 31, 2022
Equity shares of ₹ 10 each fully paid			
Adani Enterprises Limited	No. in Crores	0.03	0.03
	% Holding	100%	100%

(d) Shareholding of Promoters

Shares held by promoters as at March 31, 2023				% Change during the year
S. No	Promoter name	No. of Shares (in Crores)	% of total shares	
1	Adani Enterprises Limited	0.03	100%	0%
Total		**0.03**	**100%**	**0%**

Shares held by promoters as at March 31, 2022				% Change during the year
S. No	Promoter name	No. of Shares (in Crores)	% of total shares	
1	Adani Enterprises Limited	0.03	100%	0%
Total		**0.03**	**100%**	**0%**

17 INSTRUMENTS ENTIRELY EQUITY IN NATURE

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	-	-
Issue of Unsecured Perpetual Securities during the year	2,500.00	-
Less: Redeemed during the year	-	-
Balance at the end of the year	**2,500.00**	**-**

During the year, the Company has issued Unsecured Perpetual Securities ("Securities") of ₹ 2,500.00 Crores to Adani Enterprises Limited. These securities are perpetual in nature with no maturity or redemption and are callable only at the option of the Company. The distribution on Securities are cumulative at 8% p.a. and at the discretion of the Company. As these Securities are perpetual in nature and ranked senior only to the Equity Share Capital of the Company and the Company does not have any redemption obligation, these are considered to be in the nature of equity instruments.

18 OTHER EQUITY

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Retained earnings	(113.16)	(215.60)
Other Comprehensive Income:		
Cash flow hedge reserve	10.52	-
Equity Component of Compulsory Convertible Debenture	1,177.12	1,177.12
	1,074.48	**961.52**

a) Retained earnings

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	(215.60)	(113.22)
Add : Profit/(Loss) for the year	102.44	(102.38)
Balance at the end of the year	**(113.16)**	**(215.60)**

The portion of profits not distributed among the shareholders are termed as retained earnings. The Company may utilise the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specified purpose.

b) Other Comprehensive Income:

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash flow hedge reserve		
Balance at the beginning of the year	-	-
Add : Effective portion of (Loss) on Cash Flow Hedge, net	10.52	-
Balance at the end of the year	**10.52**	**-**

Cash flow hedge reserve:

Changes in the fair value of derivatives/ hedging instruments that are designated and qualify as cash flow hedges are parked in the "Cash Flow Hedge Reserve". The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss. Amounts parked in the Cash Flow Hedge Reserve Account are recycled in the statement of profit and loss in the periods when the hedged item is recognised and affects the statement of profit and loss, in the same line as the hedged item.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

c) Equity Component of Compulsory Convertible Debenture

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	1,177.12	-
Issue of compulsorily convertible debenture during the year	-	1,177.12
Balance at the end of the year	**1,177.12**	**1,177.12**

During FY 2021-22, 19,95,50,734 Compulsorily Convertible Debentures ("CCD") of the Company of the face value of ₹ 100/- each were issued at par for 20 years. Rate of Interest is 6 Month LIBOR + 400 bps (same can be changed with mutual consent of all parties) and Interest shall be accrued at the end of each financial year. At maturity of 20 years, CCD (of ₹ 100/- each) shall be convertible into such number of equity shares (of ₹ 10 each) of the Company, which are derived based on the fair market value of equity shares, on the date of issue of CCDs. The fair value of the financial liability is determined with reference to the fair value of a similar stand-alone debt instrument and the amount allocated to the equity component is residual amount after deducting the fair value of the financial liability component from the fair value of the entire compound instrument.

19 NON-CURRENT BORROWINGS

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured Borrowings - At amortised cost		
Term loans		
Foreign currency term loans from banks	3,243.00	-
Unsecured Borrowings - At amortised cost		
Inter-Corporate Deposits		
From Related Parties- (Refer Note : 46)	2,761.68	6,108.29
Liability Component of Compound financial instrument		-
Compulsory Convertible Debenture	799.35	815.56
	6,804.03	**6,923.85**

Notes:

(₹ in Crores)

Particulars	As at March, 2023	As at March, 2022
Secured Borrowings - At Amortised Cost		
Term Loans		
Foreign currency term loans from banks		
a) Foreign Currency loan from bank is secured by first pari passu on the movable assets and current assets including Insurance receivables, both present and future at Overnight SOFR plus 425 basis points with bullet repayment in the year 2025.	2,023.25	-
b) Foreign Currency loan from bank is secured by first pari passu on the movable assets and current assets including Insurance receivables, both present and future at Overnight SOFR plus 425 basis points with bullet repayment in the year 2025.	1,219.75	-

(₹ in Crores)

Particulars	As at March, 2023	As at March, 2022
Unsecured Borrowings - At amortised cost		
Inter-Corporate Deposits		
c) Inter corporate deposit received from Adani Properties Private Limited@ 13.50% P.A., which is repayable in March 31, 2028.	0.21	0.21
d) Inter corporate deposit received from Adani Properties Private Limited@ 8% P.A., which is repayable in March 31, 2028.	2,761.47	5,325.46
e) Inter corporate deposit received from Adani Rail Infra Private Limited@ 8.00% P.A., which is repayable in March 31, 2028.	-	782.61
Liability Component of Compound financial instrument		
Compulsory Convertible Debenture		
f) During FY 2021-22, 19,95,50,734 Compulsorily Convertible Debentures ("CCD") of the Company of the face value of ₹ 100/- each were issued at par for 20 years. Rate of Interest is 6 Month LIBOR + 400 bps (same can be changed with mutual consent of all parties) and Interest shall be accrued at the end of each financial year. At maturity of 20 years, CCD (of ₹ 100/- each) shall be convertible into such number of equity shares (of ₹ 10 each) of the Company, which are derived based on the fair market value of equity shares, on the date of issue of CCDs. The fair value of the financial liability is determined with reference to the fair value of a similar stand-alone debt instrument and the amount allocated to the equity component is residual amount after deducting the fair value of the financial liability component from the fair value of the entire compound instrument.	799.35	815.56

20 OTHER NON-CURRENT FINANCIAL LIABILITIES

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued but not due on borrowings	277.46	33.36
	277.46	**33.36**

21 NON-CURRENT PROVISIONS

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for gratuity	5.49	3.25
Provision for compensated absences	3.65	2.15
	9.14	**5.40**

22 CURRENT BORROWINGS

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured Borrowings - at amortised cost		
Inter-Corporate Deposits		
From Related Parties- (Refer Note : 46)	6,078.95	1,396.05
	6,078.95	**1,396.05**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

Notes:

(₹ in Crores)

Particulars	As at March, 2023	As at March, 2022
Unsecured Borrowings - At amortised cost		
Inter-Corporate Deposits		
a) Inter corporate deposit received from Adani Enterprise Limited@ 8.50% P.A. (P.Y. 9.5% P.A.) which is repayable in Septembar 24, 2023.	6,036.45	1,353.55
b) Interest Free Inter corporate deposit received from GVK Airport Developers Limited , which is repayable in July 01, 2023.	42.50	42.50

23 TRADE PAYABLES

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises	1.42	1.20
Total outstanding dues of creditors other than micro enterprises and small enterprises	92.62	78.20
	94.04	**79.40**

Note: For Amount Due to Related Parties Refer Note -46.

Trade Payables Ageing Schedule

As at March 31, 2023

(₹ in Crores)

Sr No	Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of Payment				Total
				Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	0.77	0.65	-	-	-	-	1.42
2	Others	28.82	7.58	56.22	0.00	-	-	92.62
3	Disputed dues - MSME	-	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-	-
	Total	**29.59**	**8.23**	**56.22**	**0.00**	**-**	**-**	**94.04**

As at March 31, 2022

(₹ in Crores)

Sr No	Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of Payment				Total
				Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	-	1.20		-	-	-	1.20
2	Others	51.64	18.12	8.44	-	-	-	78.20
3	Disputed dues - MSME	-	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-	-
	Total	**51.64**	**19.32**	**8.44**	**-**	**-**	**-**	**79.40**

Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2023. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

(₹ in Crores)

Sr No	Particulars	As at March 31, 2023	As at March 31, 2022
1	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
	Principal	1.42	1.20
	Interest	Nil	Nil
2	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	Nil	Nil

24 OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued but not due on borrowings	151.60	14.73
Deposits from customers	49.91	20.46
Capital creditors, retention money and other payable- (Refer Note : 46)	82.01	2.46
	283.52	**37.65**

25 OTHER CURRENT LIABILITIES

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Unearned Income	4.24	2.08
Statutory liabilities	37.33	24.89
Marketing Fund Liability	4.66	1.43
Advance from customers- (Refer Note : 46)	1,977.82	1.49
	2,024.05	**29.89**

26 CURRENT PROVISIONS

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for gratuity	3.96	3.36
Provision for compensated absences	3.67	2.26
	7.63	**5.63**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

27 REVENUE FROM OPERATIONS

(₹ in Crores)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from Contract with Customers		
- Service Income	198.06	67.98
- Non-Aeronautical Income	468.53	195.30
Other Operating Income		
- Sale of Bullion	649.16	208.70
	1,315.75	**471.98**

Note:

(a) The Company's revenue from operations disaggregated by primary geographical markets is as follows

Particulars	For the year ended March 31, 2023			Total
	Service Income	Non-aeronautical Income	Sale of Bullion	
India	198.06	468.53	649.16	**1,315.75**
Outside	-	-	-	**-**
Total	**198.06**	**468.53**	**649.16**	**1,315.75**

Particulars	For the year ended March 31, 2022			Total
	Service Income	Non-aeronautical Income	Sale of Bullion	
India	67.98	195.30	208.70	**471.98**
Outside	-	-	-	**-**
Total	**67.98**	**195.30**	**208.70**	**471.98**

(b) The Company's revenue from operations disaggregated by pattern of revenue recognition is as follows:

Particulars	For the year ended March 31, 2023			Total
	Service Income	Non-aeronautical Income	Sale of Bullion	
Revenue Recognised at a point in time	-	-	649.16	**649.16**
Revenue Recognised over a period of time	198.06	468.53	-	**666.59**
Total	**198.06**	**468.53**	**649.16**	**1,315.75**

Particulars	For the year ended March 31, 2022			Total
	Service Income	Non-aeronautical Income	Sale of Bullion	
Revenue Recognised at a point in time	-	-	208.70	**208.70**
Revenue Recognised over a period of time	67.98	195.30	-	**263.28**
Total	**67.98**	**195.30**	**208.70**	**471.98**

28 OTHER INCOME

(₹ in Crores)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest Income		
-Bank	2.87	0.05
-Debentures	190.98	251.17
-Loans	149.72	43.61
-Inter-corporate deposits	777.72	118.69
-Income Tax Refund	0.15	-
-Others	2.61	-

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

(₹ in Crores)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
-Financial Assets carried at amortised cost	2.37	1.15
-Notional Interest income on Security deposit	1.79	0.96
Profit on sale of current investment (net)	0.04	0.01
Scrap sale	2.20	-
Miscellaneous Income	-	0.01
	1,130.45	**415.63**

29 OPERATING EXPENSES

(₹ in Crores)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue Share Expenses on Non Aero Services	172.76	111.87
Contractual Manpower Charges	10.92	8.79
Power and fuel Cost	0.18	1.01
Spare parts and consumables	0.02	-
	183.88	**121.67**

30 EMPLOYEE BENEFIT EXPENSE

(₹ in Crores)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and Wages	117.40	59.85
Contribution to Provident and Other Funds	6.23	2.88
Staff Welfare Expenses	2.32	1.40
	125.95	**64.13**

31 FINANCE COSTS

(₹ in Crores)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest		
-Debenture	118.58	13.09
-Inter Corporate Deposit	786.26	561.24
-ECB	190.66	-
-Other	170.99	-
-Lease Liability	0.60	0.10
Bank and Other Finance Charges	21.36	0.22
Exchange difference regarded as an adjustment to borrowing cost (Net off forward contract gain)	6.49	-
Loss / (Gain) on Derivatives / Swap Contracts on borrowings	82.62	-
	1,377.56	**574.65**

32 OTHER EXPENSES

(₹ in Crores)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Rent	2.01	1.80
Electricity Expenses	0.70	0.59
Rates and Taxes	0.09	-

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

(₹ in Crores)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Communication Expenses	2.21	1.62
Security manpower charges	8.21	1.53
Travelling and Conveyance	5.51	1.49
Repairs and Maintenance Expenses	0.97	0.69
Insurance (net of reimbursement)	0.03	0.00
Foreign Exchange Loss (net)	0.23	-
Bid & Tender Expenses	-	0.32
Professional and Consultancy Charges	21.01	11.20
Payment to Auditors (Refer Note (a) below)	0.15	0.06
Directors Sitting Fee	-	0.01
Loss on sale / discard of Property, Plant and Equipments (net)	0.03	-
Investment in equity share of Subsidiary Write off	0.03	-
Miscellaneous Expenses	2.92	1.24
	44.10	**20.55**

a) Payment to Auditor

(₹ in Crores)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
As Auditor:		
Audit fees	0.03	0.02
In other Capacity		
Certification Fees	0.01	0.04
Other Services	0.12	-
	0.15	**0.06**

33 INCOME TAX

(a) Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate for March 31, 2023

Particulars	As at March 31, 2023		As at March 31, 2022	
	%	(₹ in Crores)	%	(₹ in Crores)
Profit/(Loss) Before tax		**61.54**		**(102.31)**
Tax using the Company's domestic rate	25.17%	15.49	26.00%	(26.60)
Tax Effect of:				
Expenses not allowable/ (allowable) under Income Tax Act	6.49%	(4.00)	1.31%	1.34
Effect of changes in Tax Rates	0.00%	-	0.79%	0.81
Tax offsets not recognised as Deferred Tax assets	(9.09)%	5.60	2.58%	2.64
Unused Tax losses not recognised as Deferred Tax assets	27.77%	(17.09)	21.33%	21.82
Effective tax rate	**0.00%**	**-**	**0.00%**	**-**
Tax expenses as per Books		**-**		**-**

(b) Expiry of Income Tax Losses for Set off

(₹ in Crores)

Sr. No.	Particulars	AY	Loss Amount	Tax Impact	Expiry AY
1	Business Losses	2021-22	45.75	11.52	2029-30
2	Business Losses	2022-23	94.86	23.87	2030-31
			140.61	**35.39**	

34 EARNINGS PER SHARE

Particulars		As at March 31, 2023	As at March 31, 2022
Profit/(Loss) attributable to equity shareholders of the Company	(₹ in Crores)	102.94	(102.31)
Less: Distribution of interest on Unsecured perpetual securities	(₹ in Crores)	(66.30)	-
Profit/(Loss) attributable to equity shareholders after distribution on Unsecured Perpetual Securities	**(₹ in Crores)**	**36.64**	**(102.31)**
Number of equity shares issued to Equity Share Holders	No in Crores	0.03	0.03
Potential Number of equity shares to be issued to Compulsory convertible debenture Holders	No in Crores	0.00	0.00
Weighted average number of equity shares	No in Crores	0.03	0.03
Nominal Value of equity share	in ₹	10.00	10.00
Basic and Diluted earning per share	in ₹	1,334.04	(4,021.95)

35 CONTINGENT LIABILITIES NOT PROVIDED FOR

Based on the information available with the Company, there is ₹ nil contingent liability as at the March 31, 2023 (PY March 31, 2022 : ₹ nil).

36 CAPITAL COMMITMENTS AND OTHER COMMITMENTS

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
a) Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	16.71	9.90

37 SEGMENT INFORMATION

The Company is primarily engaged in the business of acquire, promote, operating, maintaining, developing, designing, constructing, upgrading, modernising, renovating, expanding and managing airports. The entire business has been considered as a single segment in terms of Ind AS - 108 on Segment Reporting as determined by chief operational decision maker. There being no business outside India, the entire business has been considered as single geographic segment.

38 LEASES

The Company has one lease contract for building used in administrative work. Lease have term of 9 years. The Company is restricted from assigning and subleasing the leased assets. The lease contract include extension and termination options.

Set out below are the carrying amounts of right-of-use assets of Building recognised and the movements during the period:

(₹ in Crores)

Particulars	Right of use assets	Lease Liabilities	Charged to Profit & Loss Account	Impact on statement of Cash flows
Long Term Leases				
As at April 01, 2021	**-**	**-**	**-**	**-**
Additions for the year	5.16	5.16	-	-
Interest expense for the year	-	0.10	0.10	-
Payments during the year	-	(0.14)	-	-
Depreciation for the year	(0.19)	-	0.19	-

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

(₹ in Crores)

Particulars	Right of use assets	Lease Liabilities	Charged to Profit & Loss Account	Impact on statement of Cash flows
As at March 31, 2022	**4.97**	**5.12**	**0.29**	**-**
Current Lease Liabilities	-	0.24	-	-
Non-Current Lease Liabilities	-	4.88	-	-
Cash flow - Lease payments				
- Towards Principal	-	-	-	(0.04)
- Towards Interest	-	-	-	(0.10)
Additions for the year	-	-	-	-
Interest expense for the year	-	0.60	0.60	-
Payments during the year	-	(0.85)	-	-
Depreciation for the year	(0.57)	-	0.57	-
As at March 31, 2023	**4.40**	**4.88**	**1.47**	**(0.14)**
Current Lease Liabilities	-	0.28	-	-
Non-Current Lease Liabilities	-	4.61	-	-
Cash flow - Lease payments				
- Towards Principal	-	-	-	(0.24)
- Towards Interest	-	-	-	(0.60)

Short Term Leases & Leases of low value assets

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Rent expense charged to Profit & Loss account	2.01	1.80

39 CAPITAL MANAGEMENT

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's capital management is to maximise shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants. There have been no breaches in the financial covenants, as applicable, of any interest-bearing loans and borrowing in the current period.

The Company monitors capital using gearing ratio. As on reporting date the working of the same is as below.

(₹ in Crores)

Particulars	Refer Note	As at March 31, 2023	As at March 31, 2022
Total Borrowings	19 & 22	12,882.98	8,319.90
Less: Cash and bank balance	11	67.72	30.08
Net Debt (A)		**12,815.26**	**8,289.82**
Total Equity (B)	16 & 18	**3,574.73**	**961.77**
Total Equity and Net Debt (C = A + B)		**16,389.99**	**9,251.59**
Gearing ratio		**78.19%**	**89.60%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023 and March 31, 2022.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

40 FAIR VALUE MEASUREMENT:

As at March 31, 2023

(₹ in Crores)

Particulars	Level	Refer Note	Fair Value through other Comprehensive income	Amortised Cost	Carrying Value
Financial Asset					
Investments	3	4	-	7,658.61	7,658.61
Trade receivables	3	10	-	168.68	168.68
Cash and Cash Equivalents	3	11	-	67.72	67.72
Bank balance other than cash and cash equivalents	3	12		61.87	61.87
Loans	3	5 & 13	-	10,833.10	10,833.10
Derivative Assets	2	14	83.39	-	83.39
Others financial assets	3	6 & 14	-	43.42	43.42
Total			**83.39**	**18,833.40**	**18,916.79**
Financial Liabilities					
Borrowings	3	19 & 22	-	12,882.98	12,882.98
Lease Liabilities	3	38	-	4.89	4.89
Trade payables	3	23	-	94.04	94.04
Other financial liabilities	3	20 & 24	-	560.98	560.98
Total			**-**	**13,542.89**	**13,542.89**

As at March 31, 2022

(₹ in Crores)

Particulars	Level	Refer Note	Fair Value through other Comprehensive income	Amortised Cost	Carrying Value
Financial Asset					
Investments	3	4	-	7,251.62	7,251.62
Trade receivables	3	10	-	120.57	120.57
Cash and Cash Equivalents	3	11	-	30.08	30.08
Loans	3	5 & 13	-	1,845.80	1,845.80
Others financial assets	3	6 & 14	-	75.34	75.34
Total			**-**	**9,323.41**	**9,323.41**
Financial Liabilities					
Borrowings	3	19 & 22	-	8,319.90	8,319.90
Lease Liabilities	3	38	-	5.12	5.12
Trade payables	3	23	-	79.40	79.40
Other financial liabilities	3	20 & 24	-	71.01	71.01
Total			**-**	**8,475.43**	**8,475.43**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

Valuation techniques and key inputs

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

The fair value of the financial assets and financial liabilities included in the level 2 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rates curves of the underlying derivative.

The fair value for Level 3 instruments is valued using inputs based on information about market participants assumptions and other data that are available.

A one percent point change in the unobservable input used in fair value of Level 3 asset do not have significant impact in its value.

There have been no transfers between Level 1 and Level 2 during the year.

41 FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES:

The Company's risk management activities are subject to the management, direction and control of the Company.

In the ordinary course of business, the Company is exposed to Market risk, Credit risk and Liquidity risk.

(a) Credit risk

Credit risk refers to the risk that a counterparty or customer will default on its contractual obligations resulting in a loss to the Company. Financial instruments that are subject to credit risk principally consist of Loans, Trade and Other Receivables, Cash & Cash Equivalents, Investments and Other Financial Assets. The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of counter parties on continuous basis with appropriate approval mechanism for sanction of credit limits. Credit risk from balances with banks, financial institutions and investments. Cash and cash equivalents and Bank Deposits are placed with banks having good reputation, good past track record and high quality credit rating.

Concentrations of Credit Risk form part of Credit Risk

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including default risk associate with the industry and country in which customers operate. At March 31, 2023, the Company had 10 customers (March 31, 2022: 10) that owed approximately 63.28% (March 31, 2022: 75.47%) of all the receivables outstanding.

(b) Liquidity risk

Liquidity risk refers the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities. The Company's objective is to provide financial resources to meet its obligations when they are due in a timely, cost effective and reliable manner without incurring unacceptable losses or risking damage to the Company's reputation. The Company monitors liquidity risk using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The tables below provide details regarding contractual maturities of significant liabilities as at the end of each year end presented.

(₹ in Crores)

Contractual maturities of financial liabilities as at March 31, 2023	Refer Note	Total Carring Value	On demand or within 1 year	Over 1 year Within 3 years	Over 3 year Within 5 years	Over 5 years
Borrowings	19 & 22	12,882.98	6,213.74	3,649.38	3,124.26	2,684.32
Lease Liabilities	38	4.89	0.85	1.86	1.99	2.98
Trade Payables	23	94.04	94.04	-	-	-
Other Financial liabilities	20 & 24	560.98	283.52	-	277.46	-
Total		**13,542.89**	**6,592.14**	**3,651.25**	**3,403.72**	**2,687.30**

(₹ in Crores)

Contractual maturities of financial liabilities as at March 31, 2022	Refer Note	Total Carring Value	On demand or within 1 year	Over 1 year Within 3 years	Over 3 year Within 5 years	Over 5 years
Borrowings	19 & 22	8,319.90	1,411.97	179.21	179.21	7,524.66
Lease Liabilities	38	5.12	0.85	1.73	1.95	4.00
Trade Payables	23	79.40	79.40	-	-	-
Other Financial liabilities	20 & 24	71.01	37.65	-	-	33.36
Total		**8,475.43**	**1,529.87**	**180.95**	**181.16**	**7,562.02**

(c) Market risk

Market risk is the risk that Market Prices will fluctuate i.e., one time Equity Price, Interest Rate, Foreign Exchange Rate. The objective of Market Risk Management is to manage and control Market risk exposure.

Equity price risk

Price risk is the risk of fluctuations in the value of assets as a result of change in market prices of Investments. The Company has no exposure to the equity price risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Refer Note : 42

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Refer Note : 42

42 DERIVATIVES AND HEDGING

(i) Classification of derivatives

Derivatives are only used for economic hedging purposes. However, where derivatives do not meet the hedge accounting criteria, they are accounted for at fair value through profit or loss. Information about the derivatives used by the Company for hedging and its outstanding as at the end of the financial year is provided below:

(₹ in Crores)

Particulars	Other Financial Assets		Other Financial Liabilities	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Derivatives designated as Hedging Instruments:				
Forward Contracts and Cross Currency Swap	83.39	-	-	-

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

(ii) Hedging activities

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company has hedged 100% of it's foreign currency borrowings to that extent, the Company is not exposed to foreign currency risk. The Company's exposure to the risk of changes in foreign exchange rates is not material.

All these hedges are accounted for as cash flow hedges.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with fixed and floating interest rates. The Company manages its interest rate risk by having a mixed portfolio of fixed and variable rate loans and borrowings. The sensitivity analysis have been carried out based on the exposure to interest rates for instruments not hedged against interest rate fluctuations at the end of the reporting periods. A 50 basis point increase or decrease represents the management's assessment of the reasonably possible change in interest rates on profit/loss are as below.

(₹ in Crores)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Total Exposure to floating rate of Rupee borrowing*	1,995.51	1,995.51

*'The year end balances are not necessarily representative of the average debt outstanding during the year.

Particulars	0.5% Increase in Rate	0.5% Decrease in Rate	0.5% Increase in Rate	0.5% Decrease in Rate
Impact on Profit before tax for the year	(9.98)	9.98	(9.98)	9.98

(iii) Hedge Effectiveness

There is an economic relationship between the hedged items and the hedging instruments as the terms of the hedge contracts match the terms of hedge items. The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange and interest rate are identical to the hedged risk components. To test the hedge effectiveness, the Company compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

(iv) Disclosures of effects of Cash Flow Hedge Accounting

Hedging instruments

The Company has taken derivatives to hedge its borrowings and Interest accrued thereon.

(₹ in Crores)

Particulars	Less than 1 year	1 to 5 year	More than 5 Years	Total
Forward Contracts and Cross Currency Swap				
As at March 31, 2023				
Nominal Amount	3,286.80	-	-	3,286.80
As at March 31, 2022				
Nominal Amount	-	-	-	-

(v) The effect of the cash flow hedge in the Statement of Profit or Loss and Other Comprehensive Income is as follows:

(₹ in Crores)

Particulars	Forward Contracts and Cross Currency Swap	
	As at March 31, 2023	As at March 31, 2022
Cash flow Hedge Reserve at the beginning of the year	-	-
Total hedging gain/(loss) recognised in OCI	83.39	-
Ineffectiveness recognised in profit or loss	-	-
Recycle to profit or loss	(69.33)	-
Cash flow Hedge Reserve at the end of the year Before Tax	14.06	-
Income tax on above	(3.54)	-
Cash flow Hedge Reserve at the end of the year	10.52	-

The Company does not have any ineffective portion of hedge.

(vi) The outstanding position of derivative instruments is as under:

Nature	Purpose	Currency	As at March 31, 2023		As at March 31, 2022	
			Amount (nominal value- Million)	Amount (₹ in Crores)	Amount (nominal value-Million)	Amount (₹ in Crores)
Forward Contract-Buy	Hedging of Principal amount of ECB	USD	150.00	1,232.55	-	-
Forward Contract-Buy	Hedging of Principal amount of ECB	USD	100.00	821.70	-	-
Coupon Only Swap-Buy	Hedging of interest rate of ECB	USD	250.00	-	-	-
Full Currency Swap-Buy	Hedging of Principal amount and interest rate of ECB	USD	150.00	1,232.55	-	-
Total Principal amount Hedging			**400.00**	**3,286.80**	**-**	**-**
Total Interest rate Hedging			**400.00**	**-**	**-**	**-**

Unhedged foreign currency exposure

The details of foreign currency exposures those are not hedged by a derivative instrument or otherwise are as under:

Nature	As at March 31, 2023		As at March 31, 2022	
	Amount (₹ in Crores)	Foreign Currency in Crores	Amount (₹ in Crores)	Foreign Currency in Crores
Trade payables	3.03	USD 0.04	0.49	USD 0.01
	-	EUR 0.00	0.15	EUR 0.00

Exchange rates used for conversion of foreign currency exposure

Currency	As at March 31, 2023	As at March 31, 2022
USD	INR/USD = 82.17	INR/USD = 75.79
EUR		INR/EUR = 84.41

Impact to Profit/ Loss : Sensitivity Analysis on foreign currency exposure

Particulars	As at March 31, 2023		As at March 31, 2022	
	1% Increase	1% Decrease	1% Increase	1% Decrease
INR/USD	(0.03)	0.03	(0.00)	0.00
INR/EUR	-	-	(0.00)	0.00

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

43 RATIO ANALYSIS

Ratios	UOM	As at March 31, 2023	As at March 31, 2022
(i) Current Ratio:			
Current Assets (a)*	(₹ in Crores)	405.40	214.60
Current Liabilities (b)*	(₹ in Crores)	431.70	151.32
Current Ratio (a/b)	Times	0.94	1.42
Variance	%	(34.00%)	

* Current Assets = Total Current Assets Less Loans, Current Liabilities = Total Current Liabilities Less Current Borrowings less Advance from Customers.

Note: Reason for Variance is due to increase in Current liabilities.

Ratios	UOM	As at March 31, 2023	As at March 31, 2022
ii) Debt-Equity Ratio:			
Total Borrowings (a)	(₹ in Crores)	12,882.98	8,319.90
Shareholder's Equity (b)	(₹ in Crores)	3,574.73	961.77
Debt - Equity Ratio (a/b)	Times	3.60	8.65
Variance	%	58.00%	

Note: During the year the Company has issued Unsecured Perpetual Securities to the holding company, which is disclosed as Instruments entirely equity in nature in Note no: 17 due to which the Debt-Equity ratio improves.

Ratios	UOM	As at March 31, 2023	As at March 31, 2022
iii) Debt Service coverage Ratio :			
Net Profit/ (Loss) before Taxes (a)	(₹ in Crores)	61.54	(102.31)
Depreciation and Amortisation Expense (b)	(₹ in Crores)	4.01	0.27
Interest Expense ('c)	(₹ in Crores)	1,267.09	574.43
Earnings available for Debt Services (d) (a+b+c)	(₹ in Crores)	1,332.64	472.38
Interest Payment ('e)	(₹ in Crores)	423.07	700.16
Lease Payment ('f)	(₹ in Crores)	0.85	0.14
Principal Repayment (g)*	(₹ in Crores)	-	-
Total Repayment (h) (e+f+g)	(₹ in Crores)	423.92	700.30
Debt Service Coverage Ratio (d/h)	Times	3.14	0.67
Variance	%	366.00%	

.* Principal Repayment is considered Nil on account of Net cash inflow from Borrowing is increased.

' Note : During the year Ratio shows improvement mainly due to increase in EBITDA

Ratios	UOM	As at March 31, 2023	As at March 31, 2022
iv) Return on Equity Ratio :			
Net Profit after Taxes (a)	(₹ in Crores)	102.94	(102.31)
Less: Distribution of interest on Unsecured perpetual securities	(₹ in Crores)	(66.30)	-
'Profit/(Loss) attributable to equity shareholders (a)	(₹ in Crores)	36.64	(102.31)
Opening Equity Shareholder's Fund (b)*	(₹ in Crores)	0.25	0.25
Closing Equity Shareholder's Fund (c)*	(₹ in Crores)	0.25	0.25
Average Equity Shareholder's Fund (d)	(₹ in Crores)	0.25	0.25
Return on Equity Ratio (a/d)	%	14,655.45%	(40,924.88%)
Variance	%	136.00%	

*In Calculation of Equity Shareholders fund, Paid up Equity share capital is considered.

' Note: During the year Ratio shows improvement mainly due to increase in Profit.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

Ratios	UOM	As at March 31, 2023	As at March 31, 2022
v) Inventory Turnover Ratio :			
Sales (a)		NA	NA
Average Inventory (b)		NA	NA
Inventory Turnover Ratio (a/b)		NA	NA
Note : Since the Company is into Service Industry thus Inventory Turnover Ratio is not relevant to the Company.			
vi) Trade Receivables turnover Ratio :			
Annual net Credit Sales (a)	(₹ in Crores)	1,315.75	471.98
Opening Accounts Receivable (b)	(₹ in Crores)	120.57	33.95
Closing Accounts Receivable ('c)	(₹ in Crores)	168.68	120.57
Average Accounts Receivable (d) (b+c/2)	(₹ in Crores)	144.63	77.26
Trade Receivables turnover Ratio (a/d)	Times	9.10	6.11
Variance	%	49.00%	
Note : During the year ratio shows improvements mainly due to insignificantly increase in revenue from operations against average trade receivables during the year.			
vii) Trade Payables turnover Ratio :			
Operating Expenses (a)	(₹ in Crores)	183.88	121.67
Purchases of Stock-in-Trade (b)	(₹ in Crores)	649.16	208.65
Other Expenses (c)	(₹ in Crores)	44.10	20.55
Annual net credit Purchases (d) (a+b+c)	(₹ in Crores)	877.14	350.87
Opening Accounts Payable (e)	(₹ in Crores)	79.40	8.97
Closing Accounts Payable (f)	(₹ in Crores)	94.04	79.40
Average Accounts Payable (g)	(₹ in Crores)	86.72	44.19
Trade Payables turnover Ratio (f/g)	Times	10.11	7.94
Variance	%	27.00%	
Note : This is mainly due to increase overall cost on account of increase in operations during the year.			
viii) Net Capital turnover Ratio :			
Sales (a)	(₹ in Crores)	1,315.75	471.98
Current Assets (b)	(₹ in Crores)	405.40	214.60
Current Liabilities (c)	(₹ in Crores)	431.70	151.32
Working Capital (d) (b-c)	(₹ in Crores)	(26.30)	63.28
Net Capital turnover Ratio (a/d)	Times	(50.03)	7.46
Variance	%	771.00%	
Note : Due to net working capital is negative.			
ix) Net Profit Ratio :			
Profit after Tax (a)	(₹ in Crores)	102.94	(102.31)
Sales (b)	(₹ in Crores)	1,315.75	471.98
Net Profit Ratio (a/b)	Times	0.08	(0.22)
Variance	%	136.00%	

Note : During the year, Revenue generation has increased, and Increased in in Profit.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

Ratios	**UOM**	**As at March 31, 2023**	**As at March 31, 2022**
x) Return on Capital Employed :			
Profit/ (Loss) before Tax (a)	(₹ in Crores)	61.54	(102.31)
Interest Expense (b)	(₹ in Crores)	1,267.09	574.43
Earnings before Interest and Taxes ('c) (a+b)	(₹ in Crores)	1,328.63	472.11
Shareholder's Equity (d)*	(₹ in Crores)	3,677.37	1,177.37
Intangible Assets ('e)	(₹ in Crores)	0.51	0.17
Total Borrowings ('f)	(₹ in Crores)	12,882.98	8,319.90
Capital Employed (g) (d-e+f)	(₹ in Crores)	16,559.84	9,497.09
Return on Capital Employed (c/g)	%	8.02%	4.97%
Variance	%	61.00%	

* In calculation of Shareholder's equity, Retained Earning of ₹ (113.16) Crores and cashflow hedge reserves ₹ 10.52 Crores are excluded(FY 2021-22, Retained earning of ₹ (215.60) is excluded)

'Note : During the year Ratio shows improvement mainly due to increase in EBITDA.

xi) Return on Investment :	Not Applicable

44 DISCLOSURES AS REQUIRED BY IND AS - 19 EMPLOYEE BENEFITS

a) The Company has recognised, in the Statement of Profit and Loss for the current year, an amount of ₹ 4.53 Crores (previous year ₹ 2.23 Crores) as expenses under the following defined contribution plan.

(₹ in Crores)

Contribution to	**As at March 31, 2023**	**As at March 31, 2022**
Provident Fund and Other Fund	4.53	2.23
Total	**4.53**	**2.23**

b) The Company has a defined gratuity plan which is unfunded. Under the plan every employee who has completed at least five year of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The following tables summarise the component of the net benefits expense recognised in the statement of profit and loss account and amounts recognised in the balance sheet for the respective plan.

c) Gratuity

i) Changes in present value of the defined benefit obligation are as follows:

(₹ in Crores)

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Present value of the defined benefit obligation at the beginning of the year	**6.61**	**0.55**
Current service cost	1.35	0.72
Interest cost	0.50	0.04
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	(0.18)	0.13
- change in financial assumptions	(0.30)	(0.05)
- experience variance	1.15	(0.01)
Benefits paid	(0.25)	(0.40)
Liability Transfer In	0.78	5.80
Liability Transfer Out	(0.21)	(0.16)
Present value of the defined benefit obligation at the end of the year	**9.45**	**6.61**

ii) Net asset/(liability) recognised in the balance sheet

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of the defined benefit obligation at the end of the year	9.45	6.61
Fair value of plan assets at the end of the year	-	-
Amount recognised in the balance sheet	(9.45)	(6.61)
Net (liability)/asset - Current	**(9.45)**	**(6.61)**

iii) Expense recognised in the statement of profit and loss for the year

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Current service cost	1.35	0.72
Interest cost on benefit obligation	0.50	0.04
Gratuity Expense capitalised during the year	(0.14)	(0.10)
Total Expenses included in employee benefits expense	**1.71**	**0.65**

iv) Recognised in the other comprehensive income for the year

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Actuarial (gain)/losses arising from		
- change in demographic assumptions	(0.18)	0.13
- change in financial assumptions	(0.30)	(0.05)
- experience variance	1.15	(0.01)
Return on plan assets, excluding amount recognised in net interest expense	-	-
Recognised in comprehensive income	**0.67**	**0.07**

v) The principle assumptions used in determining gratuity obligations are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	7.50%	6.90%
Rate of escalation in salary (per annum)	8.00%	8.00%
Mortality	100% of India Assured Live Mortality (2012-14)	100% of India Assured Live Mortality (2012-14)
Normal retirement age	58 Years	58 Years
Attrition rate	11.00%	7.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

vi) Sensitivity Analysis Method

The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

vii) Quantitative sensitivity analysis for significant assumption is as below

Increase/(decrease) on present value of defined benefits obligation at the end of the year

Particulars	As at March 31, 2023		As at March 31, 2022	
Assumptions	Discount rate			
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
Impact on defined benefit obligations	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)
	(0.37)	0.41	(0.28)	0.31

Particulars	As at March 31, 2023		As at March 31, 2022	
Assumptions	Salary Growth rate			
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
Impact on defined benefit obligations	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)
	0.40	(0.37)	0.30	(0.28)

Particulars	As at March 31, 2023		As at March 31, 2022	
Assumptions	Attrition rate			
Sensitivity level	50% Increase	50% Decrease	50% Increase	50% Decrease
Impact on defined benefit obligations	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)
	(0.21)	0.25	(0.12)	0.14

Particulars	As at March 31, 2023		As at March 31, 2022	
Assumptions	Mortality rate			
Sensitivity level	10% Increase	10% Decrease	10% Increase	10% Decrease
Impact on defined benefit obligations	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)
	-	-	(0.00)	0.00

viii) Maturity profile of Defined Benefit Obligation

Particulars	As at March 31, 2023	As at March 31, 2022
Weighted average duration (based on discounted cash flows)	4 Years	4 Years

ix) The expected cash flows of defined benefit obligation over the future periods (valued on undiscounted bases)

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
1 year	3.96	3.36
2 to 5 year	3.41	1.84
6 to 10 year	3.02	1.20
More than 10 years	3.22	3.16

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During the quarter ended March 31, 2023, a short seller had issued a report alleging certain issues against Adani Group Companies. To uphold the principal of good governance, Adani Enterprises Limited, a parent Company had undertaken review of transaction referred in the short seller's report through an independent law firm. Further, in context of the short seller's report, there is a petition filed in the Hon'ble supreme court, and SEBI is examining compliance of laws and regulations by conducting enquiries to the Group's listed Companies. Based on the foregoing, the management of the Company is of the view that it is not likely to have any impact on the financial statements in this regard arising from the above matters.

46 RELATED PARTIES TRANSACTIONS

(i) Related Parties transactions

Particulars	Name of Company
Parent Company	Adani Enterprises Limited
Wholly owned Subsidiary Companies	Sabarmati Infrastructure Services Limited
	Periyar Infrastructure Services Limited
	Vijaynagara Smart Solutions Limited
	Brahmaputra Metropolis Solutions Limited
	Gomti Metropolis Solutions Limited
	Rajputana Smart Solutions Limited
Subsidiary Companies	Mumbai Travel Retail Private Limited
	GVK Airport Developers Limited
	April Moon Retail Private Limited
	Mumbai International Airport Limited
Fellow Subsidiary Companies	Ahmedabad International Airport Limited
	Mangaluru International Airport Limited
	TRV(Kerala) International Airport Limited
	Lucknow International Airport Limited
	Jaipur International Airport Limited
	Guwahati International Airport Limited
	Navi Mumbai International Airport Private Limited
Jointly Controlled Entity	Mumbai Airport Lounge Services Private Limited
Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	Adani Ports and Special Economic Zone Limited
	Adani Institute for Education and Research
	Adani Properties Private Limited
	Adani Rail Infra Private Limited
	Adani Hazira Port Private Limited
	Adani Power Maharashtra Limited*
	Adani Power Rajasthan Limited*
	Adani Power mundra Limited*
	Raipur Energen Limited*
	Belvedere Golf and Country Club Private Limited
	Karnavati Aviation Private Limited
	Adani Wilmar Limited
	Adani Hospitals Mundra Private Limited
	Adani Estate Management Private Limited
	Maharashtra Eastern grid power transmission Company Limited
	Adani Total Gas Limited
	Adani Power Limited
	Adani Capital Private Limited
	Adani Electricity Mumbai Limited
	Adani Green Energy Limited
	Adani Krishanapattanam Port Private Limited
	The Dhamra port company Limited
	Adani Power Jharkhand Limited
	Adani Skill Development Center
	Adani Digital Labs Private Limited
	Adani Totalenergies E Mobility Limited
	NRC Limited
	Adani Agri Logistics services Private Limited

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

Particulars	Name of Company
Key Management Personnel	Pranav Adani, Director (till January 01, 2022)
	Hemant Madhusudan, Director (till January 01, 2022)
	Vinay Prakash, Director (till January 01, 2022)
	Karan Adani, Director (w.e.f. January 01, 2022)
	Jeet Adani, Director (w.e.f. January 01, 2022)
	Malay Mahadevia, Managing Director (w.e.f. January 01, 2022)
	Gargi Kaul Wholetime Director (w.e.f. January 01, 2022)
	Dharmesh Desai, Company Secretory (w.e.f. February 02, 2021)

Note:

* Respective entites are merged with Adani Power Limited with effect from March 07, 2023.

(ii) Aggregate of transactions for the period ended with these parties have been given below.

(₹ in Crores)

Sr. No.	Transaction with Related Party	Relationship with Related Party	For the Year April 01, 2022 to March 31, 2023	For the Year April 01, 2021 to March 31, 2022
1	Rendering of Services	Fellow Subsidiary Companies	108.27	52.50
		Parent Company	0.08	0.03
		Subsidiary Companies	131.17	19.77
		Wholly owned Subsidiary Companies	8.70	-
		Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	0.87	0.08
		Jointly Controlled Entity	0.09	-
2	Interest Income	Fellow Subsidiary Companies	751.56	178.95
		Subsidiary Companies	216.42	12.50
		Wholly owned Subsidiary Companies	0.73	0.01
3	Services Availed (including reimbursement of expenses)	Fellow Subsidiary Companies	122.88	71.76
		Subsidiary Companies	51.35	39.45
		Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	2.92	3.12
4	Bid & Tender Expenses	Fellow Subsidiary Companies	-	0.08
		Subsidiary Companies	-	0.15
5	Managerial Remuneration	Key Management Personnel	17.33	1.99
6	Directors Sitting Fees	Key Management Personnel	-	0.01
7	Interest on borrowings	Parent Company	532.87	72.50
		Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	254.17	481.27
8	Interest Expenses	Fellow Subsidiary Companies	170.83	-

(₹ in Crores)

Sr. No.	Transaction with Related Party	Relationship with Related Party	For the Year April 01, 2022 to March 31, 2023	For the Year April 01, 2021 to March 31, 2022
9	Employee Liability Transfer in	Fellow Subsidiary Companies	0.03	3.59
		Parent Company	0.02	0.48
		Subsidiary Companies	0.48	0.80
		Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	0.84	4.28
10	Employee Liability Transfer out	Fellow Subsidiary Companies	0.06	0.01
		Parent Company	0.04	0.25
		Subsidiary Companies	0.02	-
		Wholly owned Subsidiary Companies	0.01	-
		Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	0.27	0.02
11	Investment in Equity Shares Written off	Wholly owned Subsidiary Companies	0.03	-
12	Purchase or Subscription of Investment in Equity Shares	Fellow Subsidiary Companies	-	0.01
		Parent Company	0.01	-
		Subsidiary Companies	-	2,885.24
13	Purchase or Subscription of Investments in Preference shares	Subsidiary Companies	-	1,000.00
14	Investments in Non - Convertible Debentures (NCD)	Fellow Subsidiary Companies	407.00	840.60
15	Investments in Compulsory - Convertible Debentures (CCD)	Fellow Subsidiary Companies	-	490.00
16	Loans given	Fellow Subsidiary Companies	6,160.79	2,605.15
		Subsidiary Companies	2,094.75	358.12
		Wholly owned Subsidiary Companies	26.10	0.41
17	Loans Received Back	Fellow Subsidiary Companies	1,260.20	1,199.28
		Subsidiary Companies	113.00	191.60
		Wholly owned Subsidiary Companies	20.91	-
18	Security deposits given	Fellow Subsidiary Companies	-	98.00
		Subsidiary Companies	-	11.84
19	Issue of Perpectual Security	Parent Company	2,500.00	-
20	Borrowing Received	Parent Company	16,394.48	4,401.64
		Subsidiary Companies	-	42.50
		Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	10,536.60	8,821.73
21	Borrowing Repaid	Parent Company	9,211.58	3,559.91
		Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	13,883.21	6,910.91

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

(₹ in Crores)

Sr. No.	Transaction with Related Party	Relationship with Related Party	For the Year April 01, 2022 to March 31, 2023	For the Year April 01, 2021 to March 31, 2022
22	Advance Received (Net)	Fellow Subsidiary Companies	1,953.43	-
23	Security Deposit Received	Subsidiary Companies	4.27	-
		Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	0.05	-

Details of material related party transaction with an individual related party for the year ended March 31, 2023

(₹ in Crores)

Sr. No.	Transactions	Name of Related Party	Relationship with Related Party	For the year April 01, 2022 to March 31, 2023	For the year April 01, 2021 to March 31, 2022
1	Interest Income	Ahmedabad International Airport Limited	Fellow Subsidiary Companies	227.11	49.31
		Lucknow International Airport Limited	Fellow Subsidiary Companies	163.46	48.92
		Mumbai International Airport Limited	Subsidiary Companies	209.94	0.64
2	Interest on borrowings	Adani Enterprises Limited	Parent Company	532.87	72.50
		Adani Properties Private Limited	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	244.35	360.41
		Adani Rail Infra Private Limited	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	9.82	120.86
3	Purchase or Subscription of Investment in Equity Shares	GVK Airport Developers Limited	Subsidiary Companies	-	2,882.32
4	Purchase or Subscription of Investments in Preference shares	GVK Airport Developers Limited	Subsidiary Companies	-	1,000.00
5	Investments in Non - Convertible Debentures (NCD)	Guwahati International Airport Limited	Fellow Subsidiary Companies	407.00	10.00
		Jaipur International Airport Limited	Fellow Subsidiary Companies	-	241.30
		Lucknow International Airport Limited	Fellow Subsidiary Companies	-	180.00
		TRV(Kerala) International Airport Limited	Fellow Subsidiary Companies	-	409.30
6	Investments in Compulsory - Convertible Debentures (CCD)	Ahmedabad International Airport Limited	Fellow Subsidiary Companies	-	98.00
		Lucknow International Airport Limited	Fellow Subsidiary Companies	-	279.30
		Mangaluru International Airport Limited	Fellow Subsidiary Companies	-	112.70

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

(₹ in Crores)

Sr. No.	Transactions	Name of Related Party	Relationship with Related Party	For the year April 01, 2022 to March 31, 2023	For the year April 01, 2021 to March 31, 2022
7	Loans given	Ahmedabad International Airport Limited	Fellow Subsidiary Companies	2,083.51	518.81
		Guwahati International Airport Limited	Fellow Subsidiary Companies	712.49	108.43
		Jaipur International Airport Limited	Fellow Subsidiary Companies	426.50	55.36
		Lucknow International Airport Limited	Fellow Subsidiary Companies	1,465.64	655.52
		Mangaluru International Airport Limited	Fellow Subsidiary Companies	956.15	332.71
		Mumbai International Airport Limited	Subsidiary Companies	2,093.16	113.00
		Mumbai Travel Retail Private Limited	Subsidiary Companies	-	244.89
		Navi Mumbai International Airport Private Limited	Fellow Subsidiary Companies	192.25	889.53
		TRV(Kerala) International Airport Limited	Fellow Subsidiary Companies	324.24	44.78
8	Loans Received Back	Ahmedabad International Airport Limited	Fellow Subsidiary Companies	209.00	229.80
		Lucknow International Airport Limited	Fellow Subsidiary Companies	212.40	586.55
		Mangaluru International Airport Limited	Fellow Subsidiary Companies	652.60	229.87
		Mumbai Travel Retail Private Limited	Subsidiary Companies	-	191.60
		Navi Mumbai International Airport Private Limited	Fellow Subsidiary Companies	10.00	55.52
9	Issue of Perpectual Security	Adani Enterprises Limited	Parent Company	2,500.00	-
10	Borrowing Received	Adani Enterprises Limited	Parent Company	16,394.48	4,401.64
		Adani Properties Private Limited	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	10,483.60	8,799.23
11	Borrowing Repaid	Adani Enterprises Limited	Parent Company	9,211.58	3,559.91
		Adani Properties Private Limited	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	13,047.60	6,037.03
		Adani Rail Infra Private Limited	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	835.61	873.89

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

(₹ in Crores)

Sr. No.	Transactions	Name of Related Party	Relationship with Related Party	For the year April 01, 2022 to March 31, 2023	For the year April 01, 2021 to March 31, 2022
12	Advance Received (Net)	Ahmedabad International Airport Limited	Fellow Subsidiary Companies	772.61	-
		Guwahati International Airport Limited	Fellow Subsidiary Companies	264.66	-
		Jaipur International Airport Limited	Fellow Subsidiary Companies	269.68	-
		Lucknow International Airport Limited	Fellow Subsidiary Companies	416.21	-
		TRV(Kerala) International Airport Limited	Fellow Subsidiary Companies	170.17	-

(iii) Aggregate of Closing Balances with these parties have been given below.

(₹ in Crores)

Sr. No.	Closing Balance with Related Party	Relationship with Related Party	As at March 31, 2023	As at March 31, 2022
1	Investment in Equity Shares	Fellow Subsidiary Companies	0.03	0.01
		Subsidiary Companies	4,574.03	4,570.62
		Wholly owned Subsidiary Companies	0.03	0.06
2	Investment in Preference Shares	Subsidiary Companies	1,000.00	1,000.00
3	Non-Convertible Debentures (Investments)	Fellow Subsidiary Companies	1,592.60	1,185.60
4	Compulsory Convertible Debentures (Investments)	Fellow Subsidiary Companies	490.00	490.00
5	Other Receivables	Fellow Subsidiary Companies	-	0.30
		Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	-	3.43
6	Trade Receivable	Fellow Subsidiary Companies	72.83	56.64
		Parent Company	0.00	0.00
		Subsidiary Companies	41.49	22.79
		Wholly owned Subsidiary Companies	9.30	-
		Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	1.04	0.03
7	Loans given	Fellow Subsidiary Companies	6,546.66	1,646.07
		Subsidiary Companies	2,148.27	166.52
		Wholly owned Subsidiary Companies	5.61	0.41
8	Interest accrued receivable	Fellow Subsidiary Companies	-	35.31
		Subsidiary Companies	18.22	12.46

(₹ in Crores)

Sr. No.	Closing Balance with Related Party	Relationship with Related Party	As at March 31, 2023	As at March 31, 2022
9	Advances recoverable in cash or in kind	Fellow Subsidiary Companies	0.00	8.42
		Parent Company	-	0.22
		Subsidiary Companies	0.06	43.90
		Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	0.14	-
10	Deposit given	Fellow Subsidiary Companies	98.00	98.00
		Subsidiary Companies	11.84	11.84
11	Issue of Perpectual Security	Parent Company	2,500.00	-
12	Borrowings	Parent Company	6,036.45	1,353.55
		Subsidiary Companies	42.50	42.50
		Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	2,761.68	6,108.29
13	Interest accrued payable	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	277.46	33.36
14	Trade Payable	Fellow Subsidiary Companies	20.26	59.21
		Parent Company	0.04	-
		Subsidiary Companies	32.47	46.69
		Wholly owned Subsidiary Companies	0.01	-
		Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	3.10	0.13
15	Advance Received	Fellow Subsidiary Companies	1,953.43	-
		Subsidiary Companies	18.46	-
		Wholly owned Subsidiary Companies	0.87	-
		Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	0.00	-
16	Security Deposit Received	Subsidiary Companies	4.60	-
		Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	0.05	-
17	Other Payable	Fellow Subsidiary Companies	80.02	-

47 RECENT PRONOUNCEMENTS:

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, as and when they become effective. The Ministry of Corporate Affairs (MCA) has notified certain amendments to Ind AS, through Companies (Indian

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON MARCH 31, 2023 (Contd.)

Accounting Standards) Amendment Rules, 2023 on March 31, 2023 and has amended the following standards:

1. Ind AS 101 - First-time adoption of Ind AS
2 Ind AS 102 - Share-based Payment
3. Ind AS 103 – Business Combinations
4. Ind AS 107 - Financial Instruments: Disclosures
5. Ind AS 109 – Financial Instruments
6. Ind AS 115 - Revenue from Contracts with Customers
7. Ind AS 1 - Presentation of Financial Statements
8. Ind AS 8 - Accounting Policies, change in Estimates and Errors
9. Ind AS 12 - Income Taxes
10. Ind AS 34 - Interim Financial Reporting

These amendments shall come into force with effect from April 01, 2023.

The Company is assessing the potential effect of the amendments on its financial statements. The Company will adopt these amendments, if applicable, from applicability date.

48 CODE ON SOCIAL SECURITY

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits has received Presidential assent and has been published in the Gazette of India. However, the effective date of the Code and final rules for quantifying the financial impact are yet to be notified. The Group will assess the impact of the Code when relevant provisions are notified and will record related impact, if any, in the period the Code becomes effective.

49 The Company did not enter into any transactions during the year with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

50 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of any of subsequent events and transactions in the financial statements. As on signing date, there were no subsequent events to be recognised or reported that are not already disclosed.

51 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by the board of directors on April 27th, 2023

The accompanying notes form an integral part of financials statements

As per our report of even date
For SHAH DHANDHARIA & CO LLP
Chartered Accountants
Firm Registration No.: 118707W/ W100724

Karan Amlani
Partner
Membership No. 193557

Place: Ahmedabad
Date: April 27, 2023

For and on behalf of the Board of Directors

Malay Mahadevia
Managing Director
DIN: 00064110

Place: Ahmedabad
Date: April 27, 2023

Gargi Kaul
Whole Time Director
DIN: 07173427

Place: Ahmedabad
Date: April 27, 2023

Dharmesh Desai
Company Secretary
A34273

Place: Ahmedabad
Date: April 27, 2023

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Adani Airport Holdings Limited

Report on the Audit of Special Purpose Combined Financial Statements

QUALIFIED OPINION

We have audited the special purpose combined financial statements of the Restricted Group which consists of companies attached in Annexure A below (each, referred to as a "Restricted Entity" and collectively referred to "Restricted Group") which comprises the special purpose combined balance sheet as at 31st March, 2023, the special purpose combined statement of profit and loss (including other comprehensive income), the special purpose combined statement of cash flows and Special Purpose combined statement of changes in equity for the year ended 31st March, 2023 and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "special purpose combined financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of other auditors on separate audited financial statements covered under the Restricted Group, referred to in the Emphasis of matter and Other Matter section below except for the effects of the matters described in the 'Basis for Qualified Opinion' section of our report, the aforesaid special purpose combined financial statements for the year ended 31st March, 2023 give a true and fair view in accordance with the basis of preparation as set out in note 2.2 to the special purpose combined financial statements.

BASIS FOR QUALIFIED OPINION

As described in Note 40 of the accompanying special purpose combined financial statements, in case of one of the company, namely Mumbai International Airport Limited ('MIAL'), the legal proceedings involving investigations by various authorities and charge sheet filed by the Central Bureau of Investigation are currently on-going in respect of matters involving potential conflict of interest and alleged misuse of funds of MIAL aggregating to ₹ 846 crores related to works contracts that are currently included in Property, Plant and Equipment at a net book value of ₹ 595 crores. The auditors of MIAL have given a qualified opinion in the absence of sufficient appropriate audit evidence in respect of the above, as they are unable to comment on the adjustments and the consequential impact, if any. Similar qualifications are inserted by the auditors of GVK Airport Holdings Limited ("Immediate Holding Company of MIAL") and GVK Airport Developers Limited ("Intermediary Holding Company of MIAL"), which are covered under the Restricted Group.

We conducted our audit in accordance with the Standards on Auditing (SAs) and Standard on Related Services 4410 (Revised), Compilation Engagements. Our responsibilities under those SAs and SRS are further described in the Auditor's Responsibilities for the Audit of the Combined Financial Results section of our report. We are independent of the Restricted Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the applicable provisions. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

EMPHASIS OF MATTER

1. Without modifying our opinion, we draw attention to Note 2.2 to the special purpose combined financial statements, which describes that the Restricted Group has not formed a separate legal group of entities during the year ended 31st March, 2023 and which also describes the basis of preparation, including the approach to and purpose of preparing them. Consequently, the Restricted Group's special purpose combined financial statements may not necessarily be indicative of the financial performances and financial position of the Restricted Group that would have occurred if it had operated as a single standalone group of entities during the year presented. The special purpose combined financial statements have been prepared solely for the purpose of fulfilling the requirement of the Offering Circular (OC) and other information memorandums/documents in respect of the proposed issuance of International Bonds / Non-Convertible Debentures to be issued to overseas / domestic entities, for review of lenders extended financing at a consolidated basis and also presenting to the lenders/ investors of holding Restricted Group and credit rating agencies. As a result, the special purpose combined financial statements may not be suitable for another purpose.

2. We draw your attention to Note No. 40 (10) of the accompanying special purpose combined financial statements, relating to an ongoing litigation/ arbitration proceeding between one of the company, namely Mumbai International Airport Limited

INDEPENDENT AUDITOR'S REPORT (Contd.)

("MIAL") and the Airport Authority of India ("AAI") in respect of Monthly Annual Fee ('MAF'), which could have a material impact on the financial statement, if the potential exposure were to materialize.

3. Further, we also draw attention to Note No. 50 of the accompanying special purpose combined financial statements, regarding the ongoing investigations of Securities and Exchange Board of India and the committee constituted by Hon'ble Supreme Court in respect of the matters more fully described in aforesaid note.

   Our opinion is not modified in respect of the above matters.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS

The Management of Adani Airport Holdings Limited (hereinafter referred to as "AAHL") is responsible for the preparation and presentation of this special purpose combined financial statements that give a true and fair view of the combined state of affairs, combined loss and other comprehensive loss, combined statement of changes in equity and combined cash flows in accordance with the basis of preparation as set out in Note 2.2 to this special purpose combined financial statements. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of each restricted entity and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the special purpose combined financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the special purpose combined financial statements, the Management of AAHL is responsible for assessing the ability of each restricted entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the restricted entity or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of AAHL is responsible for overseeing the Restricted Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the special purpose combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this special purpose combined financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the special purpose combined financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the Restricted Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparation of special purpose combined financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the special purpose combined financial statements

or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Restricted Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the special purpose combined financial statements, including the disclosures, and whether the special purpose combined financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Restricted Group to express an opinion on the special purpose combined financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such restricted entities included in the special purpose combined financial statements of which we are the independent auditors.

We communicate with those charged with governance of AAHL and such other restricted entities included in the special purpose combined financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

OTHER MATTERS

The accompanying Restricted Group Special Purpose Combined Financial Statements includes13 Companies which reflect total assets of ₹ 36,164.38 Crores as at 31st March, 2023 and total revenues of ₹ 5,325.05 Crores and Net Cash inflows of ₹ 239.58 Crores for the year then ended, which have been audited by other auditors whose financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the Restricted Group financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of such other auditors.

The accompanying Restricted Group Special Purpose Combined Financial Statements include the Restricted Group's effective share of Net profit of ₹ 41.74 crore for the year ended 31st March, 2023, in respect of 2 Jointly Controlled Entities, which have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the Restricted Group financial statements, in so far as it relates to the amounts and disclosures included in respect of these jointly controlled entities is based solely on the reports of such other auditors.

For, **SHAH DHANDHARIA & CO LLP**
Chartered Accountants
Firm Registration No. 118707W/W100724

Karan Amlani
Partner
Membership No. 193557
UDIN: 23193557BGSKGO7244

Place : Ahmedabad
Date: 28/06/2023

ANNEXURE - A

Sr. No.	Entities forming part of Restricted Group
1	Adani Airport Holdings Limited (AAHL)
2	Ahmedabad International Airport Limited
3	Mangaluru International Airport Limited
4	Lucknow International Airport Limited
5	Jaipur International Airport Limited
6	Guwahati International Airport Limited
7	TRV (Kerala) International Airport Limited
8	Sabarmati Infrastructure Services Limited
9	Vijaynagara Smart Solutions Limited
10	Rajputana Smart Solutions Limited
11	Mumbai International Airport Limited (MIAL)
12	Navi Mumbai International Airport Private Limited
13	GVK Airport Holdings Limited
14	GVK Airport Developers Limited
15	Bangalore Airport & Infrastructure Developers Limited
16	April Moon Retail Private Limited
17	Mumbai Travel Retail Private Limited
18	Mumbai Airport Lounge Services Private Limited (Joint Venture by MIAL)
19	Mumbai Aviation Fuel Farm Facility Private Limited (Joint Venture by MIAL)

RESTRICTED GROUP

SPECIAL PURPOSE COMBINED BALANCE SHEET

AS AT MARCH 31, 2023

(₹ in Crores)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-Current assets			
(a) Property, Plant and Equipment	4.1	14,080.40	13,623.63
(b) Right of Use Assets	4.2	113.57	130.72
(c) Capital Work-in-Progress	4.3	10,511.39	6,935.27
(d) Other Intangible Assets	4.4	3,338.68	3,419.65
(e) Intangible Assets Under Development	4.5	3,792.34	3,792.34
(f) Financial Assets			
(i) Investments	5	144.72	102.97
(ii) Loans	6	29.05	29.68
(iii) Other Financial Assets	7	393.20	214.83
(g) Income Tax Assets	36	295.21	195.56
(h) Other Non-Current Assets	8	2,967.98	1,592.30
Total Non-Current assets		**35,666.54**	**30,036.95**
Current assets			
(a) Inventories	9	211.77	80.34
(b) Financial Assets			
(i) Investments	10	141.55	8.46
(ii) Trade Receivables	11	365.99	383.29
(iii) Cash and Cash Equivalents	12	368.69	91.06
(iv) Bank Balances other than above	13	303.81	580.68
(v) Loans	14	2,103.58	3.18
(vi) Other Financial Assets	15	477.46	91.96
(c) Other Current Assets	16	759.08	689.04
Total Current assets		**4,731.93**	**1,928.01**
Total Assets		**40,398.47**	**31,964.96**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	17	0.25	0.25
(b) Instrument Entirely in Equity Nature	18	3,010.00	510.00
(c) Other Equity	19	(291.12)	720.07
(d) Non-Controlling Interests		2,706.21	2,747.94
Total Equity		**5,425.34**	**3,978.26**
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	14,460.88	6,978.79
(ii) Lease Liabilities	46	48.10	128.63
(iii) Other Financial Liabilities	21	3,275.13	2,376.40
(b) Provisions	22	68.19	56.25
(c) Deferred Tax Liabilities (net)	36	2,334.85	2,321.00
(d) Other Non-Current Liabilities	23	3,651.74	3,143.85
Total Non-Current Liabilities		**23,838.89**	**15,004.92**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	6,912.17	9,785.98
(ii) Lease Liabilities	46	59.56	7.79
(iii) Trade Payables	25		
- total outstanding dues of micro enterprises and small enterprises		35.20	41.11
- total outstanding dues of creditors other than micro enterprises and small enterprises		1,306.98	464.82
(iv) Other Financial Liabilities	26	2,358.89	2,192.48
(b) Other Current Liabilities	27	434.94	365.01
(c) Provisions	28	20.59	20.58
(d) Current Tax Liabilities (net)	36	5.91	104.01
Total Current Liabilities		**11,134.24**	**12,981.78**
Total Liabilities		**34,973.13**	**27,986.70**
Total Equity And Liabilities		**40,398.47**	**31,964.96**

The accompanying notes forming part of the Restricted Group Special Purpose Combined Financial Statements

In terms of our report attached
For SHAH DHANDHARIA & CO LLP
Chartered Accountants
Firm Registration No.: 118707W/ W100724

Karan Amlani
Partner
Membership No. 193557

Place : Ahmedabad
Date: 28th June 2023

For and on behalf of the Board of Directors

Malay Mahadevia
Managing Director
DIN: 00064110

Gargi Kaul
Whole-time Director
DIN: 07173427

Dharmesh Desai
Company Secretary
A34723

Place : Ahmedabad
Date: 28th June 2023

RESTRICTED GROUP

SPECIAL PURPOSE COMBINED PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2023

(₹ in Crores)

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from Operations	29	5,951.47	2,579.04
Other Income	30	60.49	305.89
Total Income		**6,011.96**	**2,884.93**
Expenses			
Concession Fees		1,323.10	294.06
Purchases of Stock-in-Trade		1,077.17	373.82
Changes in inventories of traded goods	31	(130.26)	(66.90)
Operating Expenses	32	633.29	335.12
Employee Benefits Expense	33	410.98	255.42
Finance Costs	34	1,556.75	1,252.18
Depreciation and Amortisation Expense	4.1, 4.2 & 4.4	1,178.93	796.81
Other Expenses	35	999.77	602.04
Total Expenses		**7,049.73**	**3,842.55**
Profit before share of loss from Joint Venture Entities, exceptional items and tax		**(1,037.77)**	**(957.62)**
Share of Profit/ (Loss) from Joint Venture Entities		30.46	(31.25)
(Loss) before tax		**(1,007.31)**	**(988.87)**
Tax expense:			
Current tax	36	2.37	-
Deferred tax	36	23.89	(73.73)
Total tax expense		**26.26**	**(73.73)**
(Loss) for the year	(A)	**(1,033.57)**	**(915.14)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss in subsequent periods			
Re-measurement gains/ (losses) on defined benefit plans		(0.44)	(7.37)
Income tax impact		(0.07)	2.96
		(0.51)	**(4.41)**
Items that will be reclassified to profit or loss in subsequent periods			
Effective portion of gains and losses on hedging		(40.13)	-
Income tax impact		10.10	-
Total Other Comprehensive Income/ (Loss) for the year (net of tax)	(B)	**(30.03)**	**-**
Total Comprehensive Loss for the year (net of tax)	(A)+(B)	**(30.54)**	**(4.41)**
Net Profit attributable to :		**(1,064.11)**	**(919.55)**
Equity holders of the parent		(969.87)	(900.15)
Non-controlling interests		(63.70)	(14.99)
Other Comprehensive Income / (Loss) attributable to :			
Equity holders of the parent		(41.30)	(2.90)
Non-controlling interests		10.76	(1.51)
Total Comprehensive Income attributable to :			
Equity holders of the parent		(1,011.17)	(903.06)
Non-controlling interests		(52.94)	(16.50)
Paid up Equity Share capital (Face value of ₹ 10 each)		**0.25**	**0.25**
Earnings per Share - (Face value of ₹ 10 each) Basic and Diluted (in ₹)	37	(35,313.59)	(36,006.14)

The accompanying notes forming part of the Restricted Group Special Purpose Combined Financial Statements

In terms of our report attached
For SHAH DHANDHARIA & CO LLP
Chartered Accountants
Firm Registration No.: 118707W/ W100724

Karan Amlani
Partner
Membership No. 193557

Place : Ahmedabad
Date: 28th June 2023

For and on behalf of the Board of Directors

Malay Mahadevia
Managing Director
DIN: 00064110

Gargi Kaul
Whole-time Director
DIN: 07173427

Dharmesh Desai
Company Secretary
A34723

Place : Ahmedabad
Date: 28th June 2023

RESTRICTED GROUP

SPECIAL PURPOSE COMBINED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2023

(₹ in Crores)

	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A	**Cash Flows from Operating Activities**		
	(Loss) before Tax	(1,007.31)	(988.87)
	Share of (Profit)/ Loss of Joint Venture Entities	(30.46)	31.25
	Depreciation and Amortisation Expense	1,178.93	796.81
	Unclaimed Liabilities / Excess Provision Written Back	(2.58)	(1.36)
	Finance Cost	1,556.75	1,252.18
	Lease Equalisation Income	(123.30)	(135.34)
	Bad Debts/ Advances written off	19.46	10.66
	Provision of Doubtful Debts	15.09	3.23
	Foreign Exchange Loss	2.89	0.54
	Annual fee on lease equalization income(net) as per Ind as 116	49.66	52.38
	Notional Income on Financial Instruments	(3.31)	(61.90)
	Interest Income	(46.31)	(298.57)
	Net (Gain) on Sale of Current Investments	(2.20)	(0.26)
	Loss/ (Profit) on Sale / Discard of Property, Plant and Equipment (net)	0.21	(1.18)
	Operating (Loss) before Working Capital Changes	**1,607.52**	**659.57**
	Adjustments for :		
	(Increase) in Trade Receivables	(17.23)	(72.29)
	(Increase) in Inventories	(131.43)	(72.77)
	(Increase) in Financial Assets & Other Assets	(1,245.99)	(935.25)
	Increase in Provisions	27.03	22.72
	Increase in Trade Payables	835.96	128.70
	Increase/ (Decrease) in Other Financial Liabilities & Other Liabilities	(3.33)	(375.75)
	Cash generated from Operations	**1,072.54**	**(645.07)**
	Direct Taxes paid (Net of Refunds)	(102.31)	117.30
	Net Cash generated from/ (used in) Operating Activities	**970.23**	**(527.77)**
B	**Cash Flows from Investing Activities**		
	Purchase of Property, Plant and Equipment (including Capital Work-in-progress, other intangible assets, capital advances and capital creditors)	(4,338.75)	(2,630.85)
	Investments made in Equity Shares/ Preference Shares	-	(4.63)
	Acquisition of Subsidiary	-	(1,196.00)
	(Investment) in/ Proceeds from Mutual Fund (Net)	(130.89)	(8.20)
	Non Current Loans given	-	(39.00)
	Non Current Loans received back	3.00	-
	Current Loans (given)/ received back (net)	(1,951.87)	15.15
	Deposits of Margin Money With Bank or Investment in Fixed Deposits	256.84	(504.15)
	Interest Received	53.20	66.44
	Net Cash (used In) Investing Activities	**(6,108.47)**	**(4,301.24)**
C	**Cash Flows from Financing Activities**		
	Proceeds from Non-Current Borrowings	21,138.12	8,876.68
	Repayment of Non-Current Borrowings	(21,465.46)	(6,910.91)
	Proceeds from Perpetual Security	2,500.00	-
	Proceeds from Compulsory Convertble Debentures	-	2,502.67
	Proceeds/ (Repayment) from/ of Inter-Corporate Deposits (Net)	4,224.12	1,757.30
	Interest & Finance Charges Paid	(1,045.59)	(1,298.99)
	Proceeds from Development Fees	77.98	-
	Repayment of Lease Liabilities	(13.30)	(10.49)
	Net Cash generated from Financing Activities	**5,415.87**	**4,916.26**
D	**Net Increase in Cash and Cash Equivalents (A+B+C)**	**277.63**	**87.25**
E	Cash and Cash Equivalents at the Beginning of the year	91.06	3.81
F	**Cash and Cash Equivalents at the End of the year (D+E)**	**368.69**	**91.06**

RESTRICTED GROUP
SPECIAL PURPOSE COMBINED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(₹ in Crores)

Reconciliation of Cash and cash equivalent with the Balance Sheet:	As at March 31, 2023	As at March 31, 2022
1 Cash and cash equivalent as per Balance Sheet:		
Cash on hand	0.67	0.33
Foreign currency on hand	0.57	0.30
Balances with Scheduled Banks		
- In Current Accounts	186.76	52.54
- In EEFC Account	1.94	0.64
- In Fixed Deposits	178.75	37.25
Cash and Cash Equivalents at the end of the year	**368.69**	**91.06**

Notes to Statement of Cash Flows:

1 The Combined Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 - Statement of Cash Flows notified under Section 133 of the Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

2 Disclosure with regards to changes in liabilities arising from Financing activities as set out in Ind AS 7 – Statement of Cash flows is presented below:

Changes in liabilities arising from financing activities

(₹ in Crores)

Particulars	As at April 01, 2022	Cash Flows	Other Changes	As at March 31, 2023
Instrument entirely in Equity Nature	510.00	2,500.00	-	3,010.00
Long-term Borrowings	6,978.79	(327.34)	7,809.43	14,460.88
Short-term Borrowings	9,785.98	4,224.12	(7,097.93)	6,912.17
Lease Liabilities	136.42	(13.30)	(15.46)	107.66
Interest Accrued but not due	48.25	(1,045.59)	1,598.29	600.95
TOTAL	**17,459.44**	**5,337.89**	**2,294.33**	**25,091.66**

(₹ in Crores)

Particulars	As at April 01, 2021	Cash Flows	Other Changes	As at March 31,2022
Instrument Entirely in Equity Nature	-	510.00	-	510.00
Long-term Borrowings	4,197.47	3,958.44	(1,177.12)	6,978.79
Short-term Borrowings	555.57	1,757.30	7,473.11	9,785.98
Lease Liabilities	-	(10.49)	146.91	136.42
Interest Accrued but not due	170.86	(1,298.99)	1,176.38	48.25
TOTAL	**4,923.90**	**4,916.26**	**7,619.28**	**17,459.44**

The accompanying notes forming part of the Restricted Group Special Purpose Combined Financial Statements

In terms of our report attached
For SHAH DHANDHARIA & CO LLP
Chartered Accountants
Firm Registration No.: 118707W/ W100724

Karan Amlani
Partner
Membership No. 193557

Place : Ahmedabad
Date: 28th June 2023

For and on behalf of the Board of Directors

Malay Mahadevia
Managing Director
DIN: 00064110

Gargi Kaul
Whole-time Director
DIN: 07173427

Dharmesh Desai
Company Secretary
A34723

Place : Ahmedabad
Date: 28th June 2023

RESTRICTED GROUP

SPECIAL PURPOSE COMBINED STATEMENT OF CHANGES IN EQUITY

AS AT MARCH 31, 2023

(₹ in Crores)

Particulars	Equity Share Capital	Instrument Entirely in Equity Nature	Reserves and Surplus			Other Comprehensive Income	Total
			Retained Earning	Equity Component of Compound Financial Instrument	Capital Reserve	Hedging Reserve	
As at April 01, 2021	**0.25**	**-**	**(287.98)**	**Nil**	**0.05**	**-**	**(287.68)**
(Loss) for the year	-	-	(915.14)	-	-	-	(915.14)
Other Comprehensive (Loss)	-	-	-	-	-	-	-
Re-measurement (losses) / gains on defined benefit plans	-	-	(4.41)	-	-	-	(4.41)
Non Controlling Interest	-	-	16.50	-	-	-	16.50
Total Comprehensive (Loss) for the year	**-**	**-**	**(903.05)**	**-**	**-**	**-**	**(903.05)**
Compulsory Convertible Debentures issued during the year	-	510.00	-	1,177.12	-	-	1,687.12
Capital Reserve on Business Combination	-	-	-	-	733.93	-	733.93
As at March 31, 2022	**0.25**	**510.00**	**(1,191.03)**	**1,177.12**	**733.98**	**-**	**1,230.32**
(Loss) for the year	-	-	(1,033.57)	-	-	-	(1,033.57)
Other Comprehensive (Loss)							-
Gains/ (Losses) on Hedging	-	-	-	-	-	(30.03)	(30.03)
Re-measurement (losses) / gains	-	-	(0.51)	-	-	-	(0.51)
Non Controlling Interest		-	52.94	-	-	-	52.94
Total Comprehensive (Loss) for the year	**-**	**-**	**(981.14)**	**-**	**-**	**(30.03)**	**(1,011.17)**
Perpetual Securities issued during the year	-	2,500.00	-	-	-	-	2,500.00
Capital Reserve on Consolidation	-	-	-	-	(0.02)	-	(0.02)
As at March 31, 2023	**0.25**	**3,010.00**	**(2,172.17)**	**1,177.12**	**733.96**	**(30.03)**	**2,719.13**

The accompanying notes forming part of the Restricted Group Special Purpose Combined Financial Statements

In terms of our report attached
For SHAH DHANDHARIA & CO LLP
Chartered Accountants
Firm Registration No.: 118707W/ W100724

Karan Amlani
Partner
Membership No. 193557

Place : Ahmedabad
Date: 28th June 2023

For and on behalf of the Board of Directors

Malay Mahadevia
Managing Director
DIN: 00064110

Gargi Kaul
Whole-time Director
DIN: 07173427

Dharmesh Desai
Company Secretary
A34723

Place : Ahmedabad
Date: 28th June 2023

RESTRICTED GROUP

NOTES TO SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS

AS AT MARCH 31, 2023

1 GENERAL INFORMATION

Adani Enterprises Limited ('the Holding of Restricted Group') along with its subsidiaries (herein collectively referred to as the 'Group') are companies domiciled in India and incorporated under the provisions of Companies Act, 1956, having its registered office at Adani Corporate House, Shantigram Near Vaishno Devi Circle, S. G. Highway, Khodiyar Ahmedabad - 382421, Gujarat, India.

The Restricted Group entities which are all under the common control of the Holding are as follows. Restricted Group comprise of the following entities:-

Entities forming part of Restricted Group	Principal activity	Country of Incorporation	Efecctive % Held by Holding of Restricted Group & Restricted Group as on March 31, 2023	Commercial Operation Date (COD)
Adani Airport Holdings Limited (AAHL)	Acquire, promote, expand, manage airports	India	100.00	Not Applicable
Ahmedabad International Airport Limited	Operation Management and Development of Airports (6 Airport SPVs)	India	100.00	November 07, 2020
Mangaluru International Airport Limited		India	100.00	October 31, 2020
Lucknow International Airport Limited		India	100.00	November 02, 2020
Jaipur International Airport Limited		India	100.00	October 11, 2021
Guwahati International Airport Limited		India	100.00	October 08, 2021
TRV (Kerala) International Airport Limited		India	100.00	October 14, 2021
Sabarmati Infrastructure Services Limited	Establish, develop & manage either by itself or in association with interested parties to provide airport related services	India	100.00	Not Applicable
Vijaynagara Smart Solutions Limited		India	100.00	Not Applicable
Gomti Metropolis Solutions Limited (Upto February 13, 2023)		India	100.00	Not Applicable
Rajputana Smart Solutions Limited		India	100.00	Not Applicable
Brahmaputra Metropolis Solutions Limited (Upto February 13, 2023)		India	100.00	Not Applicable
Periyar Infrastructure Services Limited (Upto February 13, 2023)		India	100.00	Not Applicable
Mumbai International Airport Limited (MIAL)	Operation, Management and Development of Airport	India	72.97	May 03, 2006
Navi Mumbai International Airport Private Limited (NMIAL)	Construction, Operation, Maintenance and Management of an Airport	India	54*	Under project stage
GVK Airport Holdings Limited	Invest in companies engaged in Development of Airports	India	97.97	Not Applicable
GVK Airport Developers Limited	Operation, Management and Development of Airports	India	97.97	Not Applicable
Bangalore Airport & Infrastructure Developers Limited	Develop & provide airport related infrastructure services	India	97.97	Not Applicable
April Moon Retail Private Limited	Operate & run retails shops	India	74.00	Not Applicable
Mumbai Travel Retail Private Limited	Operate & run duty free shops at Airports	India	74.00	Not Applicable
Mumbai Airport Lounge Services Private Limited (Joint Venture by MIAL)	Managing Lounge Services at Airport	India	26.00% by MIAL	Not Applicable
Mumbai Aviation Fuel Farm Facility Private Limited (Joint Venture by MIAL)	Managing Fuel Farm Facility at Airport	India	25.00% by MIAL	Not Applicable

6 Airport SPVs of The Restricted Group as mentioned above has signed concession agreement with Airport Authority of India for operation, management and development of Airport for a period of 50 years from COD. MIAL & NMIAL has also signed Operation Management and Development Agreement (OMDA)/ concession agreement for operation, management and development of Airport for a period of 30 years from COD/ Appointed Date. NMIAL is in project stage to set the business operations.

*74% of Share Capital in NMIAL are held by MIAL

RESTRICTED GROUP
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AS AT MARCH 31, 2023 (Contd.)

2.1 Purpose of the Special Purpose Combined Financial Statements

The Special Purpose Combined Financial Statements have been prepared solely for the purpose of financing at AAHL and inclusion in the offering circulars and other information memorandums / documents in respect of proposed issuance of International Bonds / Non-Convertible Debentures to be issued to overseas / domestic entities, for review of lenders extended financing at a consolidated basis and also presenting to the lenders/ investors of holding Restricted Group and credit rating agencies. The Combined Financial Statements presented herein reflect the Restricted Group's operational results, assets and liabilities and cash flows as at and for the year ended March 31, 2023. The basis of preparation used in preparation of these Special Purpose Combined Financial Statements are set out in note 2.2 below.

2.2 Basis of preparation and Presentation

The Special Purpose Combined Financial Statements of the Restricted Group have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015 amended from time to time and other accounting principles generally accepted in India and the Guidance Note on Combined and Carve-out Financial Statements issued by the Institute of Chartered Accountants of India (ICAI).The accounting policies adopted are consistent with current and previous period.

As these Special Purpose Combined Financial Statements have been prepared on a combined basis, the Restricted Grouping notes which are forming part of the these Special Purpose Combined Financial Statements are limited with respect to the requirement and assessment of the purpose given above. Read the respective standalone financial statements for full disclosure.

Management has prepared these Special Purpose Combined Financial Statements to depict the historical financial information of the Restricted Group.

The Special Purpose Combined Financial Statements have been prepared on a going concern basis under the historical cost convention except for certain financial assets and liabilities that are measured at fair values whereas net defined benefit (asset)/ liability is valued at fair value of plan assets less defined benefit obligation at the end of each reporting period, as explained in the accounting policies below.

As per the Guidance Note on Combined and Carve Out Financial Statements, the procedure for preparing Special Purpose Combined Financial Statements of the combining entities is similar to that of consolidated financial statements as per the applicable Accounting Standards. Accordingly, when Special Purpose Combined Financial Statements are prepared, intra-group transactions and profits or losses are eliminated. The resulting financial position may not be that which might have existed if the combining businesses had been stand-alone business.

Accordingly, the following procedure is followed for the preparation of the Special Purpose Combined Financial Statements:

(a) Combined like items of assets, liabilities, equity, income, expenses and cash flows of the entities of the Restricted Group.

(b) Eliminated in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Restricted Group.

These are Special Purpose Combined Financial Statements and may not be necessarily indicative of the financial performance, financial position and cash flows of the Restricted Group that would have occurred if it had operated as separate stand-alone entities during the year presented or the Restricted Group's future performance. The Special Purpose Combined Financial Statements include the operation of entities in the Restricted Group, as if they had been managed together for the year presented.

Income taxes are arrived at by aggregation of the tax expenses actually incurred by the combining businesses, after considering the tax effects of any adjustments which is in accordance with the Guidance Note on Combined and Carve-Out Financial Statements issued by the ICAI.

The Special Purpose Combined Financial Statements are presented in Indian National Rupees (₹) which is also Restricted Group's functional currency and all values are rounded to the nearest Crores Rupees, except when otherwise indicated. Further ₹ 0.00 crore denotes value less than ₹ 50,000, unless otherwise indicated.

RESTRICTED GROUP
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AS AT MARCH 31, 2023 (Contd.)

3 SIGNIFICANT ACCOUNTING POLICIES

a Property, plant and equipment

i. Recognition and measurement

Property, plant and equipment (PPE) including land are stated at cost, less accumulated depreciation and accumulated impairment losses. Such cost includes purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Financing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for intended use are also included to the extent they relate to the period upto such assets are ready for their intended use. Expenditure directly relating to construction/ erection activity is capitalized. Indirect expenditure incurred during construction/ erection period is capitalized as part of the construction/erection cost to the extent such expenditure is related to construction or is incidental thereto.

ii. Subsequent measurement

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Restricted Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Subsequent costs are depreciated over the residual life of the respective assets. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

iii. Depreciation

PPE which are significant to total cost of the item of Property, Plant and equipment having different useful life are accounted and depreciated separately.

The useful lives of Property, Plant and Equipment for 6 Airport SPVs, MIAL are considered in accordance with order issued by Airport Economic Regulatory Authority (AERA).However, the Restricted Group, based on technical assessment made by technical expert and management estimate, depreciates below mentioned assets at estimated useful lives which are different from the useful life prescribed in the aforesaid order. The management believes that these estimated useful live are realistic and reflect fair approximation of the period over which the assets are likely to be used. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Type of Assest	Useful life
Buildings and Temporary Structures	3 to 30 Years
Runways, Taxiway and Aprons	3 to 30 Years
Electrical Installations and Equipment	5 to 10 Years
Plant and Equipments	2 to 10 Years
Vehicles	5 to 10 Years
Office Equipments	2 to 5 Years
Furniture & Fittings	2 to 5 Years

For other entities in Restricted Group, Depreciation is calculated on Straight Line basis over the estimated useful lives of of the assets as prescribed under Part C of Schedule II of Companies Act, 2013.

Leasehold improvements, if any, are depreciated over the lease term or useful lives of of the underlying asset, whichever is shorter.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Enabling Costs:

The enabling cost incurred in connection with the main asset is capitalised along with the main asset.

iv. Derecognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss account when the asset is derecognised. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

v. Spare Parts:

Spare parts are recognised as property, plant and equipment's when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory.

b Intangible Assets

i. Recognition and measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Restricted Group has incurred certain costs for obtaining contract which has been capitalised as Other Intangible Assets.

ii. Amortisation

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

The Computer Software are amortised over their useful life of 2 to 6 years. Other Intangible Assets are amortised over a period of 7 years.

iii. Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

c Capital Work in Progress

Expenditure related to and incurred during implementation of capital projects to get the assets ready for intended use is included under "Capital Work in Progress". The same is allocated to the respective items of property plant and equipment on completion of construction of the capital project/ property plant and equipment. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

d Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments comprise of financial assets and financial liabilities. Financial assets primarily comprise of loans and advances, deposits, trade receivables and cash and cash equivalents. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments. Derivatives can be financial assets or financial liabilities depending on whether value is positive or negative respectively. Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

e Financial assets

Initial recognition and measurement

The Restricted Group initially recognises loans and advances, deposits and debt securities issued on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Restricted Group becomes a party to the contractual provisions of the instrument. A financial asset is initially measured at fair value plus / minus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. However, trade receivables that do not contain significant financing component are measured at transaction price.

Subsequent measurement

All recognised financial assets are measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

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AS AT MARCH 31, 2023 (Contd.)

Classification of financial assets

i) At amortised cost

After initial measurement, the financial assets that meet the following conditions are subsequently measured at amortised cost using effective interest method ("EIR") (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effective interest method is a method of calculating the amortised cost of financial assets and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and transaction costs and other premiums or discounts) through the expected life of the financial assets, or where appropriate, a shorter period, to the net carrying amount on initial recognition. Interest is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value through Profit and Loss (FVTPL).

ii) At fair value through Other comprehensive income (FVOCI)

After initial measurement, the financial assets that meet the following conditions are measured initially as well as at the end of each reporting date at fair value, recognised in other comprehensive income (OCI). a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and b) The contractual terms of the asset give rise on specified dates to cash flows that represent solely payment of principal and interest.

iii) At fair value through profit and loss (FVTPL)

After initial measurement, the financial assets that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

Derecognition of financial assets

The Restricted Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Restricted Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Statement of Profit and Loss on disposal of that financial asset.

Impairment of Financial assets

In accordance with Ind AS 109, the Restricted Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

For Trade Receivables Restricted Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Restricted Group uses historical default rates to determine impairment loss on the portfolio of Trade Receivables. At all reporting dates, these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

For other assets, the Restricted Group uses 12-month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk, full lifetime ECL is used.

Expected credit losses are measured through a loss allowance at an amount equal to: i) The 12-months expected credit losses (expected credit losses that result from those default events on the Financial Instrument that are possible within 12 months after the reporting date); or ii) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

f Financial liabilities and equity instruments

Classification as financial liabilities/ debt or equity

Debt and equity instruments issued by the Restricted Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Restricted Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value, net of directly attributable transaction costs, if any.

Subsequent Measurement

The financial liabilities used to minimise accounting mismatch are classified and measured as at FVTPL in accordance with Ind AS 109. All other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial liabilities at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item in the Statement of Profit and Loss.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

Financial liabilities at FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if these are incurred for the purpose of repurchasing in the near term.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of profit and loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Fair values are determined in the manner described in note 's'.

Derecognition of financial liabilities

The Restricted Group derecognises financial liabilities when, and only when, the Restricted Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Restricted Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value through profit or loss, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derivative Financial Instruments

The Restricted Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, cross currency swaps and principal only swap. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the Statement of Profit and Loss as Foreign Exchange (Gain) / Loss except those relating to borrowings, which are separately classified under Finance Cost and those pertaining to the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Embedded derivatives

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 "Financial Instruments" except for the effective portion of cash flow hedges are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL. These embedded derivatives are measured at fair value with changes in fair value recognised in profit and loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

g Current and non-current classification

The Restricted Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Restricted Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Restricted Group has identified twelve months as its operating cycle.

h Foreign currency translations

These financial statements are presented in Indian Rupees (₹), which is also the Restricted Group's functional currency.

Foreign currencies

Transactions in foreign currencies are initially recorded by the Restricted Group at its functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Exchange differences are recognised in the Special Purpose Combined Statement of Profit and Loss except exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

i Revenue recognition

Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Restricted Group expects to be entitled in exchange for those services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Restricted Group as part of the contract.

Income from services

Revenue from operations are recognised on accrual basis, net of Goods and Service Tax (GST), and applicable discounts when services are rendered.

Revenue from services rendered is recognised when the work is performed and as per the terms of agreement

Sale of Goods

Revenue from sale of goods is recognised when the control of the goods has been passed to the customer as per the terms of the agreement and there is no continuing effective control or Managerial involvements with the goods.

Interest income

Interest income is recognised on time proportion basis at the effective interest rate ("EIR") applicable.

Dividends

Dividend income is recognised when the Restricted Group's right to receive dividend is established. Restricted Group receives dividend from its Joint Ventures.

Claims

Claims on contractors/concessionaries are accounted on the basis of reasonable certainty/ realisation.

Contract balances

(i) Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Restricted Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

(ii) Trade receivables

A receivable represents the Restricted Group's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

(iii) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Restricted Group has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Restricted Group performs obligations under the contract.

j Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying

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assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing cost.

k Retirement and other employee benefits

Defined Contribution plan

Contributions to defined contribution plans are recognised as expense on accrual basis when employees have rendered services and as when the contributions are due. These expenses are confined to contribution only. The Restricted Group determines the present value of the defined benefit obligation and fair value of plan assets. The net liability or assets represents the deficit or surplus in the Restricted Group's defined benefit plans. (The surplus is limited to the present value of economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans). The present value of the obligation is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each year.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

Past service costs are recognised in the statement of profit and loss on the earlier of the date of the plan amendment or curtailment, and the date that the Restricted Group recognises related restructuring costs. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Restricted Group recognises the following changes in the net defined benefit obligation in t he statement of profit and loss:

- Service costs comprising current service costs, past service costs, gains and losses on curtailments and nonroutine settlements as employee benefit expense.
- Net interest expense or income as finance cost/ finance income.

The Restricted Group classifies between current and non-current based on independent actuarial valuation.

Compensated absences

Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short-term employee benefit and this is shown under short term provision in the Balance Sheet. The Restricted Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/ losses are immediately taken to the Statement of Profit and Loss. The Restricted Group classified the Compensated absences between current and non-current based on independent actuarial valuation.

Short term employee benefits

Short-term employee benefit obligations are recognised at an undiscounted amount and is charged to the Statement of Profit and Loss for the period in which the related services are received.

l Taxation

Tax on Income comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in net parent investment or in other comprehensive income.

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences except when the deferred tax liability arises at the time of transaction that affects neither the accounting profit or loss nor taxable profit or loss. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period.

The Restricted Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

m Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Restricted Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Restricted Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably.

Contingent assets are not recognised but are disclosed in the notes where an inflow of economic benefits is probable.

n Impairment of non-financial assets

At the end of each reporting period, the Restricted Group reviews the carrying amounts of non-financial assets, other than inventories and deferred tax assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Restricted Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time

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value of money and the risks specific to the asset or CGU for which the estimates of future cash flows have not been adjusted.

The Restricted Group bases its impairment calculation on detailed budget and forecast calculations, which are prepared separately for each of the Restricted Group's cash-generating unit to which the individual assets are allocated. For longer periods, a long term growth rate is calculated and applied to project future cash flows. To estimate cash flow projections beyond periods covered by the most recent budget / forecasts, the Restricted Group estimates cash flow projections based on estimated growth rate.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss . Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of the assets of the CGU (or group of CGUs) on a pro rata basis.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit or loss.

o Leases

The Restricted Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Restricted Group as a Lessee

The Restricted Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Restricted Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-Use Assets

The Restricted Group recognises right-of-use assets ("RoU Assets") at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transferred to the Restricted Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right of- use assets are also subject to impairment. Refer to the accounting policy for Impairment of non-financial assets.

(ii) Lease Liabilities

At the commencement date of the lease, the Restricted Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Restricted Group and payments of penalties for terminating the lease, if the lease term reflects the Restricted Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Restricted Group uses its incremental borrowing rate at the lease commencement date in case the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Restricted Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Restricted Group as a lessor

Leases in which the Restricted Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Restricted Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Restricted Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

p Inventories

Inventories in the nature of stores and spare parts are carried at the lower of cost and net realisable value after providing for obsolescence and other losses where considered necessary. Costs include all non-refundable duties and all charges incurred in bringing the goods to their present location and condition. Cost is determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs necessary to make the sale.

q Hedge Accounting

The Restricted Group designates certain hedging instruments, which include derivatives in respect of foreign currency risk, as cash flow hedges. To qualify for hedge accounting, the hedging relationship must meet all of the following requirements:

- there is an economic relationship between the hedged items and the hedging instruments,
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.
- the effect of credit risk does not dominate the value changes that result from that economic relationship. At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Restricted Group documents whether the hedging instrument is highly effective in offsetting changes in fair value or cash flows of the hedged item attributable to the hedged risk.

Cash flow hedges

The Restricted Group designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative / hedging instruments is recognised in the cash flow hedging reserve being part of other comprehensive income. The effective portion of cash flow hedges is adjusted to the lower of the cumulative

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gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the Statement of Profit and Loss.

If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively.

If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction.

r Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash and cash equivalents for the purpose of Statement of Cash Flow comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less.

Other Bank deposits

Margin money comprise of bank deposits restricted as to withdrawal or usage and are used to collateralize certain debt related obligations required under the Trust and Retention Account agreement entered with the various lenders and restricted under other arrangements. Margin money bank deposits are classified as current and non-current based on management expectation of the expiration date of the underlying restrictions.

s Fair value measurement

The Restricted Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, In the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Restricted Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Restricted Group's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Restricted Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets such as business undertaking for transfer under the scheme and unquoted financial assets and financial liabilities.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

t Earning Per Share

Basic earnings per share is computed by dividing the profit / (loss) (net off distribution on Unsecured Perpetual Securities whether declared or not) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for the effects of dividend, interest and other charges relating to the dilutive potential equity shares by weighted average number of shares plus dilutive potential equity shares.

u Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is reduced from the related expense which it is intended to compensate. When the grant relates to an asset, a deferred income is recognised and is released to profit and loss statement on systematic basis over useful life of the asset and is reduced from the related depreciation and amortisation expenses.

v Investment in joint ventures & Associates

An associate is an entity over which the Restricted Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates and jointly controlled entities are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, an investment in an associate or a jointly controlled entity is initially recognised at cost and adjusted thereafter to recognise the Restricted Group's share of post acquisition profits or losses and that of other comprehensive income of the associate or jointly controlled entity. Distributions received from an associate or a jointly controlled entity reduce the carrying amount of the investment. Unrealised gains and losses resulting from transactions between the Group, Jointly Controlled Entity and Associate entities are eliminated to the extent of the interest in the Jointly Controlled Entity and Associate entities.

If an entity's share of losses of an associate or joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

After application of the equity method, at each reporting date, the Group determines whether there is objective evidence that the investment in the associate or jointly controlled entity is impaired. If there exists such evidence, the Group determines extent of impairment and then recognises the loss in the Statement of Profit and Loss.

Upon loss of significant influence over the associate or joint control over the jointly controlled entity, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or the jointly controlled entity and the fair value of the retained investment and proceeds from disposal is recognised in profit and loss.

3.1 Significant accounting judgments, estimates and assumptions

The preparation of the Restricted Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the acRestricted Grouping

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disclosures, and the disclosure of contingent liabilities. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis and any revisions thereto are recognised in the period of revision and future periods if the revision affects both the current and future periods. Uncertainties about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Key Sources of Estimation uncertainty:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Restricted Group. Such changes are reflected in the assumptions when they occur.

i) Fair value measurement of financial instruments

In estimating the fair value of financial assets and financial liabilities, the Restricted Group uses market observable data to the extent available. Where such Level 1 inputs are not available, the Restricted Group establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

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

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

ii) Taxes

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies and future recoverability of deferred tax assets.

iii) Impairment of Non Financial Assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted future cash flows model. The recoverable amount is sensitive to the discount rate used for the discounted future cash flows model as well as the expected future cash-inflows and the growth rate used.

iv) Recognition and measurement of provision and contingencies

The Restricted Group recognises a provision if it is probable that an outflow of cash or other economic resources will be required to settle the provision. If an outflow is not probable, the item is treated as a contingent liability. Risks and uncertainties are taken into account in measuring a provision.

v) Depreciation / amortisation and useful lives of property, plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Group's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

vi) NMIAL has entered into the Concession Agreement (CA) with the City and Industrial Development Corporation of Maharashtra Limited (CIDCO) on January 08, 2018 for design, construction, operation and maintenance of Navi Mumbai International Airport at Navi Mumbai on Design, Build, Finance, Operate and Transfer (DBFOT) basis. Pursuant to the agreement, CIDCO has become a Shareholder in NMIAL with a shareholding of 26%. As per the terms of the agreement, NMIAL and CIDCO are required to fulfil certain Conditions Precedent as described under Clause 4.1 of the Concession Agreement before the Appointed Date, i.e. within 180 days from the execution of the Concession Agreement or any extended period as per the terms of agreement, for commencement of the Concession Period. As per these relevant clauses of the Concession Agreement, the grant of concession is considered to start only from the Appointed Date.

In terms of the Concession Agreement, the rights under concession and the related obligations towards (a) reimbursement of Pre-Operative Expenses to CIDCO, (b) payment of Concession Fee for each Concession Year and (c) cost of Pre-development Works incurred shall arise from the Appointed date. As the Appointed date has occurred as on July 07, 2018, the above referred rights and related obligations in terms of the Concession Agreement have been reckoned in the Special Purpose Combined Financial Statements.

Reimbursement of Pre-operative expenses and repayment of Soft Loan towards Pre-development Works to CIDCO have been accounted as Capital work-in-progress with corresponding liability payable to CIDCO at amortised cost using effective interest rate method. The difference between amount payable to CIDCO and fair value is accounted as Government Grant and which will be systematically recognised against unwinding of interest on liability reckoned.

For the pre-development works done by CIDCO till Balance Sheet date, NMIAL has issued equity shares and balance is considered as soft loan towards pre development works.

The soft loan towards pre development works is repayable from the 21st year of COD.

NMIAL has revisited and restructed the master plan and have decided to undertake Phase II construction simultaneously with Phase I. NMIAL has received approval from CIDCO for resetting the COD of Phase I and Phase II from December 2021 to December 2024. Accordingly, NMIAL has recalculated liability payable to CIDCO at amortised cost using effective interest method.

NMIAL has reckoned Concession Rights as Intangible Asset with corresponding liability payable to CIDCO at amortised cost using effective interest rate method. The Intangible asset would be amortised over concession period commencing Commercial Operation Date - Phase I and Phase II of Navi Mumbai International Airport. NMIAL will amortise this Concession Rights over period starting from Phase I and Phase II Commercial Operation Date on systematic basis.

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4.1 Property, Plant and Equipment

(₹ In Crores)

Description of Assets	Buildings	Runways, Taxiways and Apron	Computer Hardware	Freehold Land	Leasehold Land Improvements	Plant and Equipments	Office and Other Equipment	Furniture and Fixtures	Vehicles	Total
I. Cost										
Balance as at April 01, 2021	**310.88**	**76.38**	**2.07**	**-**	**-**	**177.91**	**5.93**	**2.77**	**13.03**	**588.97**
Additions due to Business Combination	9,111.30	2,737.09	23.79	8.65	-	573.35	2.23	28.13	2.32	12,486.86
Additions during the year	459.58	544.99	23.97	-	0.04	310.11	31.76	21.59	13.28	1,405.32
Disposals during the year	(15.23)	-	(0.59)	-	-	(2.40)	(0.01)	(3.24)	(0.00)	(21.47)
Balance as at March 31, 2022	**9,866.53**	**3,358.46**	**49.24**	**8.65**	**0.04**	**1,058.97**	**39.91**	**49.25**	**28.63**	**14,459.69**
Additions during the year	614.20	589.24	49.14	-	-	245.17	57.45	19.30	43.33	1,617.83
Disposals during the year	(14.88)	(13.88)	(1.82)	-	-	(19.47)	(2.20)	(9.26)	(0.05)	(61.56)
Balance as at March 31, 2023	**10,465.85**	**3,933.82**	**96.56**	**8.65**	**0.04**	**1,284.67**	**95.16**	**59.28**	**71.91**	**16,015.96**
II. Accumulated depreciation										
Balance as at April 01, 2021	**11.11**	**2.30**	**0.11**	**-**	**-**	**23.81**	**0.59**	**0.20**	**3.78**	**41.90**
Depreciation expense for the year	402.04	163.26	10.93	-	0.00	199.83	11.38	15.85	12.06	815.35
Disposals during the year	(15.12)	-	(0.58)	-	-	(2.40)	(0.01)	(3.08)	(0.00)	(21.19)
Balance as at March 31, 2022	**398.03**	**165.56**	**10.46**	**-**	**0.00**	**221.24**	**11.96**	**12.97**	**15.84**	**836.06**
Depreciation expense for the year	550.64	247.54	23.94	-	0.00	298.04	17.91	15.34	7.28	1,160.69
Disposals during the year	(14.64)	(13.88)	(1.82)	-	-	(19.40)	(2.16)	(9.24)	(0.05)	(61.19)
Balance as at March 31, 2023	**934.03**	**399.22**	**32.58**	**-**	**0.00**	**499.88**	**27.71**	**19.07**	**23.07**	**1,935.56**
III. Net Block										
As at March 31, 2023	**9,531.82**	**3,534.61**	**63.98**	**8.65**	**0.04**	**784.79**	**67.46**	**40.21**	**48.83**	**14,080.40**
As at March 31, 2022	**9,468.50**	**3,192.91**	**38.78**	**8.65**	**0.04**	**837.73**	**27.95**	**36.28**	**12.79**	**13,623.63**

Notes:-

(i) As per the right given under the Concession Agreement (CA)/ Operation and Management Development Agreement (OMDA) entered with Airport Authority of India/ City Industrial and Development Corporation (CIDCO), the Restricted Group has capitalised Assets (Regulatory Asset Base i.e. RAB) under Property, Plant and Equipment which has been taken from AAI/ CIDCO as per the CA/ OMDA as on COD (Commercial Operation Date)/ Appointed Date. The RAB value of few entities of Restricted Group is under reconciliation and the final effect will be given once the reconciliation is completed and approved by AAI/ CIDCO. Considering the right given, title deed of all immovable property are held in name of the Restricted Group.

(ii) Property, plant and equipments comprising of buildings / improvements, roads, bridges and runways, taxiways and aprons etc. are on land leased by Airports Authority of India ('AAI')/ City Industrial and Development Corporation (CICDO) to the Restricted Group pursuant to terms of CA/ OMDA as applicable between AAI/ CIDCO and the Restricted Group.

(iii) As per provisions of CA/ OMDA, all the above assets & additions thereto from time to time will have to be mandatorily transferred to AAI/ CIDCO upon expiry/ termination of CA/ OMDA in accordance with the provisions of CA/ OMDA.

(iv) The Restricted Group has capitalised Assets (Regulatory Asset Base i.e. RAB) which has been taken from AAI/ CIDCO as per the Concession Agreement as on COD (Commercial Operaion Date)/ Appointed Date. The RAB value is under reconciliation and the final effect will be given once the reconciliation is completed and approved by AAI/ CIDCO.

(v) For Charges created refer note 20

4.2 Right-of-use Assets

(₹ in Crores)

Description of Assets	Land & Building	Vehicle	Total
I. Cost			
Balance as at April 01, 2021	**-**	**-**	**-**
Additions due to Business Combination	-	3.54	3.54
Additions during the year	132.48	0.73	133.21
Disposals during the year	-	-	-
Balance as at March 31, 2022	**132.48**	**4.27**	**136.75**
Additions during the year (Net of adjustment)	11.52	-	11.52
Disposals during the year	-	(0.26)	(0.26)
Balance as at March 31, 2023	**144.00**	**4.01**	**148.01**
II. Accumulated depreciation			
Balance as at April 01, 2021	**-**	**-**	**-**
Depreciation expense for the year	4.88	1.15	6.03
Disposals during the year	-		-
Balance as at March 31, 2022	**4.88**	**1.15**	**6.03**
Depreciation expense for the year	27.65	0.76	28.41
Disposals during the year	-	-	-
Balance as at March 31, 2023	**32.53**	**1.91**	**34.44**
III. Net Block			
As at March 31, 2023	**111.47**	**2.10**	**113.57**
As at March 31, 2022	**127.60**	**3.12**	**130.72**

4.3 Capital Work in Progress

(₹ in Crores)

Capital Work in Progress	As at March 31, 2023	As at March 31, 2022
Capital Work in Progress (pertaining to Property, plant and Equipment)	10,511.39	6,935.27
Total	**10,511.39**	**6,935.27**

CWIP Ageing Schedule

As at March 31, 2023

(₹ in Crores)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4,318.87	2,731.04	516.06	2,945.42	10,511.39
Projects temporarily suspended	-	-	-	-	-
Total	**4,318.87**	**2,731.04**	**516.06**	**2,945.42**	**10,511.39**

As at March 31, 2022

(₹ in Crores)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,687.35	1,266.80	1,015.92	1,965.20	6,935.27
Projects temporarily suspended	-	-	-	-	-
Total	**2,687.35**	**1,266.80**	**1,015.92**	**1,965.20**	**6,935.27**

Note: For Charges created refer note 20

RESTRICTED GROUP
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4.4 Intangible Assets

(₹ in Crores)

Description of Assets	Computer Software	Other Intangible Assets (Including Upfront Fees & Other Compensation)	Total
I. Cost			
Balance as at April 01, 2021	**2.72**	**83.97**	**86.69**
Additions due to Business Combination	9.96	3,375.02	3,384.98
Additions during the year	11.30	25.11	36.41
Disposals during the year	(0.00)	-	(0.00)
Balance as at March 31, 2022	**23.98**	**3,484.10**	**3,508.08**
Additions during the year	29.98	2.36	32.34
Disposals during the year	(6.54)	-	(6.54)
Balance as at March 31, 2023	**47.42**	**3,486.46**	**3,533.88**
II. Accumulated amortisation			
Balance as at April 01, 2021	**0.18**	**4.89**	**5.07**
Amortisation expense for the year	4.87	78.49	83.36
Disposals during the year	-	-	-
Balance as at March 31, 2022	**5.05**	**83.38**	**88.43**
Amortisation expense for the year	11.14	102.17	113.31
Disposals during the year	(6.54)	-	(6.54)
Balance as at March 31, 2023	**9.65**	**185.55**	**195.20**
III. Net Block			
As at March 31, 2023	**37.77**	**3,300.91**	**3,338.68**
As at March 31, 2022	**18.93**	**3,400.72**	**3,419.65**

For Charges created refer note 20

4.5 Intangible Assets Under Development

(₹ in Crores)

Capital Work in Progress	As at March 31, 2023	As at March 31, 2022
Intangible Assets Under Development	3,792.34	3,792.34
Total	**3,792.34**	**3,792.34**

Intangible Assets Under Development Ageing Schedule

As at March 31, 2023

(₹ in Crores)

Particulars	Amount in Intangible Assets Under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	3,792.34	-	-	3,792.34
Projects temporarily suspended	-	-	-	-	-
Total	**-**	**3,792.34**	**-**	**-**	**3,792.34**

As at March 31, 2022

(₹ in Crores)

Particulars	Amount in Intangible Assets Under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3,792.34	-	-	-	3,792.34
Projects temporarily suspended	-	-	-	-	-
Total	**3,792.34**	**-**	**-**	**-**	**3,792.34**

For Charges created refer note 20

5 NON-CURRENT INVESTMENTS

(₹ in Crores)

		As at March 31, 2023	As at March 31, 2022
(a)	**Investments In equity shares of joint venture (Valued at Cost) (unquoted)**		
	52,918,750 (previous year 52,918,750) fully paid Equity Shares of ₹ 10 each of Mumbai Aviation Fuel Farm Facility Private Limited	91.55	83.54
	8,897,980 (previous year 8,897,980) fully paid Equity Shares of ₹ 10 each of Mumbai Airport Lounge Services Private Limited	53.17	19.43
(b)	**Investment in others unquoted (at cost)**		
	Others (Refer Note iii)	0.00	-
		144.72	**102.97**

Note

(i) As at March 31, 2023, MIAL holds 74% of the total paid up equity share capital of Navi Mumbai International Airport Private Limited (NMIAL). Of this, MIAL has pledged 51% of the total paid up equity share capital of NMIAL with State Bank of India (SBI) in relation to a facility aggregating ₹ 12,770 crores, sanctioned by SBI to NMIAL.

(ii) GVK Airport Developers Limited has pledged 80,000,000 (March 31, 2022 - 80,000,000) equity shares held in GVK Airport Holdings Limited for securing the loan taken by GVK Coal Developers (Singapore) Pte. Limited.

(iii) Includes 14.8% stake in Digiyatra foundation acquired by MIAL in Q1 FY 2022-23.

6 NON CURRENT LOANS

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
(Unsecured and considered good, unless otherwise stated)		
Loans to Others	29.05	29.68
	29.05	**29.68**

7 OTHER NON-CURRENT FINANCIAL ASSETS

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
(Unsecured and considered good, unless otherwise stated)		
Security deposits	77.72	20.41
Advance against Investment	-	23.00
Lease Equalisation Asset	293.88	170.58
Margin money deposits (Refer Note below)	20.86	0.83
Deposits with original maturity of more than 12 months	0.01	0.01
Interest Accrued but not due	0.73	-
	393.20	**214.83**

Note: Margin Money Deposits are pledged / lien against guarantees given by bank.

8 OTHER NON CURRENT ASSETS

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
(Unsecured and considered good, unless otherwise stated)		
Capital advances	520.68	270.95
Balance with Government Authorities	142.12	86.83
Custom duty paid under protest	1.60	1.58

RESTRICTED GROUP
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AS AT MARCH 31, 2023 (Contd.)

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Taxes paid under protest	7.39	7.36
Prepaid Expenses (Refer Note iii)	6.27	196.45
Deferred Expenses on security deposits carried at amortised cost	-	1.47
Payment to AAI (Refer Note ii)	2,316.84	1,054.58
Less: Provision for doubtful advances	(26.92)	(26.92)
	2,967.98	**1,592.30**

Notes:

(i) No advance or deposit are due from directors or other officers of the Restricted Group either severally or jointly with any other person; nor any trade or other receivable are due from firms or private companies respectively, in which any director is a partner, a director or a member.

(ii) Non Current Advance Payment to AAI is based on the interim order no 29 dated December 22, 2021 passed by the Arbitral Tribunal.

(iii) Transaction cost paid to lenders and others includes (a) ₹ NIL (2022: ₹ 177.36 Crores) paid to lenders towards Approval charges, Underwriting Fees, Upfront Fees, Facility Agent fees and other financial related services and (b) ₹ Nil (2022: ₹ 10.10 Crores) incurred towards rating fee, consulting fee and other costs incurred towards sanction Rupee Term Loan of ₹ 12,770 Crores for Phase I and Phase II of Navi Mumbai International Airport Project.During the year on receipt of disbursement from lenders, the Restricted Group disclosed the transaction cost as reduction from secured Rupee Term Loan as per Ind AS 109 Financial Instruments.

9 INVENTORIES (VALUED AT LOWER OF COST AND NET REALISABLE VALUE)

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Traded goods (Including goods in transit)	197.16	66.90
Stores and Spares (Net of provision) (Refer note below)	14.61	13.44
	211.77	**80.34**

Note: During the year ended March 31, 2023 ₹ 1.34 crores (March 31, 2022: ₹ 1.35 crores) was recognised as provision for inventories carried at net realisable value.

10 CURRENT INVESTMENTS

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Unquoted mutual funds (Valued at fair value through profit or loss)		
Nil units (previous year 14,759.028) of NAV ₹ 3,461.3538 (Face Value of ₹ 1,000)each in SBI Overnight Fund	-	5.11
Nil units (previous year 28,707.536) of NAV ₹ 1,149.6854 (Face Value of ₹ 1,000)each in Aditya Birla Overnight Fund Growth	-	3.30
Quoted mutual funds (Valued at fair value through profit or loss)		
Nil units (previous year 12,719.59) of NAV ₹ 33.60 each in Franklin India Ultra Short Bond Fund - Super Institutional Plan - Direct Growth	-	0.05
30,14,498.612 units (previous year Nil) of NAV ₹ 363.083 each in Aditya Birla Sun Life Liquid Fund - Growth - Direct Plan	109.45	-
657.522 units (previous year Nil) of NAV ₹ 3,608.319 each in SBI Overnight Fund Regular Growth	0.24	-
90,426.862 units (previous year Nil) of NAV ₹ 3,523.303 each in SBI Liquid Fund Direct Growth	31.86	-
	141.55	**8.46**
Aggregate carrying value of unquoted Mutual Funds	-	8.41
Aggregate carrying value of quoted Mutual Funds	141.55	0.05

11 TRADE RECEIVABLES

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Trade Receivables (refer notes below)		
- Secured, considered good	198.11	263.32
- Unsecured, considered good	167.88	119.97
- Trade Receivables which have significant increase in credit risk	-	-
- Trade Receivables - credit impaired	39.11	24.03
	405.10	**407.32**
Less: Allowance for credit losses	(39.11)	(24.03)
Total Trade Receivables	**365.99**	**383.29**
Reconciliation of allowances for credit losses:		
Impairment allowance as at the beginning of the year	24.03	-
Changes in impairment allowance	15.08	24.03
Impairment allowance as at the end of the year	**39.11**	**24.03**

Notes:-

(i) No trade or other receivable are due from directors or other officers of the Restricted Group either severally or jointly with any other person; nor any trade or other receivable are due from firms or private companies respectively, in which any director is a partner, a director or a member.

12 CASH AND CASH EQUIVALENTS

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Balance in current account	186.76	52.54
In EEFC Account	1.94	0.64
Cash on hand	0.67	0.33
Foreign currency on hand	0.57	0.30
Deposits with original maturity of less than three months*	178.75	37.25
	368.69	**91.06**

* In previous year, ₹ 26.25 Crores were held as Margin Money Deposits.

Note: Short-term deposits are made with banks for varying periods of up to three months depending on the immediate cash requirements of the Restricted Group and to earn interest at the respective short-term deposit rates.

13 BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Deposits with original maturity over 3 months but less than 12 months	2.81	28.10
Deposits for marketing fund	38.78	28.28
Margin Money Deposits		
Deposits with original maturity over 3 months but less than 12 months	262.22	524.30
	303.81	**580.68**

Note: The above bank balances include (i) restricted balances on account of margin money against guarantees given by the banks; (ii) Interest Service Reserve Account (ISRA) as per the facility agreement in relation to borrowings; and (iii)

RESTRICTED GROUP
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AS AT MARCH 31, 2023 (Contd.)

marketing fund collected from concessionaries which is to be utilised for specific purposes.

14 CURRENT LOANS

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
(Unsecured and considered good, unless otherwise stated)		
Loans to Others	2,102.87	3.00
Loan to Employees	0.71	0.18
	2,103.58	**3.18**

15 OTHER CURRENT FINANCIAL ASSETS

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
(Unsecured and considered good,unless otherwise stated)		
Security deposits	14.53	6.46
Contract Assets	61.08	42.32
Interest Accrued but not due	4.84	14.75
Derivative Assets		
-Due to change in Fair Values (Refer Note 45)	305.32	-
Other Receivables	91.69	28.43
	477.46	**91.96**

16 OTHER CURRENT ASSETS

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
(Unsecured and considered good,unless otherwise stated)		
Balance with Government Authorities	113.09	261.95
Prepaid Expenses	38.62	55.63
Development Fee Receivable		
- Billed and Receivable from Airlines (Including interest accrued)	31.23	42.62
- Balance with Banks (Including under control of AAI)	458.40	69.06
Receivables on account of Passenger Service Fee (security component)/ National Aviation Security Fee Trust (net)	59.91	66.63
Deferred Expenses on security deposits carried at amortised cost	-	0.19
Unamortised ancillary cost of borrowings	0.54	-
Advance to employees	0.50	0.35
Advances to Suppliers (Refer note below)	56.79	192.61
	759.08	**689.04**

Note: The NMIAL had entered into financing arrangement for ₹ 8,645 Crores with Yes Bank Limited to meet part of cost of Design, Development, Financing, Construction, Operations & Maintenance (DBFOT) of Phase I of Navi Mumbai International Airport. Subsequently, Yes Bank Limited vide letter dated 03 April, 2020 cancelled the facility granted to NMIAL unilaterally. NMIAL has requested Yes Bank Limited to refund the facility fees paid of ₹ 139.97 Crores including stamp duty paid on documentation of financial arrangement excluding taxes. During the year NMIAL has recovered ₹ 58.84 Crores as per the understanding with Yes Bank Limited and recovery of the balance amount is being made. In the opinion of the management balance of the facility fees is recoverable from Yes Bank Limited. The management has also sought an opinion from Expert Advisory Committee of The Institute of Chartered Accountants of India (EAC) for accounting of balance of facility fees in case not recovered from Yes Bank Limited.

17 SHARE CAPITAL

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Authorised		
1,00,00,000 (Previous Year 1,00,00,000) Equity Shares of ₹ 10 each	10.00	10.00
	10.00	**10.00**
Issued, subscribed and fully paid up share capital		
2,50,000 (Previous Year 2,50,000) Equity Shares of ₹ 10 each fully paid up	0.25	0.25
	0.25	**0.25**

Notes:

(a) Reconciliation of the Number of Shares beginning and at the end of the reporting period:

	As at March 31, 2023		As at March 31, 2022	
	Nos.	**₹ In Crores**	**Nos.**	₹ In Crores
As the beginning of the year	2,50,000	0.25	2,50,000	0.25
Share capital issued during the year	-	-	-	-
Outstanding at the end of the year	**2,50,000**	**0.25**	**2,50,000**	**0.25**

(b) Terms/rights attached to equity shares:

The Restricted Group has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Restricted Group, the holders of equity shares will be entitled to receive remaining assets of the Restricted Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

During the year, no dividend has been paid or declared by the Restricted Group.

(c) Details of shareholder holding more than 5% shares

	Particulars	As at March 31, 2023	As at March 31, 2022
Equity shares of ₹ 10 each fully paid			
Adani Enterprises Limited - Parent	Nos.	2,50,000	2,50,000
	% Holding	100.00%	100.00%

(d) Shareholding of Promoters

As at March 31, 2023

Sr. No.	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Adani Enterprises Limited - Parent	2,50,000	100.00%	0.00%
Total		**2,50,000**	**100.00%**	**0.00%**

As at March 31, 2022

Sr. No.	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Adani Enterprises Limited - Parent	2,50,000	100.00%	0.00%
Total		**2,50,000**	**100.00%**	**0.00%**

RESTRICTED GROUP
NOTES TO SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS
AS AT MARCH 31, 2023 (Contd.)

18 INSTRUMENT ENTIRELY IN EQUITY NATURE

(A) Compulsory Convertible Debentures

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
51,00,00,000 (Previous Year 51,00,00,000) 0% Compulsory Convertible Debentures of ₹ 10 each	510.00	510.00
	510.00	**510.00**

Notes

(a) Reconciliation of the number of the Debentures outstanding at the beginning and at the end of the reporting period:

	As at March 31, 2023		As at March 31, 2022	
	Nos.	₹ In Crores	Nos.	₹ In Crores
As the beginning of the year	51,00,00,000	510.00	-	-
Compulsorily Convertible Debentures issued during the year	-	-	51,00,00,000	510.00
Outstanding at the end of the year	**51,00,00,000**	**510.00**	**51,00,00,000**	**510.00**

(b) Terms

Compulsorily Convertible Debentures are issued at Face Vaue of ₹ 10 per Debenture at 0% Interest Rate. Each investor's CCDs Series-I shall be mandatorily convertible by the Restricted Group into 51 Crores number of Equity Shares of the Company at par in the ratio of 1:1 at any time after expiry of 5 years but before 20 years period from the date of the issue.

(c) Details of Debentureholder holding more than 5% Debentures

	Particulars	As at March 31, 2023	As at March 31, 2022
Debentures of ₹ 10 each fully paid			
Adani Enterprises Limited - Parent	Nos.	51,00,00,000	51,00,00,000
	% Holding	100.00%	100.00%

(d) Holding of Promoters

As at March 31, 2023				
Sr. No.	Promoter name	No. of Debentures	%of total Debentures	% Change during the year
1	Adani Enterprises Limited - Parent	51,00,00,000	100.00%	0.00%
Total		**51,00,00,000**	**100.00%**	**0.00%**

As at March 31, 2022				
Sr. No.	Promoter name	No. of Debentures	%of total Debentures	% Change during the year
1	Adani Enterprises Limited - Parent	51,00,00,000	100.00%	100.00%
Total		**51,00,00,000**	**100.00%**	**100.00%**

(B) Perpetual Securities

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	-	-
Add: Issue of unsecured perpetual securities during the year	2,500.00	-
Less: Redeemed during the year	-	-
Balance at the end of the year	**2,500.00**	**-**

Note: During the year, the AAHL has issued Unsecured Perpetual Securities ("Securities") of ₹ 2,500.00 Crores to Adani Enterprises Limited. These securities are perpetual in nature with no maturity or redemption and are callable only at the option of the AAHL. The distribution on Securities are cumulative at 8% p.a. and at the discretion of the AAHL. As these Securities are perpetual in nature and ranked senior only to the Equity Share Capital of the AAHL and the AAHL does not have any redemption obligation, these are considered to be in the nature of equity instruments.

Total Instrument entirely in equity nature (A+B)	**3,010.00**	**510.00**

19 OTHER EQUITY

(₹ in Crores)

		As at March 31, 2023	As at March 31, 2022
A)	**Equity Component of Compound Financial Instrument**		
	As the beginning of the year	1,177.12	-
	Compulsorily Convertible Debentures issued during the year	-	1,177.12
	Outstanding at the end of the year	**1,177.12**	**1,177.12**

Note: During FY 2021-22, 19,95,50,734 Compulsorily Convertible Debentures ("CCD") of AAHL of the face value of ₹ 100/- each were issued at par for 20 years. Rate of Interest is 6 Month LIBOR + 400 bps (same can be changed with mutual consent of all parties) and Interest shall be accrued at the end of each financial year. At maturity of 20 years, CCD (of ₹ 100/- each) shall be convertible into such number of equity shares (of ₹ 10 each) of the Company, which are derived based on the fair market value of equity shares, on the date of issue of CCDs. The fair value of the financial liability is determined with reference to the fair value of a similar stand-alone debt instrument and the amount allocated to the equity component is residual amount after deducting the fair value of the financial liability component from the fair value of the entire compound instrument.

(₹ in Crores)

		As at March 31, 2023	As at March 31, 2022
B)	**Capital Reserve**		
	As the beginning of the year	733.98	0.05
	Capital Reserve on Business Combination	(0.02)	733.93
	Outstanding at the end of the year	**733.96**	**733.98**
C)	**Retained earnings (refer note below)**	**As at March 31, 2023**	**As at March 31, 2022**
	Opening Balance	(1,191.03)	(287.98)
	Add : (Loss) for the year	(981.14)	(903.05)
	Closing Balance	**(2,172.17)**	**(1,191.03)**

The portion of profits not distributed among the shareholders are termed as retained earnings. The Restricted Group may utilise the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specified purpose.

		As at March 31, 2023	As at March 31, 2022
D)	**Other Comprehensive Income**		
	Cash flow hedge reserve		
	Balance at the beginning of the year	-	-
	Add : Effective portion of Gain on Cash Flow Hedge (net)	(30.03)	-
	Balance at the end of the year	**(30.03)**	**-**

RESTRICTED GROUP
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AS AT MARCH 31, 2023 (Contd.)

Cash flow hedge reserve:

Changes in the fair value of derivatives/ hedging instruments that are designated and qualify as cash flow hedges are parked in the "Cash Flow Hedge Reserve". The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss. Amounts parked in the Cash Flow Hedge Reserve Account are recycled in the statement of profit and loss in the periods when the hedged item is recognised and affects the statement of profit and loss, in the same line as the hedged item.

Total Other Equity (A+B+C+D)	(291.12)	720.07

20 NON CURRENT BORROWINGS

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Secured Borrowings - At Amortised Cost		
Term Loan from Bank/ Financial Institutions	1,551.62	54.95
External Commercial Borrowing (ECB)	9,346.86	-
Unsecured Borrowings - At Amortised Cost		
Inter Corporate Deposits (Refer Note 41)	2,763.05	6,108.28
Liability Component of Compound Financial Instrument		
- Compulsory Convertible Debentures	799.35	815.56
	14,460.88	**6,978.79**

Notes:

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured Borrowings - At Amortised Cost		
₹ 12,770 Crores sanctioned by State Bank of India towards Rupee Term Loan including ₹ 550 Crores towards non fund base Rupee Term Loan carries interest rate of 9.25% per annum during construction phase and during the operation phase rate of interest will be based on grid-based pricing depending upon external credit rating at that time. Rupee term loan is repayable in structured quarterly installments commencing from April 01, 2026. On July 14, 2022 and on January 30, 2023 the State Bank of India downsold ₹ 7,700 Crores to banks and financials institution and ₹ 500 Crores to other bank respectively. Term loan is secured by way of (i) First charge on present & future cash flows/revenues/receivables to the extent not prohibited under Concession Agreement. (ii) First charge of over all right, title, interest, benefits, claims and demands in all the Project Agreements. (iii) First charge by way of pledge of equity shares held by Mumbai International Airport Limited (holding company) constituting 51% of the total paid up equity share capital. (iv) Non-disposal understanding from Mumbai International Airport Limited (holding company) for 23% of the total paid up equity share capital. (v) First charge on all accounts of the Company including Debt Service Reserve Account, any other reserves and the other escrow accounts,where all of the Project Proceeds shall be deposited and all the proceeds shall be utilised in a manner and priority to be decided by the lenders, subject to the provisions of the Escrow Agreement.	1,498.56	-
Rupee term loan - Repayable in 28 structured quarterly installments and maturing on December 31, 2029 carrying interest rate of 9.95% p.a.	53.06	54.95

RESTRICTED GROUP
NOTES TO SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS
AS AT MARCH 31, 2023 (Contd.)

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Foreign Currency loan from bank is secured by first pari passu on the movable assets and current assets including Insurance receivables, both present and future at Overnight SOFR plus 425 basis points with bullet repayment in the year 2025.	2,023.25	-
Foreign Currency loan from bank is secured by first pari passu on the movable assets and current assets including Insurance receivables, both present and future at Overnight SOFR plus 425 basis points with bullet repayment in the year 2025.	1,219.75	-
In April 2022, the Restricted Group has raised USD 750 millions through 7.25-year USD Notes through US Private Placement (USPP). Funds raised through Private placement along with additional borrowings from Adani Airport Holdings Limited (AAHL) have been used for, refinancing of existing Bridge debt of ₹ 7,250 crores as on March 31, 2022 carrying interest rate of 10.00% p.a.	6,103.86	-
Unsecured Borrowings - At Amortised Cost		
Inter corporate deposit received from Adani Properties Private Limited.@ 13.50% P.A., which is repayable in March 31, 2028.	0.21	0.21
Inter corporate deposit received from Adani Properties Private Limited.@ 8% P.A., which is repayable in March 31, 2028.	2761.47	5325.46
Inter corporate deposit received from Adani Rail Infra Private Limited.@ 8.00% P.A., which is repayable in March 31, 2028.	-	782.61
Unsecured Borrowings received from Vina Ahuja repayable in November 30, 2024 carrying interest rate of 12.50% p.a.	1.37	-
Liability Component of Compound Financial Instrument		
During FY 2021-22, 19,95,50,734 Compulsorily Convertible Debentures ("CCD") of the Company of the face value of ₹ 100/- each were issued at par for 20 years. Rate of Interest is 6 Month LIBOR + 400 bps (same can be changed with mutual consent of all parties) and Interest shall be accrued at the end of each financial year. At maturity of 20 years, CCD (of ₹ 100/- each) shall be convertible into such number of equity shares (of ₹ 10 each) of the Company, which are derived based on the fair market value of equity shares, on the date of issue of CCDs. The fair value of the financial liability is determined with reference to the fair value of a similar stand-alone debt instrument and the amount allocated to the equity component is residual amount after deducting the fair value of the financial liability component from the fair value of the entire compound instrument.	799.35	815.56

21 OTHER NON CURRENT FINANCIAL LIABILITIES

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Derivative Liabilities		
-Due to change in Fair Values (Refer Note 45)	85.68	-
Capital creditors and retention money	32.18	0.67
Interest accrued but not due on borrowings	277.62	32.72
Concession agreement related obligations		
- Soft loan towards pre-development works	967.17	752.62
- Concession fees payable towards concession rights	1,056.22	962.93
- Reimbursement of pre operative expenses	110.00	110.00
Security Deposits	630.59	451.45
Annual fee on lease equalisation income(net) as per Ind AS 116 included in revenue from operation(payable in future)	115.67	66.01
	3,275.13	**2,376.40**

RESTRICTED GROUP
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AS AT MARCH 31, 2023 (Contd.)

22 NON CURRENT PROVISIONS

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Provision for Employee Benefits		
Provision for gratuity	39.88	33.55
Provision for compensated absences	28.31	22.70
	68.19	**56.25**

23 OTHER NON CURRENT LIABILITIES

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Deferred Income on fair valuation of Deposit taken	444.67	545.99
Deferred Income Government Grant	3,201.71	2,592.65
Contract liabilities	5.36	5.21
	3,651.74	**3,143.85**

24 CURRENT BORROWINGS

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Secured Borrowings - At Amortised Cost		
Non Convertible Debentures (Refer Note 2 below)	-	2,900.00
Term Loan from Bank (Refer Note 2 below)	-	4,100.00
Term Loan from Financial Institutions (Refer Note 2 below)	-	250.00
Term Loans On Securitisation on Airport Development Fees (Refer Note 1)	800.05	1,130.00
Working Capital Demand Loan (Refer Note 3 to 6 below)	50.00	52.28
Unsecured Borrowings - At Amortised Cost		
Inter Corporate Deposits (Refer Note 7 below & Note 41)	6,036.46	1,353.55
Cash Credit (Refer Note 8 below)	23.82	-
Current Maturities of Long Term Borrowings (Refer Note 9 below)	1.84	0.15
	6,912.17	**9,785.98**

(₹ in Crores)

		As at March 31, 2023	As at March 31, 2022
	Secured Borrowings - At Amortised Cost		
1.	Security for 10% Term Loan on Securitisation of Airport Development Fees The term loan is secured by: (i) a first ranking exclusive charge over the ADF Assets has been created by the Company in favour of the Security Trustee pursuant to the terms of the Company Deed of Hypothecation.; (ii) a first ranking exclusive pledge created under the Pledge Agreement by the Pledgor on such number of Shares (free of all Encumbrances) as is required from time to time pursuant to the Terms and Conditions; and (iii) a first ranking exclusive charge over the Cash Top Up Assets to be created by the Guarantor in favour of the Security Trustee pursuant to the terms of the Guarantor Deed of Hypothecation. The maturity of the loan is in November 2023,the loan has been classified as short term.	800.05	1,130.00

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
2. Term Loan and 11% Non Convertible Debentures in MIAL (of face value ₹ 0.1 Crore each) The Facility together with the Obligations, shall be secured by a Security Interest comprising the following: (A) right to substitute the Borrower under the OMDA and other Project Documents, as per the terms of the Substitution Agreement executed by the lenders' representative (appointed by the Lenders, the Project Term Loan 1 Lenders, and the Bond Holders) with the AAI; (B) a first ranking Security Interest comprising of the following: (i) first ranking charge over the rights, title, interest and benefits of the Borrower under the Project Documents (to the maximum extent permitted by the OMDA); (ii) first ranking charge over all the Accounts (including accounts established under the Escrow Agreement and Existing Escrow Accounts (till such time escrow accounts are established and operationalized in terms of the Escrow Agreement)) and all amounts lying thereto (excluding all accounts established under the ADF Cash Account and ISRA); (iii) first ranking charge all the Borrower's rights under each letter of credit/ guarantee or performance bonds that may be posted by any party to a Project Document for the Borrower's benefit and all the Borrower's rights under the Clearances in relation to the Project (to the maximum extent permitted by the OMDA); (iv) first ranking charge over all the Borrower's movable properties including plant and machinery, machine spares, tools and accessories, tangible and intangible assets, including but not limited to its goodwill, undertaking and uncalled capital and other movable assets, both present and future, as permitted under the OMDA; (v) first ranking charge over all the book debts, project cash flows, operating cash flows, receivables (including monies infused by the Sponsor and/ or its Affiliates), all other current assets, commissions, revenues of the Borrower (other than shares of NMIAL held by the Borrower and any proceeds arising therefrom and excluding amount pertaining to the ADF), both present and future; (vi) first ranking charge over ISRA and all amounts lying therein; and (vii) Pledge of 74% share capital of the Mumbai International Airport Limited (MIAL) on a fully diluted basis and calculated as an aggregate of the direct and indirect shareholding of Adani Airport Holdings Limited (AAHL) in MIAL. The term loans carries interest at the rate of 6 month MCLR plus spread of 4.65% per annum and these loans are repayable at the end of one year from the drawdown date (15 July 2021) and Non convertible debentures carry interest at the rate of 11% and are redeemable at the end of one year from the issue date.	-	7,250.00

RESTRICTED GROUP
NOTES TO SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS
AS AT MARCH 31, 2023 (Contd.)

(₹ in Crores)

		As at March 31, 2023	As at March 31, 2022
3.	Working Capital Loan is repayable on demand carrying interest rate of 9.50% p.a. repayable by April 23, 2023	30.00	-
4.	Working Capital Loan is repayable on demand carrying interest rate of 9.60% p.a. repayable by April 25, 2023	10.00	-
5.	Working Capital Loan is repayable on demand carrying interest rate of 9.60% p.a. repayable by May 22, 2023	10.00	-
6.	Working Capital Loan is repayable on demand carrying interest rate of 8.25% p.a.	-	52.28
Unsecured Borrowings - At Amortised Cost			
7.	Inter corporate deposit received from Adani Enterprise Limited @ 8.50% P.A. (P.Y. 9.5% P.A.) which is repayable in 24th Sept, 2023.	6,036.46	1,353.55
8.	ICICI bank Cash credit repayable on demand carrying interest rate of 9.45% p.a.	23.82	-
9.	Current Maturity of long term borrowing carrying interest rate of 9.95% p.a.	1.84	0.15

25 TRADE PAYABLES

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises	35.20	41.11
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,306.98	464.82
	1,342.18	**505.93**

Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2023. This information has been determined to the extent such parties have been identified on the basis of information available with the Restricted Group and relied upon by auditors.

(₹ in Crores)

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1.	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
	Principal	35.20	41.11
	Interest	-	-
2.	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
3.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
4.	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
5.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

26 OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Capital creditors and retention money	1,618.71	1,677.62
Interest accrued but not due on borrowings	323.33	15.53
Deposit from Customer	411.85	494.33
Concession Fee Payable - CIDCO	5.00	5.00
	2,358.89	**2,192.48**

27 OTHER CURRENT LIABILITIES

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Statutory liabilities	184.07	142.88
Interest on provident fund payable	0.22	-
Deferred Income on fair valuation of Deposit taken	80.40	80.28
Deferred Income Government Grant	127.98	124.34
Unearned revenue	4.24	2.08
Marketing Fund	4.92	1.69
Contract liabilities	33.11	13.74
	434.94	**365.01**

28 CURRENT PROVISIONS

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Provision for Employee Benefits		
Provision for gratuity	10.53	8.80
Provision for compensated absences	10.06	9.28
Other Provisions		
Provision for social welfare contribution	-	2.50
	20.59	**20.58**

29 REVENUE FROM OPERATIONS

(₹ in Crores)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from Contract with customer		
Aeronautical Income	2,199.92	891.38
Non-Aeronautical Income (Includes Lease Equalistion Income)	2,725.26	1,221.73
Cargo Income	377.13	257.24
Other Operating Income		
- Sale of Bullion	649.16	208.69
	5,951.47	**2,579.04**

RESTRICTED GROUP
NOTES TO SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS
AS AT MARCH 31, 2023 (Contd.)

30 OTHER INCOME

(₹ in Crores)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income on		
Bank Deposits	29.70	28.01
Debentures	-	178.58
Loans & Others	16.61	91.31
Current Investments	-	0.66
Profit on sale of current investment (net)	2.20	0.26
Notional Income on Financial Instruments	3.31	-
Scrap Sales	3.99	0.39
Profit on sale of fixed asset (net)	-	1.18
Unclaimed liabilities / excess provision written back	2.58	1.36
Foreign Exchange Gain	0.35	-
Miscellaneous Income	1.75	4.14
	60.49	**305.89**

31 CHANGES IN INVENTORIES OF TRADED GOODS

(₹ in Crores)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventory at the beginning of the year	66.90	-
Less: Inventory at the end of the year	197.16	66.90
	(130.26)	**(66.90)**

32 OPERATING EXPENSES

(₹ in Crores)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Reimbursement of Salary to AAI	210.87	153.96
Other Operating Expenses	237.59	135.90
Power & Fuel Consumed	184.83	45.26
	633.29	**335.12**

33 EMPLOYEE BENEFITS EXPENSE

(₹ in Crores)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, Wages and Bonus	363.88	232.11
Contribution to Provident & Other Funds	27.78	16.00
Staff Welfare Expenses	19.32	7.31
	410.98	**255.42**

34 FINANCE COSTS

(₹ in Crores)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on		
-Debentures	146.87	10.64
-Notional Interest Cost on Security Deposit	48.35	69.29
-Inter Corporate Deposits and Loan from ECB (Refer note i)	894.70	486.49
-Loan from Banks & Financial Institutions	51.16	492.27
-Lease Liability	11.56	6.50
-Others	4.35	4.22
Exchange difference regarded as an adjustment to borrowing cost (Net off forward contract gain)	10.21	-
Bank and other Finance Charges	71.07	182.77
Loss on Derivatives / Swap Contracts (net)	318.48	-
	1,556.75	**1,252.18**

Note: (i) Gross amount of Interest on Loan from ECB is ₹ 615.91 Crores (Previous Year Nil).

35 OTHER EXPENSES

(₹ in Crores)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Rent Expenses	48.80	9.83
Rates and Taxes	81.78	30.95
Insurance	28.33	17.62
Advertisement and Publicity	26.85	5.58
Repairs and Maintenance	365.75	209.01
Office Expenses	63.07	28.65
Professional and Consultancy Expenses	229.24	120.78
Payment to Auditors (Refer note a below)	0.16	0.12
Security Services Charges	52.24	25.52
IT Support Services	21.19	11.97
Provision for doubtful debt	15.09	3.23
Electricity Expenses	3.39	56.18
Bad debt written off	19.46	10.66
Foreign Exchange Loss	3.24	0.54
Travelling and Conveyance	13.67	6.85
Directors' Sitting Fee	0.46	0.41
Printing and Stationery	4.10	-
Loss on Sale/Discard of Property, Plant and Equipment (net)	0.21	-
Horticulture Expenses	5.50	4.86
Miscellaneous Expenses	17.24	59.28
	999.77	**602.04**

a) Payment to Auditors

(₹ in Crores)

	For the year ended March 31, 2023	For the year ended March 31, 2022
As Auditor		
Statutory Audit Fees	0.03	0.08
In other Capacity		
Certification Fees	0.01	0.04
Other Services	0.12	-
	0.16	**0.12**

RESTRICTED GROUP
NOTES TO SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS
AS AT MARCH 31, 2023 (Contd.)

36 INCOME TAX

The major component of income tax expenses for the year ended March 31, 2023 and March 31, 2022 are as under :-

(i) Income Tax Expense

(₹ in Crores)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Current Tax		
Current Tax Charge	2.37	-
Tax (credit) under Minimum Alternative Tax	-	-
Deferred Tax		
In respect of current year origination and reversal of temporary differences	23.89	(73.73)
	26.26	**(73.73)**
Tax on Other Comprehensive Income ('OCI')		
Deferred tax related to items recognised in OCI during the year		
Tax impact on re-measurement losses on defined benefit plans	(0.07)	2.96
Tax impact on Gain/Loss on Hedging	10.10	-
	10.03	**2.96**

(ii) Balance Sheet Section

(₹ in Crores)

	As at March 31, 2023	As at March 31, 2022
Taxes recoverable (net)	295.21	195.56
Current Tax Liabilities (net)	(5.91)	(104.01)
	289.30	**91.55**

Note: Current Tax Liabilities (net) and Taxes Recoverable (net) are presented based on a year-wise tax balances of respective entities, as the case may be.

(iii) Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate for March 31, 2023

(₹ in Crores)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(Loss) before tax as per Combined Statement of Profit and Loss	(1,007.31)	(988.87)
Domestic Tax Rate	25.168%	26.000%
Income tax using the Restricted Group's domestic tax rate 25.168%	(253.52)	(257.11)
Tax Effect of:		
Expenses not allowable/ (allowable) under Income Tax Act	(0.40)	22.15
Effect of changes in Tax Rates	6.73	5.18
Tax offsets not recognised as Deferred Tax Assets/ Liability	(1.80)	6.11
Unused Tax Losses not recognised as Deferred Tax Assets	239.75	174.41
Permanent Difference on Fixed asset on account of depreciation not claimed	5.38	3.14
MAT Credit entitlement charged off	98.36	-
Others	(68.24)	(27.61)
Income tax recognised in Combined Statement of Profit and Loss at effective rate	**26.26**	**(73.73)**

(iv) Deferred Tax Liability (net)

(₹ in Crores)

	Balance Sheet		Statement of Profit and Loss	
	As at March 31, 2023	As at March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2023
Deferred Tax Assets				
Unabsorbed Depreciation & Tax Losses	496.58	661.17	(164.59)	661.17
Present Value of Lease Liability	20.87	22.08	(1.21)	22.08
Employee Benefits Liability	16.71	17.04	(0.33)	17.04

(₹ in Crores)

	Balance Sheet		Statement of Profit and Loss	
	As at March 31, 2023	As at March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2023
MAT Credit Entitlement	-	98.36	(98.36)	98.36
Other Items	70.12	50.44	19.68	50.44
Deferred Tax Liabilities				-
Property, Plant & Equipment, Right-of-Use Assets and Intangible Assets	(492.33)	(666.18)	173.85	(666.18)
Present value of Lease Receivable	(75.22)	(59.61)	(15.61)	(59.61)
Deferred Tax adjustment on account of Business Combination	(2,340.43)	(2,408.86)	68.43	(11.17)
Other Items	(31.15)	(35.44)	4.29	(35.44)
	(2,334.85)	**(2,321.00)**	**(13.85)**	**76.69**

v) Expiry of Income Tax Losses for Set off

(₹ in Crores)

	AY	Loss Amount	Tax Impact	Expiry AY
Business Losses	2015-16	709.95	204.62	2023-24
Business Losses	2016-17	415.77	104.85	2024-25
Business Losses	2017-18	296.37	74.76	2025-26
Unabsorbed Depreciation	2018-19	0.52	0.13	NA
Business Losses	2018-19	453.15	115.90	2026-27
Unabsorbed Depreciation	2019-20	1.12	0.28	NA
Business Losses	2019-20	261.77	71.51	2027-28
Unabsorbed Depreciation	2020-21	1.33	0.34	NA
Business Losses	2020-21	406.51	109.63	2028-29
Unabsorbed Depreciation	2021-22	46.68	11.75	NA
Business Losses	2021-22	891.43	227.33	2029-30
Unabsorbed Depreciation	2022-23	153.55	38.65	NA
Business Losses	2022-23	921.91	233.39	2030-31
Unabsorbed Depreciation	2023-24	307.61	77.42	NA
Business Losses	2023-24	517.53	131.79	2031-32
		5,385.21	**1,402.35**	

37 EARNINGS/ (LOSS) PER SHARE

		As at March 31, 2023	As at March 31, 2022
(Loss) attributable to equity shareholders of the Restricted Group	₹ In Crores	(969.87)	(900.15)
Less: Distribution of interest on Unsecured perpetual securities	₹ In Crores	(66.30)	-
(Loss) attributable to equity shareholders of Resricted Group after distribution on Unsecured Perpetual Securities	₹ In Crores	(1,036.17)	(900.15)
Number of equity shares issued to Equity Share Holders	Numbers	2,50,000.00	2,50,000.00
Potential Number of equity shares to be issued to Compulsory convertible debenture Holders	Numbers	24,645.00	-
Weighted average number of equity shares	Numbers	2,74,645.00	2,50,000.00
Nominal Value of equity share	In ₹	10.00	10.00
Basic and Diluted Earning/ (Loss) per share	In ₹	(35,313.59)	(36,006.14)

RESTRICTED GROUP
NOTES TO SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS
AS AT MARCH 31, 2023 (Contd.)

38 CONTINGENT LIABILITIES NOT PROVIDED FOR

(₹ in Crores)

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
a)	Claims against the Group not acknowledged as debts	-	-
b)	In respect of :		
	- Income Tax (Interest thereon not ascertainable at present)	1,660.91	1,766.08
	- Service Tax	60.05	60.06
	- CENVAT	90.77	90.77
	- GST	2.13	2.13
	- Custom Duty	14.24	14.24
	- Others	484.67	1,829.12
c)	In respect of Bank Guarantees given	508.63	100.25
	Total	**2,821.40**	**3,862.65**

d) In the case of Mumbai International Airport Limited, The Ministry of Civil Aviation has issued an Order , wherein all airport operators were directed to reverse/reimburse back to the Passenger Service Fees (Security Component). The total amount spent on account of capital costs/expenditure towards procurement and maintenance of security system/equipment and on creation of fixed assets out of PSF (SC) amounted to ₹ 316.01 crores and ₹ 18.89 crores respectively. The Company has challenged the said order before the Hon'ble High Court at Bombay by way of writ petition. Hon'ble High Court has granted stay of the operation of the above MoCA Order till final disposal of the above writ petition.

Further, during the pandemic, MIAL invoked force majeure provision under the Operation, Management and Development Agreement ('OMDA') against the Airports Authority of India ('AAI') due to significant reduction in operations, had thus claimed relief from AAI towards, inter alia, excuse/suspension from discharging its annual fee obligations.

In order to claim urgent relief on the matter, MIAL filed an application with Hon'ble High Court of Delhi ("DHC") which was allowed. The Company was then able to access and utilise the funds for its requirements pertaining to running and operating of the Airport. Further, as per the order of the Hon'ble High Court of Delhi, Company was required to deposit 38.7% of actual payments received from activities connected with OMDA in the Escrow Proceeds Account.

The matter is under arbitration before the Arbitral Tribunal and during the course of arbitration, the Arbitral Tribunal allowed modification of the order dated June 28, 2021, basis which AAI was allowed to withdraw and utilise the amount of ₹ 153 crores.

AAI was also allowed to withdraw and utilise the amounts (being 38.7% of the actual revenue received by MIAL with effect from November 27, 2020 which remained deposited in the Proceeds Account). MIAL was also directed to issue daily instructions to escrow bank to transfer 38.7% of the actual Revenue received in the Proceeds Account from the date of the order i.e. December 22, 2021, from the Proceeds Account to the AAI Fee Account. MIAL had, so far made payment, under protest, amounting to ₹ 2,289.92 Crores.

Pending the final award of the Arbitral Tribunal, and based on the legal opinion obtained by the management, the Company has not provided for its annual fee liability for the period April 01, 2020 to September 30, 2022. The amount of annual fee liability, if computed on an accrual basis as per the OMDA provision shall stand at ₹ 2,554.01 crores for the period April 01, 2020 till March 31, 2023 against which the Company holds a provision of ₹ 645.06 crores recognised as an expense on an accrual basis from October 01, 2022 to March 31, 2023.

39 CAPITAL COMMITMENTS AND OTHER COMMITMENTS

(₹ in Crores)

		As at March 31, 2023	As at March 31, 2022
Capital Commitment			
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for		7,639.13	7,543.00
		7,639.13	**7,543.00**

RESTRICTED GROUP
NOTES TO SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS
AS AT MARCH 31, 2023 (Contd.)

40 ADDITIONAL DISCLOSURES

1. Ministry of Civil Aviation ("MoCA"), has issued a Standard Operating Procedure ("SOP") for Accounting / Audit of Passenger Service Fee (Security Component) [PSF (SC)] according to which, amounts collected towards PSF (SC) were held in fiduciary capacity by the MIAL for the Government of India. PSF (SC) so collected was kept separately in an escrow account and utilised to meet the security related expenses of the Airport. It was also stipulated in the Escrow Account Agreement that MoCA will have supervening powers to direct the Escrow Bank on the issues regarding operations as well as withdrawals from the escrow account. The PSF (SC) accounts were required to be maintained separately in accordance with the procedures laid down in SOP and were subject to audit by the Comptroller & Auditor General of India ("CAG"). In terms of the SOP, the income from the security component of PSF (SC) after adjusting for expenses are offered to tax along with the MIAL's own income. Such taxes were to be paid out of income from PSF (SC) in terms of the SOP.

2. As per MoCA order No.AV.13024/659/2015/AS dated June 07 2019, PSF (SC) has been replaced by Aviation Security Fee (ASF) with effect from July 01, 2019. AAI has formed a trust i.e. "National Aviation Security Fee Trust" (NASFT) to operate and manage the funds of Aviation Security Fee (ASF). In this regard, MoCA has issued a SOP dated November 21, 2019 to lay down the operational modalities.

   For collection of Aviation Security Fee (ASF), the Airport Operator shall facilitate NASFT to raise invoices on its behalf to the airlines, who shall deposit amounts against such invoices directly to the designated virtual bank account of NASFT.

   As regards security related expenses, the NASFT shall be the authority to pay aviation security related expenses of all airport operators either directly or through reimbursement of expenses to the Airport Operators."

   The Cost of Deployment (COD) shall be paid directly by the NASFT to security agencies (CISF, State Police, Home Guards and other Government agencies authorised for the purpose) on monthly basis. The airport operator shall pay for other security related expenses (other than Cost of Deployment) and NASFT shall reimburse the airport operator for the same.

3. Applicability of service tax on the rent / license fee / lease being charged by the MIAL has been disputed by certain airlines and concessionaries who have not paid the service tax on such services as most of them have obtained Stay Orders from various Courts in this matter. However, some of these concessionaires who are members of Retailers Association of India ("RAI") have deposited the arrears of Service tax due for the period prior to September 30, 2011 with the Court as per the order given by the Hon'ble Supreme Court . The matter is currently subjudice and necessary action will be taken by the MIAL once the matter is decided by the Court. However, in the opinion of the MIAL, this would not have any impact on the financial results of the MIAL as the same is recoverable from the said concessionaires if it becomes payable by the MIAL.

4. The MIAL has paid Annual Fee to AAI on interest recovered from its customers (other than Air India) on delayed payment under protest. The applicability of Annual Fee on such interest is disputed by the MIAL as the Annual Fee on related revenues has already been paid in time as per OMDA even though such dues are not collected from customers in time and the interest recovered is primarily to compensate for the MIAL's own borrowing cost.

5. In terms of Airports Economic Regulatory Authority (AERA) order dated December 21, 2012, the MIAL is allowed to collect Development Fee (DF) up to ₹ 3,400 Crores (excluding ₹ 1,330.50 Crores towards interest on loan taken against securitisation of DF (DF Loan) which is to be utilised exclusively for development of Aeronautical assets and to meet the funding gap of the project.

   Following transactions have taken place during the year on account of DF:

   a) Billed to airlines - ₹ 442.81 Crores (2022: ₹ 162.27 Crores)

   b) Interest incurred - ₹ 99.54 Crores (2022: ₹ 116.54 Crores)

   c) Principal repayment of DF Loan - ₹ 329.95 Crores (2022: ₹ Nil)

   d) Interest earned on unutilised funds and on delayed payments by airlines - ₹ 13.15 Crores (2022: ₹ 0.97 Crores).

RESTRICTED GROUP
NOTES TO SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS
AS AT MARCH 31, 2023 (Contd.)

The MIAL was entitled to collect ADF up to April 30, 2021 . However, there has been a deficit/ shortfall in collections of Airport Development Fee as compared to the projected collections due to variation in estimated exempt categories and passenger traffic. Also, owing to the Covid-19 pandemic, the passenger traffic was severely impacted during FY 2020-21 and subsequent periods which has resulted in further widening the shortfall in ADF collection. Currently, Airports Economic Regulatory Authority of India (AERA) has extended the tenure of ADF collection upto June 30 , 2023 via order no 43/2022-23 dated March 29, 2023.

During the year, on account of ongoing reconciliation of ADF balances, the amount collected from passengers in ADF Escrow account was not released by AAI. Consequently MIAL had to service the debt obligations of ADF securitized loan to the extent of ₹ 430 crores from promoter support for the period of April 2022 to March 2023. This amount stands receivable from ADF funds in inter unit account."

6. MIAL had approached the Airports Economic Regulatory Authority of India (AERA) for approving the funding of two Metro rail stations in CSMI Airport area for ₹ 518 crores through levy of Development Fee (DF). AERA by its Order dated January 28, 2016 allowed funding the cost of 2 metro stations aggregating ₹ 518 crores through DF. In terms of the said Order, AERA determined a MDF(Metro Development Fee) levy of ₹ 20/- per embarking domestic passenger and ₹ 120/- per embarking international passenger. This levy is exclusive of statutory taxes. The MIAL was entitled to collect MDF up to March 31, 2021. In response to the MIAL's request ,Airports Economic Regulatory Authority of India (AERA) had extended the MDF's tenor of collection upto 31 March 2023 via order no 09/2022-23 dated June 30, 2022.

   The MDF levy is to be used to contribute towards 2 metro stations coming up in the CSMIA airport area, as per the MoU entered between MMRC and MIAL. AERA had permitted the MIAL to securitize the MDF levy to the extent of shortfall in contribution to be paid to MMRC. In case of a surplus collection of MDF, AERA expects Airports Authority of India to prudently invest the surplus amount.

   During the year, MIAL vide letter no. MIAL/CFO/22-23/64 dated March 18, 2023 has communicated to AERA that MIAL has achieved the collection of ₹ 518 crores as projected by AERA vide Order No. 46/2015-16. The levy of MDF has been discontinued from March 02, 2023 by way of order no 43/2022-23 dated March 29, 2023 issued by AERA.

7. The Comptroller and Auditor General of India (CAG) has conducted the performance audit of Public Private Partnership (PPP) project of AAI at Chhatrapati Shivaji International Airport (Mumbai Airport) for the period 2006 to 2012. The CAG Report has been laid on the table of the Parliament House on July 18, 2014 wherein they have made certain observations on Mumbai International Airport Private Limited (MIAL) project and the Public Accounts Committee has also made certain observations in the Parliament. The management is of the opinion that the observations in the CAG report do not have any financial impact on these financial statements of the MIAL.

8. The MIAL collects "Marketing Fund" at a specified percentage from various concessionaires as per respective concession agreements, to be utilised towards sales promotion activities as defined in such agreements. As on March 31, 2023, the MIAL has an accumulated amount of ₹ 39.30 Crores (2022: ₹ 30.23 Crores) towards such fund. The funds collected by the MIAL are maintained in designated Bank accounts/ Fixed deposit accounts and any amounts lying in its other Bank accounts shall need to be replenished into the designated bank accounts.

9. During a review of financial performance of MIAL and based on the principles of Tariff determination formulated by Airport Economic Regularity Authority of India ("AERA"), it's management detected that it has made excess payment of Annual Fee to the tune of ₹ 3,582.90 crores to Airports Authority of India (AAI) from May 03,2006 (Effective Date) till March 31, 2018. MIAL, vide letter dated January 05, 2019, claimed refund of excess Annual Fee and requested AAI to refer this dispute for Arbitration. The Arbitral Tribunal vide a majority award of 2:1 dated July 16, 2022 held that the Annual Fee payable by MIAL for each succeeding financial year commencing from January 05, 2016 is required to be re-calculated by the Independent Auditor, and the difference between the actual amounts already paid towards the Annual Fee for each of the above-mentioned years and the amount determined by the Independent Auditor as Annual Fee is liable to be refunded to MIAL. On October 20, 2022, MIAL was served with AAI's application under section 34 of the Act for setting aside the majority award dated July 16, 2022. Payment of Annual Fee to AAI since month of February'19 onwards is made under protest.

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AS AT MARCH 31, 2023 (Contd.)

10. During March 2020, the Covid-19 pandemic had caused the MIAL to invoke the force majeure provision under the Operation, Management and Development Agreement ('OMDA') against the Airports Authority of India ('AAI') due to significant reduction in operations. The MIAL as provided in Chapter XVI of the OMDA, had thus claimed relief from AAI towards, inter alia, excuse/suspension from discharging its annual fee obligations till the time of force majeure event and such additional period thereafter as is necessary to enable the MIAL to achieve the level of activity prevailing before the event of force majeure.

    In order to claim urgent relief on the matter, the MIAL filed an application with Hon'ble High Court of Delhi (""DHC"") under Section 9 of the Arbitration and Conciliation Act, 1996. The Hon'ble High Court of Delhi had vide its order dated November 27, 2020 allowed the petition of the MIAL, recognising the existence of force majeure post which the MIAL was able to access and utilise the funds for its requirements pertaining to running and operating of the CSMI Airport and other obligations linked thereto under the OMDA. Further, as per the order of the Hon'ble High Court of Delhi, MIAL was required to deposit 38.7% of actual payments received from activities connected with OMDA in the Escrow Proceeds Account by restraining AAI from transferring / withdrawing the said amount retained in the Escrow Proceeds Account

    During the course of arbitration, MIAL and AAI jointly filed an application for the modification of section 17 order and the Tribunal vide its Interim order dated December 22, 2021 allowed modification in paragraphs 88(a), 88(b), 88(c) and 88(d) of the section 17 order dated June 28, 2021, basis which AAI was allowed to withdraw and utilise the amount of ₹ 153 crores (along with any interest accumulated on such account). AAI was also allowed to withdraw and utilise the amounts (being 38.7% of the actual revenue received by MIAL with effect from November 27, 2020 which remained deposited in the Proceeds Account).

    MIAL was also directed to issue daily instructions to escrow bank to transfer 38.7% of the actual Revenue received in the Proceeds Account from the date of the order i.e. December 22, 2021, from the Proceeds Account to the AAI Fee Account (subject to satisfaction of Statutory Dues). MIAL had started implementation of the same.

    Pending the final award of the Arbitral Tribunal, and based on the legal opinion obtained by the management, the MIAL has not provided for its annual fee liability for the period April 01, 2020 to September 30, 2022. The amount of annual fee liability, if computed on an accrual basis as per the OMDA provision shall stand at ₹ 2,556.14 crores for the period April 01, 2020 till March 31, 2023.

    The MIAL continues to make payment to AAI as per the directions of the court dated December 21, 2021, subject to the final adjudication by the Arbitral Tribunal. The amount of ₹ 2,289.92 crores, transferred to AAI in accordance with the interim order of the tribunal dated December 22, 2021, is disclosed under the head 'Other non-current assets'.

    The management, without prejudice to their rights and contentions in the dispute before the arbitral tribunal, has started recognizing Annual fees (@38.7% of the revenue) as an expense on an accrual basis from October 01, 2022 to March 31, 2023 and holds a provision of ₹ 645.06 crores as at March 31, 2023. Further, the management has also obtained legal opinion in this regard.

    This matter is under arbitration before the Arbitral Tribunal and is reserved for award.

11. The MIAL had entered into Share Purchase Agreement (SPA) with Regency Convention Centre and Hotels Limited ('Regency') for purchase of 100% of the share capital of Regency. This investment was pursuant to Regency agreeing to unconditionally waive all its rights, title, claims and interest in a land area which had been a disputed matter between Regency, Airports Authority of India ('AAI') and the MIAL. The total purchase consideration was ₹ 64 crores out of which, MIAL had given an advance of ₹ 23 crores during FY 2019-20 and the balance payment of ₹ 41 crores was made on April 29, 2022 and consequently, the shares of Regency were transferred in the name of MIAL on May 02, 2022. In May 2022, Regency had filed an application to Ministry of Corporate Affairs for striking off the MIAL's name from Registrar of Companies. Considering that the parcel of land was no longer under dispute as Regency had unconditionally waived all its rights, title, claims and interest prior to application for striking off, the land now formed a part of the demised premises and can be used by MIAL as per OMDA (Operation, Management and Development Agreement). Considering that the total consideration of ₹ 64 crores was to enable MIAL to obtain the right to use the aforementioned parcel of land, the consideration so paid has been treated as Right-to-Use asset which will be depreciated over the remaining primary period of the Grant under OMDA. The application for strike off has been approved by Registrar of companies on November 02, 2022 and the name has been struck off from the register of companies and the MIAL is dissolved.

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AS AT MARCH 31, 2023 (Contd.)

12. During FY 2019-20, owing to the delay in the commencement of construction of the new airport as detailed in 47 (15) note, the MIAL had recruited certain employees who were earlier employed in the subsidiary to enable retention of such employees considering their extensive experience in the aviation sector. These employees were on the rolls of MIAL upto August 2021 and were then transferred back to NMIAL , accordingly, the MIAL had incurred cost of ₹ 19.08 crores in the previous year.

13. The MIAL has invested ₹ 905.02 crores in its subsidiary, Navi Mumbai International Airport Private Limited (NMIAL) as at March 31, 2023 towards shareholding of 74% and remaining 26% being held by City and Industrial Development Corporation of Maharashtra Limited ('CIDCO' or 'the Authority'). NMIAL has signed a Concession Agreement with the CIDCO on January 08, 2018 for construction, operation, maintenance and management of the Navi Mumbai International Airport ('NMIA') for public use at Navi Mumbai, Maharashtra through Public Private Partnership for an initial period of 30 (thirty) years from the Appointed Date of July 07, 2018. NMIAL has requested CIDCO to grant extension of Construction Period and Concession Period under the provisions of the Concession Agreement, due to delay in providing Right of Way of entire Site by the Authority which was to be given on or before November 04, 2018. In view of the continuing effects of the pandemic on the aviation industry in the FY 2020 and FY 2021, the subsidiary has invoked the provisions of occurrence of 'Unforeseen Events' requesting CIDCO for referring the matter to a Conciliation Tribunal in accordance with the provisions of the Concession Agreement, to decide upon the suitable remedies such as extension of the construction period and other reliefs to mitigate the adverse effects of the pandemic on the subsidiary. In the Undertaking dated April 07, 2021 issued by NMIAPL, MIAL, Adani Airport Holdings Limited and Adani Enterprises Limited, MIAL has requested CIDCO to reset the COD for Phase I from December 03, 2021 to March 31, 2024.With reference to MIAL's application, CIDCO has accorded approval vide its letter dated October 22, 2021 for resetting the COD of Phase I, with handing capacity of ten million passengers and 260,000 tonnes cargo, per annum, from December 2021 to December 2024. Further the MIAL has also revisited and resturcted Master plan to constructure Phase I simultaneously with Phase II. CIDCO provided approval to the MIAL vide its letter date December 24, 2021 to undertake additional capacity and expansion of Airport for ten million passengers and 5,40,000 tonnes cargo handly capacity, per annum. Accordingly COD for Phase I and Phase II has been resetted to December 2024 with modification in the Master plan submitted earlier. The MIAL has also received sanction from State Bank of India (SBI) for a Rupee Term Loan of ₹ 12,770 crore for Phase I and Phase II of Navi Mumbai International Airport Project and achieved financial closure of the project

    Considering the business viability of the Navi Mumbai International Airport project, extension of the timelines under the Agreement, supported by the financial closure of the NMIAL project to commence construction, the Management of the MIAL is confident of recovering the value of investment in the subsidiary.

14. The MIAL has been sanctioned a short term working capital facility of ₹ 310 crores from Deutsche Bank AG. The facility shall rank pari-passu with the other Senior Debt Holders (USD note holders). The pari passu charge shall be over;

    (a) a first ranking pari passu pledge over the equity shares of the Issuer (excluding equity shares held in the Issuer by AAI and the nominee shareholders);

    (b) a first ranking pari passu charge on the Non-Transfer Assets, subject to any land use restrictions, if any;

    (c) a first ranking pari passu charge on all of the Project Accounts and the amounts credited to such Project Accounts (excluding the Excluded Accounts and the monies lying therein); and

    (d) a first ranking pari passu charge on all Receivables.

15. On June 27, 2020, the Central Bureau of Investigation ('CBI'), had registered a First Information Report (FIR) against the Mumbai International Airport Limited (MIAL), GVK Airport Holdings Limited (GVKAHL),GVK Airport Developers Limited (GVKADL), erstwhile Managing Director of MIAL and the erstwhile Chairman of GVK group, who was also a whole time director of the MIAL ('together called as erstwhile promoter directors') and had initiated investigations against the MIAL in respect of various matters alleging irregularities arising due to potential conflict of interest by the erstwhile Managing Director and GVK group of Companies (erstwhile promoter group) in respect of a few contracts with its vendors / customers and misuse of the funds of MIAL pertaining to periods prior to June 27, 2020. On July 13, 2021, Adani Airports Holding Limited ('AAHL') acquired 97.97% of the Company which holds 100% in GVK Airports Holding Limited (Holding Company of MIAL) and Adani Group has taken management control of MIAL from GVK Airport Developers Limited.

The Enforcement Directorate ('ED') and the Ministry of Corporate Affairs (MCA) had also initiated investigations / enquiries in relation to this matter. The MIAL continues to cooperate with the investigations.

Based on legal advice received by the Audit committee of MIAL in the earlier years and considering that CBI and ED were already investigating in the matter, the Audit Committee of MIAL had decided not to proceed with any independent forensic investigation on the matters mentioned in the FIR.

During the last quarter of the current financial year, based on the submissions of the CBI. the case was transferred to the jurisdictional magistrate court ('the Court'). Further, in February 2023, the CBI filed a chargesheet with the Court in Mumbai against 58 accused including MIAL and the erstwhille Managing Director. Amongst the observations / allegations in the chargesheet, it was alleged / observed that the funds of the MIAL aggregating '{ 846 crores were siphoned off/ diverted from the MIAL through bogus / fake contracts, that are currently included in Gross value of Property, Plant and Equipment in to MIAL financial statements at a net book value of'{ 595 crores.

The management has received legal advice that the observations/ allegations in the chargesheet are not to be treated as conclusive, final. or binding till the time it is confirmed by the court. Further, in order to protect the interests of the MIAL, the management has received a letter of support from Adani Enterprises Limited ('the ultimate holding company'/'AEL') to indemnify all losses as and when they devolve on the MIAL, in respect of any adjustments arising out of the conclusion of the investigation carried out by the Central Bureau of Investigation ('CBI'), including the ongoing legal proceedings.

Accordingly, considering the legal advice received, status of the proceedings, and the aforesaid letter of support received from AEL to indemnify all losses, the management is of the view that any implications arising would be assessed and considered only after the matters and legal proceedings are concluded, and accordingly, no adjustments have been carried out to the Special Purpose Combined Financial Statements.

41 RELATED PARTIES

The Restricted Group entities have certain transactions with entities which are not covered under Restricted Group (Unrestricted Group entities).

Parent Company	:	Adani Enterprises Limited
Fellow Subsidiary Companies	:	Adani Digital Labs Private Limited
Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	:	Karnavati Aviation Private Limited
		Adani Wilmar Limited
		Adani Total Gas Limited
		Adani Totalenergies E Mobility Limited
		NRC Limited
		Adani Ports and Special Economic Zone Limited
		Adani Hospitals Mundra Private Limited
		Adani Institute for Education and Research
		Belvedere Golf and Country Club Private Limited
		Adani Estate Management Private Limited
		Adani Skill Development Center
		Adani Properties Private Limited
		Adani Rail Infra Private Limited
		Maharashtra Eastern grid power transmission Company Limited
		Adani Power Limited
		Adani Electricity Mumbai Limited
		Adani Power (Mundra) Limited*
		Adani Renewable Energy Devco Private Limited
		Adani Green Energy Limited
		Adani Krishnapatnam Port Limited
		Adani M2K Projects LLP
		Mundra Solar PV Limited

RESTRICTED GROUP
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AS AT MARCH 31, 2023 (Contd.)

		MPSEZ Utilities Limited
		Udupi Power Corporation Limited*
		Mundra LPG Terminal Private Limited
		Adani Power Rajasthan Limited*
		Kharghar Vikhroli Transmission Private Limited
		Adani Murmugao Port Terminal Private Limited
		Adani Brahma Synergy Private Limited
		Adani Infrastructure Management Services Limited
		Marine Infra Development Private Limited
		Adani Vizhinjam Port Private Limited
		Raigarh Enegy Generation Limited*
		Adani Petronet (Dahej) Port Private Limited
		Adani Logistics Limited
		Ambuja Cements Limited
		Adani Kandla Bulk Terminal Private Limited
		Adani Hazira Port Limited
		Adani Power Maharashtra Limited*
		Alton Buildtech India Private Limited
		Prayagraj Water Private Limited
		Adani Infra (India) Limited
		Adani Capital Private Limited
		Adani CMA Mundra Terminal Private Limited
		Adani Traders Private Limited
Jointly Controlled Entities	:	Mumbai Airport Lounge services Private Limited
		Mumbai Aviation Fuel Farm Facility Private Limited
Key Management Personnel	:	**Adani Airport Holdings Limited**
		Pranav Adani, Director (till January 01, 2022)
		Hemant Madhusudan, Director (till January 01, 2022)
		Vinay Prakash, Director (till January 01, 2022)
		Jugeshinder Singh, Director (till August 24, 2020)
		Sidharath Kapur, Director (till August 21, 2020)
		Vishwapati Trivedi, Independent Director (till August 24, 2020)
		Karan Adani, Director (w.e.f. January 01, 2022)
		Jeet Adani, Director (w.e.f. January 01, 2022)
		Malay Mahadevia, Managing Director (w.e.f. January 01, 2022)
		Gargi Kaul Wholetime Director (w.e.f. January 01, 2022)
		Dharmesh Desai, Company Secretory (w.e.f. February 02, 2021)

Notes:

(i) The names of the related parties and nature of the relationships where control exists are disclosed irrespective of whether or not there have been transactions between the related parties. For others, the names and the nature of relationships is disclosed only when the transactions are entered into by the Restricted Group with the related parties during the existence of the related party relationship.

(ii) Aggregate of transactions for the year ended & balance as at the year end with these parties have been given below.

(iii) * Respective entites are merged with Adani Power Limited with effect from March 7, 2023.

RESTRICTED GROUP
NOTES TO SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS
AS AT MARCH 31, 2023 (Contd.)

Transactions with Related Parties

(₹ In Crores)

Nature of Transaction	Related Party	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expenses on borrowing	Parent Company	532.87	73.77
	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	254.17	481.27
	Key Management Personnel	0.03	0.00
Issue of Perpetual Securities	Parent Company	2,500.00	-
Corporate Support Service Fees	Parent Company	39.94	26.34
Recovery of Expenses	Fellow Subsidiary Companies	0.01	-
	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	0.08	-
Managerial Remuneration	Key Management Personnel	17.33	1.99
Directors Sitting Fees	Key Management Personnel	-	0.01
Employee Liabilities Transferred (Net)	Parent Company	(0.12)	(0.05)
	Fellow Subsidiary Companies	(0.23)	-
	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	0.08	(6.02)
Issue of Compulsory Convertible Debentures	Parent Company	-	510.00
Issue of Equity Shares	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	-	1.00
Investment in Equity Shares	Jointly Controlled Entities	-	4.63
Borrowings Taken	Parent Company	16,394.48	4,401.64
	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	10,536.60	8,821.69
Borrowings Repaid	Parent Company	9,211.58	3,603.66
	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	13,883.21	6,910.87
Purchase of fixed assets	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	0.25	-
Revenue from Operations	Parent Company	0.15	1.23
	Fellow Subsidiary Companies	0.13	-
	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	3.30	1.56
	Jointly Controlled Entities	100.02	84.29
Rent Expenses	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	0.96	-
Advance Given/ (Received back) (Net)	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	0.21	-
Security Deposits Given	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	0.16	0.01

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(₹ In Crores)

Nature of Transaction	Related Party	For the year ended March 31, 2023	For the year ended March 31, 2022
Security Deposit Received	Fellow Subsidiary Companies	0.29	-
	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	0.15	0.04
	Jointly Controlled Entities	-	0.07
Services Availed (including reimbursement of expenses)	Parent Company	75.07	88.90
	Fellow Subsidiary Companies	45.84	-
	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	138.08	140.83
Unsecured Loan received	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	-	0.04
	Key Management Personnel	1.66	0.08
Unsecured Loan repaid	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	-	0.04
	Key Management Personnel	0.36	0.01

Balances with related parties

(₹ In Crores)

Nature of Balance	Name of Related Party	As at March 31, 2023	As at March 31, 2022
Advance to Suppliers	Parent Company	0.14	0.22
	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	0.52	0.62
Advance from Customers	Fellow Subsidiary Companies	0.00	-
	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	0.01	0.12
	Enterprises in respect to which the company is a Joint venture / associate	-	-
Compulsory Convertible Debentures	Parent Company	510.00	510.00
Perpetual Securities Issued	Parent Company	2,500.00	-
Interest accrued but not due receivable	Enterprises in respect to which the company is a Joint venture / associate	-	-
Interest accrued but not due Payable	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	277.46	33.36
	Key Management Personnel		0.00

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AS AT MARCH 31, 2023 (Contd.)

(₹ In Crores)

Nature of Balance	Name of Related Party	As at March 31, 2023	As at March 31, 2022
Borrowings	Parent Company	6,036.45	1,353.55
	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	2,761.68	6,108.29
	Key Management Personnel	1.37	0.08
Other Receivables	Parent Company	-	0.02
	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	1.42	4.47
Other Payables	Parent Company	6.04	-
	Fellow Subsidiary Companies	0.23	-
	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	110.03	0.06
Security Deposit Payable	Fellow Subsidiary Companies	0.29	-
	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	0.23	0.04
	Jointly Controlled Entities	7.60	7.94
Security Deposit Receivable	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	0.16	0.01
Trade Payables (Including Capital Creditors)	Parent Company	9.42	83.83
	Fellow Subsidiary Companies	30.53	-
	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	5.27	0.59
Trade Receivables	Parent Company	0.12	0.03
	Fellow Subsidiary Companies	0.10	-
	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	1.84	-
	Jointly Controlled Entities	0.97	49.24
Commitment - Soft Loan towards Pre-development works	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	137.41	647.69
Commitment - Allotment of equity shares towards Pre-development works to be carried out	Entities over which controlling entity/ Key Management Personnel of parent company are able to exercise control/ Significant Influence	112.02	112.02

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42 FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Restricted Group's risk management activities are subject to the management, direction and control of the Restricted Group.

In the ordinary course of business, the Restricted Group is exposed to Market risk, Credit risk and Liquidity risk.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk and currency risk. Financial instruments affected by market risk include short term Investments.

Equity price risk

Price risk is the risk of fluctuations in the value of assets and liabilities as a result of change in market prices of Investments. The Restricted Group has no exposure to the equity securities price risk and is not exposed to commodity price risk.

Interest risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Restricted Group's exposure to the risk of changes in market interest rates relates primarily to the Restricted Group's long-term debt obligations with fixed and floating interest rates.

The Restricted Group manages its interest rate risk by having a mixed portfolio of fixed and variable rate loans and borrowings. In current year, the Restricted Group's borrowing from foreign banks and financial institutions related parties are at fixed and floating rate of interest.

The sensitivity analysis have been carried out based on the exposure to interest rates for instruments not hedged against interest rate fluctuations at the end of the reporting periods. The said analysis has been carried on the amount of floating rate non - current borrowings outstanding at the end of the reporting period. A 50 basis point increase or decrease represents the management's assessment of the reasonably possible change in interest rates. In case of fluctuation in interest rates by 50 basis points and all other variable held constant, the Restricted Group's profit for the year would increase or decrease as follows:

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Restricted Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Restricted Group's operating activities. Refer Note 47 for Hedged & Unhedged Foreign Currency Risk.

(b) Credit risk

Credit risk refers to the risk that a counterparty or customer will default on its contractual obligations resulting in a loss to the Restricted Group. Financial instruments that are subject to credit risk principally consist of Loans, Trade and Other Receivables, Cash & Cash Equivalents, Investments and Other Financial Assets. The carrying amounts of financial assets represent the maximum credit risk exposure. Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of counter parties on continuous basis with appropriate approval mechanism for sanction of credit limits. Credit risk from balances with banks, financial institutions and investments is managed by the Restricted Group's treasury team in accordance with the Restricted Group's risk management policy. Cash and cash equivalents and Bank Deposits are placed with banks having good reputation, good past track record and high quality credit rating.

Concentrations of Credit Risk form part of Credit Risk

The Restricted Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including default risk associate with the industry and country in which customers operate. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

RESTRICTED GROUP
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AS AT MARCH 31, 2023 (Contd.)

(c) Liquidity risk

Liquidity risk refers the risk that the Restricted Group will encounter difficulty in meeting the obligations associated with its financial liabilities. The Restricted Group's objective is to provide financial resources to meet its obligations when they are due in a timely, cost effective and reliable manner without incurring unacceptable losses or risking damage to the Restricted Group's reputation. The Restricted Group monitors liquidity risk using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. A balance between continuity of funding and flexibility is maintained through continued support from lenders, trade creditors as well as through issue of equity shares. The Restricted Group expects to generate positive cash flows from operations in order to meet its external financial liabilities as they fall due. The Restricted Group has support from other group entities to extend repayment terms of borrowings, as needed.

The following tables detail the Restricted Group's remaining contractual maturity for its derivative and non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Restricted Group can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rates existing at the end of the reporting period. The contractual maturity is based on the earliest date on which the Restricted Group may be required to pay. Details of maturity profile are as given below.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

(₹ in Crores)

As at March 31, 2023	Less than 1 year	1 to 5 years	More than 5 Years	Total Carrying Value
Borrowings	7,046.96	6,847.45	10,223.56	21,373.05
Trade Payables	1,342.18	-	-	1,342.18
Lease Liabilities	26.69	111.39	106.36	107.66
Other Financial Liabilities	2,358.89	876.48	2,398.65	5,634.02
Total	**10,774.72**	**7,835.32**	**12,728.57**	**28,456.91**

(₹ in Crores)

As at March 31, 2022	Less than 1 year	1 to 5 years	More than 5 Years	Total
Borrowings	9,801.90	358.42	7,579.60	16,764.77
Trade Payables	505.93	-	-	505.93
Lease Liabilities	21.79	92.49	116.49	136.42
Other Financial Liabilities	2,192.48	370.29	2,006.12	4,568.88
Total	**12,522.10**	**821.20**	**9,702.21**	**21,976.00**

43 CAPITAL MANAGEMENT

For the purposes of the Restricted Group's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Restricted Group's capital management is to maximize shareholder value. The Restricted Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Restricted Group monitors capital using gearing ratio, which is net debt (total debt less cash and cash equivalents adding Capital Creditors) divided by total capital plus net debt.

RESTRICTED GROUP
NOTES TO SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS
AS AT MARCH 31, 2023 (Contd.)

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Total Borrowings	21,373.05	16,764.77
Add: Capital Creditors	1,650.89	1,678.29
Less: Cash and bank balance	672.50	671.74
Net Debt (A)	**22,351.44**	**17,771.32**
Total Equity attributable to Owners (B)	2,719.13	1,230.32
Total Equity attributable to Owners and net debt (C=A+B)	24,092.18	17,995.09
Gearing ratio (A/C)	**92.77%**	**98.76%**

In order to achieve this overall objective, the Restricted Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants, as applicable, of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023 and March 31, 2022.

44 FAIR VALUE MEASUREMENT

As at March 31, 2023

(₹ in Crores)

Particulars	Level	Fair Value through other Comprehensive income	Fair Value through Profit & Loss	Amortised Cost	Carrying Value
Financial Assets					
Non Current Investments	3	-	-	144.72	144.72
Current Investments	1	-	141.55	-	141.55
Trade receivables	3	-	-	365.99	365.99
Cash and Cash Equivalents	3	-	-	368.69	368.69
Bank balance other than Cash and Cash Equivalents	3	-	-	303.81	303.81
Loans	3	-	-	2,132.63	2,132.63
Others financial assets	3	305.32	-	565.34	870.66
Total			**141.55**	**3,881.18**	**4,328.05**
Financial Liabilities					
Borrowings	3	-	-	21,373.05	21,373.05
Trade Payables	3	-	-	1,342.18	1,342.18
Lease Liabilities	3	-	-	107.66	107.66
Other Financial Liabilities	3	85.68	-	5,548.34	5,634.02
Total		**85.68**	**-**	**28,371.23**	**28,456.91**

RESTRICTED GROUP
NOTES TO SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS
AS AT MARCH 31, 2023 (Contd.)

As at March 31, 2022

(₹ in Crores)

Particulars	Level	Fair Value through other Comprehensive income	Fair Value through Profit & Loss	Amortised Cost	Carrying Value
Financial Assets					
Non Current Investments	3	-	-	102.97	102.97
Current Investments	2	-	8.41	-	8.41
Current Investments	1	-	0.05	-	0.05
Trade receivables	3	-	-	383.29	383.29
Cash and Cash Equivalents	3	-	-	91.06	91.06
Bank balance other than Cash and Cash Equivalents	3	-	-	580.68	580.68
Loans	3	-	-	32.86	32.86
Others financial assets	3	-	-	306.79	306.79
Total		**-**	**8.46**	**1,497.65**	**1,506.11**
Financial Liabilities					
Borrowings	3	-	-	16,764.77	16,764.77
Trade payables	3	-	-	505.93	505.93
Lease Liabilities	3	-	-	136.42	136.42
Other financial liabilities	3	85.68	-	4,483.20	4,568.88
Total		**-**	**-**	**21,890.32**	**21,976.00**

Valuation techniques and key inputs

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Restricted Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

The fair value of the financial assets and financial liabilities included in the level 2 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rates curves of the underlying derivative.

The fair value for Level 3 instruments is valued using inputs based on information about market participants assumptions and other data that are available.

A one percent point change in the unobservable input used in fair value of Level 3 asset do not have significant impact in its value.

There have been no transfers between Level 1 and Level 2 during the year.

RESTRICTED GROUP
NOTES TO SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS
AS AT MARCH 31, 2023 (Contd.)

45 DERIVATIVES AND HEDGING

(i) Classification of derivatives

Derivatives are only used for economic hedging purposes. However, where derivatives do not meet the hedge accounting criteria, they are accounted for at fair value through profit or loss. Information about the derivatives used by the Restricted group for hedging and its outstanding as at the end of the financial year is provided below:

(₹ in Crores)

Particulars	Other Financial Assets		Other Financial Liabilities	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Derivatives not designated as Hedging Instruments:	-	-	-	-
Derivatives designated as Hedging Instruments:				
Forward Contracts and Principal Only Swap	305.32	-	85.68	-

(ii) Hedging activities

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Restricted group's exposure to the risk of changes in foreign exchange rates relates primarily to the Restricted group's operating activities. The Restricted group has hedged 100% of it's foreign currency borrowings to that extent, the Restricted group is not exposed to foreign currency risk. The Restricted group's exposure to the risk of changes in foreign exchange rates is not material.

All these hedges are accounted for as cash flow hedges.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Restricted group's exposure to the risk of changes in market interest rates relates primarily to the Restricted group's long-term debt obligations with fixed and floating interest rates.

The Restricted group manages its interest rate risk by having a mixed portfolio of fixed and variable rate loans and borrowings.

The sensitivity analysis have been carried out based on the exposure to interest rates for instruments not hedged against interest rate fluctuations at the end of the reporting periods. A 50 basis point increase or decrease represents the management's assessment of the reasonably possible change in interest rates on profit/loss are as below.

(₹ in Crores)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Total Exposure to floating rate of Rupee borrowing*	1,995.51	6,345.51

*The year end balances are not necessarily representative of the average debt outstanding during the year.

Particulars	0.5% Increase in Rate	0.5% Decrease in Rate	0.5% Increase in Rate	0.5% Decrease in Rate
Impact on Profit before tax for the year	(9.98)	9.98	(31.73)	31.73

(iii) Hedge Effectiveness

There is an economic relationship between the hedged items and the hedging instruments as the terms of the hedge contracts match the terms of hedge items. The Restricted group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange and interest rate are identical to the hedged risk components. To test the hedge effectiveness, the Restricted group compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks

RESTRICTED GROUP
NOTES TO SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS
AS AT MARCH 31, 2023 (Contd.)

(iv) Disclosures of effects of Cash Flow Hedge Accounting

Hedging instruments

The Restricted group has taken derivatives to hedge its borrowings and Interest accrued thereon.

(₹ in Crores)

Particulars	Less than 1 year	1 to 5 year	More than 5 Years	Total
Forward Contracts and Cross Currency Swap				
As at March 31, 2023				
Nominal Amount	9,661.90	Refer Note Below *	-	9,661.90
As at March 31, 2022				
Nominal Amount	-	-	-	-

* Cross currency swap USD 750 million ₹ 5991.96 Crore taken with effective date from April 28, 2023 under roll out strategy.

(v) The effect of the cash flow hedge in the Statement of Profit or Loss and Other Comprehensive Income is as follows:

(₹ in Crores)

Particulars	Forward Contracts and Cross Currency Swap	
	As at March 31, 2023	As at March 31, 2022
Cash flow Hedge Reserve at the beginning of the year	-	-
Total hedging gain/(loss) recognised in OCI	219.64	-
Ineffectiveness recognised in profit or loss	-	-
Recycle to profit or loss	(259.77)	-
Cash flow Hedge Reserve at the end of the year before tax	(40.13)	-
Income tax on above	10.10	-
Cash flow Hedge Reserve at the end of the year	(30.03)	-

The Restricted Group does not have any ineffective portion of hedge.

(vi) The outstanding position of derivative instruments is as under:

Nature	Purpose	Currency	As at March 31, 2023		As at March 31, 2022	
			Amount (nominal value- Million)	Amount (₹ in Crores)	Amount (nominal value-Million)	Amount (₹ in Crores)
Forward Contract- Buy	Hedging of Principal amount of ECB	USD	150.00	1,232.55	-	-
Forward Contract- Buy	Hedging of Principal amount of ECB	USD	100.00	821.70	-	-
Coupon Only Swap-Buy	Hedging of interest rate of ECB	USD	250.00	-	-	-
Full Currency Swap-Buy	Hedging of Principal amount and interest rate of ECB	USD	150.00	1,232.55		
Forward Contract- Buy	Hedging of Principal amount of ECB	USD	750.00	6,171.52		
Forward Contract- Buy	Hedging of interest payment of ECB	USD	24.80	203.58		
Cross Currency Swap	Hedging of Principal amount and interest rate of ECB	USD	Refer Note Below *		-	-
Total Principal amount Hedging			**1,150.00**	**9,661.90**	**-**	**-**
Total Interest rate Hedging			**400.00**			

* Cross currency swap USD 750 million ₹ 5991.96 Crore taken with effective date from April 28, 2023 under roll out strategy.

RESTRICTED GROUP
NOTES TO SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS
AS AT MARCH 31, 2023 (Contd.)

Unhedged foreign currency exposure

The details of foreign currency exposures those are not hedged by a derivative instrument or otherwise are as under:

Nature	As at March 31, 2023		As at March 31, 2022	
	Amount	Foreign Currency	Amount	Foreign Currency
	(₹ in Crores)		(₹ in Crores)	
Other Financial Assets	27.29	USD 0.33	2.49	USD 0.03
	0.04	GBP 0.00	-	-
	0.07	EUR 0.00	-	-
	1.13	Others	2.33	Others
Cash and Cash Equivalents	2.31	USD 0.03	0.87	USD 0.01
	0.02	GBP 0.00		
	0.03	EUR 0.00	0.01	EUR 0.00
	0.14	Others	0.06	Others
Trade Payables	0.72	GBP 0.01	-	-
	3.03	EUR 0.03	0.56	EUR 0.01
	0.61	CAD 0.01	0.61	CAD 0.01
	71.61	USD 0.87	20.63	USD 0.27
	2.98	SGD 0.05	-	-
	5.20	Others	-	-

Exchange rates used for conversion of foreign currency exposure

Currency	As at March 31, 2023	As at March 31, 2022
USD	₹ / USD = 82.17	₹ / USD = 75.74
GBP	₹ / GBP = 101.65	NA
EUR	₹ / EUR = 89.44	₹ / EUR = 72.29
SGD	₹ / SGD = 61.79	₹ / SGD = 61.79
SGD	₹ / CAD = 60.67	₹ / CAD = 60.9

(₹ in Crores)

Particulars	As at March 31, 2023		As at March 31, 2022	
	1% Increase	1% Decrease	1% Increase	1% Decrease
₹ / USD	(1.01)	1.01	(0.24)	0.24
₹ / GBP	(0.01)	0.01	-	-
₹ / SGD	(0.03)	0.03	-	-
₹ / EUR	(0.03)	0.03	(0.01)	0.01

46 LEASE ACCOUNTING

(i) The Movement in Lease liabilities during the year

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	**136.42**	**32.96**
Add : Additions / (Deduction) during the year	11.62	105.13
Add : Finance costs incurred during the year	11.56	6.50
Less : Payments of Lease Liabilities	13.30	10.49
Add : Variable portion of lease liabilities (Net of Adjustments)	(38.61)	2.32
Closing Balance	**107.68**	**136.42**

(ii) Amount Recognised in Combined Statement of Profit & Loss Account during the Year

(₹ in Crores)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Expenses related to Short Term Lease & Low-Value Assets	17.05	12.52
Total Expenses	**17.05**	**12.52**

(iii) Amounts recognised in Combined Statement of cash flows

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Total Cash outflow for Leases	13.30	10.49

(iv) Maturity analysis of lease liabilities

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Maturity Analysis of contractual undiscounted cash flows		
Less than one year	26.69	21.79
One to five years	111.39	92.49
More than five years	106.36	116.49
Total undiscounted lease liabilities	**244.44**	**230.77**
Balances of Lease Liabilities		
Non Current Lease Liability	48.10	128.63
Current Lease Liability	59.56	7.79
Total Lease Liability	**107.66**	**136.42**

47 The Group has made provision in the Accounts for Gratuity & Compensated Absences based on Actuarial valuation. The particulars under the Ind AS 19 "Employee Benefits" furnished below are those which are relevant and available to the Group for the year.

(a) Contributions to Defined Contribution Plan, recognised as expense for the year are as under :

(₹ in Crores)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Provident Fund and Other Fund	18.95	14.25
Capitalisation of Provident fund by NMIAL	(2.10)	(0.98)
Employer's Contribution to labor welfare fund	0.00	0.00
Employer's contribution to employees state insurance	0.00	0.12
Total	**16.86**	**13.39**

(b) The liability for compensated absences as at the year ended March 31, 2023 is ₹ 38.37 Crores (March 31, 2022 ₹ 31.98 Crores).

The following tables summarise the component of the net benefits expense recognised in the Consolidated statement of profit and loss account and the funded status and amounts recognised in the Consolidated balance sheet for the respective plan.

RESTRICTED GROUP
NOTES TO SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS
AS AT MARCH 31, 2023 (Contd.)

(1) Net amount recognised in the Consolidated Statement of Profit & Loss for year

(₹ in Crores)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current & Past Service cost	6.98	5.45
Interest cost	2.66	1.33
Gratuity Expense capitalised during the year	(1.29)	(0.35)
Net amount recognised	**8.35**	**6.43**

(2) Net amount recognised in the Other Comprehensive Income for year

(₹ in Crores)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Actuarial (Gains) / Losses	0.44	7.37
Return on plan assets, excluding amount recognised in net interest expense	-	-
Net amount recognised	**0.44**	**7.37**

(3) Net amount recognised in the Consolidated Balance Sheet

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
i) Details of Provision for Gratuity		
Present value of defined obligation	50.41	42.35
Fair value of plan assets	-	-
Net asset / (liability)	**(50.41)**	**(42.35)**
ii) Change in Present Value of the defined benefit obligation		
Defined benefit obligation as at the beginning of year	42.35	21.78
Current Service cost	6.60	3.84
Past Service cost	-	0.08
Interest cost	2.66	1.33
Actuarial loss/(gain) - Due to change in Demographic Assumptions	0.99	(0.10)
Actuarial loss/(gain) - Due to change in Financial Assumptions	(3.27)	3.95
Actuarial loss/(gain) - Due to Experience Variance	3.10	5.05
Benefits paid	(2.96)	(2.54)
Employer Contribution	(0.05)	-
Liability Transfer In	1.98	12.54
Liability Transfer Out	(0.99)	(3.58)
Defined benefit obligation as at end of the year	**50.41**	**42.35**
iii) Change in Fair Value of Plan Assets		
Fair value of plan assets as at the beginning of year		
Acquisition Adjustment	-	-
Expected return on plan assets	-	-
Contributions by employer	-	-
Actuarial (loss)/gain	-	-
Benefits paid	-	-
Fair value of plan assets as at end of the year	**0.00**	**0.00**
iv) The major categories of plan assets as a percentage of fair value of total plan assets are as follows		
Policy of Insurance	100%	100%

(4) The principal actuarial assumption used are as follows:

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Discount Rate	7.35% to 7.50%	0.00% to 6.90%
Rate of increase in Compensation Levels	7.00% to 10.00%	0.00% to 13.00%
Mortality	100% of India Assured Live Mortality (2012-14)	100% of India Assured Live Mortality (2012-14)
Attrition rate based on age (per annum)	4.00% to 17.00%	0% to 14.00%

Sensitivity Analysis:

The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below :

(₹ in Crores)

Change in Assumption	Change in Rate	As at March 31, 2023		As at March 31, 2022	
		Increase in Assumption	Decrease in Assumption	Increase in Assumption	Decrease in Assumption
Discount Rate	(- / + 1 %)	(25.21)	28.12	(22.11)	23.38
Salary Growth Rate	(- / + 1 %)	27.98	(24.38)	22.82	(20.69)
Attrition Rate	(- / + 50 %)	(0.05)	0.96	(0.34)	0.93
Mortality Rate	(- / + 10 %)	(0.47)	0.48	(0.61)	0.61

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. There is no change in method of valuation for the prior period.

(5) Maturity Profile of Obligations

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 4 Years to 19 Years (March 31, 2022: 4 Years to 16 Years). The expected maturity analysis of gratuity benefits is as follows :

(₹ in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Within 1 year	14.15	16.63
2 to 5 years	37.82	43.58
6 to 10 years	36.25	34.03
More than 10 years	250.57	46.89

48 The Restricted Group's activities during the period is operation of airport and providing allied services. Considering the nature of The Restricted Group's business, as well as based on reviews by the chief operating decision maker to make decisions about resource allocation and performance measurement, there is only one reportable segment in accordance with the requirements of Ind AS - 108 – "Operating Segments", prescribed under Companies (Indian Accounting Standards) Rules, 2015. As the Restricted Group's entire revenue is from domestic sales, no separate geographical segment is disclosed.

RESTRICTED GROUP
NOTES TO SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS
AS AT MARCH 31, 2023 (Contd.)

49 GOING CONCERN:

As at March 31, 2023, the Restricted Group has incurred net loss of ₹ 1,064.11 Crores (March 31, 2022 ₹ 919.55 Crores) and has net worth of ₹ 5,425.32 Crores (March 31, 2022 ₹ 3,978.26 Crores). Being in an airport sector, having long gestation period, the management expects that there will be significant increase in the operations of the Restricted Group that will lead to improved cash flows and long term sustainability. Adani Enterprises Limited, the Holding of Restricted Group has undertaken to provide such financial support as necessary, to enable the Restricted Group to meet the operational requirements as they arise and to meet its liabilities as and when they fall due. Accordingly, these financial statements have been prepared on a 'going concern' basis.

50 STANDARD ISSUED BUT NOT EFFECTIVE:

Standard issued but not effective :

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Restricted Group's Combined financial statements are disclosed below. The Restricted Group intends to adopt these standards, if applicable, as and when they become effective. The Ministry of Corporate Affairs (MCA) has notified certain amendments to Ind AS, through Companies (Indian Accounting Standards) Amendment Rules, 2023 on March 31, 2023 and has amended the following standards:

1. Ind AS 101 - First-time adoption of Ind AS
2. Ind AS 102 - Share-based Payment
3. Ind AS 103 – Business Combinations
4. Ind AS 107 - Financial Instruments: Disclosures
5. Ind AS 109 – Financial Instruments
6. Ind AS 115 - Revenue from Contracts with Customers
7. Ind AS 1 - Presentation of Financial Statements
8. Ind AS 8 - Accounting Policies, change in Estimates and Errors
9. Ind AS 12 - Income Taxes
10. Ind AS 34 - Interim Financial Reporting

These amendments shall come into force with effect from April 01, 2023.

The Restricted Group is assessing the potential effect of the amendments on its Combined financial statements. The Restricted Group will adopt these amendments, if applicable, from applicability date.

51 Given the Covid-19 pandemic situation, the Restricted Group has performed detailed analysis and has assessed the impact of pandemic on business and financial performance based on information available from internal and external sources. The Restricted Group has determined that there is no significant impact for the current year. Considering the continuing uncertainty, The Restricted Group will continue to closely monitor any material changes to future economic conditions due to this pandemic situation.

52 During the quarter ended March 31, 2023, a short seller had issued a report alleging certain issues against Adani Group Companies. To uphold the principal of good governance, Adani Enterprises Limited, a parent Company had undertaken review of transaction referred in the short seller's report through an independent law firm.

Further, in context of the short seller's report, there is a petition filed in the Hon'ble supreme court, and SEBI is examining compliance of laws and regulations by conducting enquiries to the Group's listed Companies. Based on the foregoing, the management of the Restricted Group is of the view that it is not likely to have any impact on the financial statements in this regard arising from the above matters

RESTRICTED GROUP
NOTES TO SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS
AS AT MARCH 31, 2023 (Contd.)

53 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits has received Presidential assent and has been published in the Gazette of India. However, the effective date of the Code and final rules for quantifying the financial impact are yet to be notified. The Group will assess the impact of the Code when relevant provisions are notified and will record related impact, if any, in the period the Code becomes effective.

54 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

The Restricted Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the Combined Financial Statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the Combined Financial Statements. There are no subsequent events to be recognised or reported that are not already disclosed.

55 The Special Purpose Combined Financial Statements were authorised for issue in accordance with the resolution of Board of Directors on June 28, 2023.

The accompanying notes forming part of the Restricted Group Special Purpose Combined Financial Statements

In terms of our report attached

For SHAH DHANDHARIA & CO LLP
Chartered Accountants
Firm Registration No.: 118707W/ W100724

Karan Amlani
Partner
Membership No. 193557

Place : Ahmedabad
Date: 28th June 2023

For and on behalf of the Board of Directors

Malay Mahadevia
Managing Director
DIN: 00064110

Gargi Kaul
Whole-time Director
DIN: 07173427

Dharmesh Desai
Company Secretary
A34723

Place : Ahmedabad
Date: 28th June 2023

Notes

Notes

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