INDEPENDENT AUDITOR'S REPORT

To the Members of Lucknow International Airport Limited

Report on the audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the Standalone Ind AS financial statements of **Lucknow International Airport Limited (Formerly known as Adani Lucknow International Airport Limited)** ("the Company"), which comprise the Balance Sheet as at March 31,2022 and the Statement of Profit and Loss(including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its Loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 together with the ethical requirements that are relevant to our audit of the Standalone Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Ind AS 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 Annexures to Board's Report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially

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inconsistent with the Ind AS 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.

Responsibility of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 it 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 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 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. Under section 143(3)(i) of the Companies Act, 2013, 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 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 financial statements, including the disclosures, and whether the 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.

Other matter

The financials statements of the Company for the year ended 31st March, 2021 were audited by the predecessor auditor, M/s SHAH DHANDHARIA & Co LLP (Formerly Known as M/s SHAH DHANDHARIA & Co.), who has expressed an unmodified opinion on the financial statements.

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 Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 with reference to financial statements 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, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has no pending litigation which would impact its financial position except those disclosed in financial statements;

ii. The Company does not envisage any material foreseeable losses in long-term contracts including derivative contract requiring provision;

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

iv.

a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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 persons or entities, 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;

b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, 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

c) Based on such audit procedures that we have 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.

v. The Company has not declared or paid any dividend during the year.

3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   According to the information and explanations given to us and based on our examination of the records of the Company, managerial remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For Gianender & Associates
Chartered Accountants
(Firm's Registration No. 004661N)



GK Agrawal
(Partner)
(M No. 081603)
Place: New Delhi
Date: 18.04.2022
UDIN: 22081603AHQHOJ4538

Annexure 'A' to the Independent Auditor's Report of Lucknow International Airport Limited for the Year ended as on 31st March 2022

Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report on even date:-

i. a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;

B) The Company has maintained proper records showing full particulars of Intangible Assets.

b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified by the management in a phased periodic manner. In accordance with this programme, Property, Plant and Equipment were verified at regular Intervals 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.

c) The company has no immovable properties other than properties where the company is the lessee. Hence, reporting under this Para 3(i)(c) is not applicable.

d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. Hence, reporting under Para 3(i)(d) is not applicable.

e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Hence, reporting under Para 3(i)(e) is not applicable.

ii. a) The inventory has been physically verified by the management at regular intervals during the year and in our opinion, the coverage and procedure of such verification is reasonable and no material discrepancies were noticed on such physical verification.

b) In our opinion and according to the information and explanations given to us, at any point of time of during the year, the company has not been sanctioned any working capital limits, from banks or financial institutions on the basis of security of current assets. Hence, reporting under Para 3(ii) (b) is not applicable.

iii. In our opinion and according to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, reporting under Para 3(iii) is not applicable.

iv) In our opinion and according to the information and explanations given to us, the Company has not entered into any transaction in respect of loans, investments, guarantee and securities, which attracts compliance to the provisions of the sections 185 and 186 of the Companies Act, 2013. Therefore the paragraph 3(iv) of the Order is not applicable to the Company.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits or amounts which are deemed to be deposits and the directives issued by the Reserve Bank of India and the provisions of sections 73 to

76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the Company.

vi. We have broadly reviewed the cost records maintained by the Company prescribed by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company and are of the opinioned that prime-facia the prescribed records have been maintained. We have, however, not made a detailed examination of the cost records with the view to determine whether they are accurate or complete.

vii. a. According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company has been generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. As on 31st March 2022, there are no undisputed statutory dues payables for period exceeding for a period more than six month from the date they become payable .

b. According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us and on the basis of our examination of the books of accounts, 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).

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 lenders.

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.

c) According to the information and explanations given to us and based on our examination of the records of the Company, 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, prima facie, no funds raised on short term basis have been used for long-term purposes by the company.

e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

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) In our opinion and 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 the money by way of initial public offer/ further public offer (including debt instruments) during the year.

b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has issued fully Convertible debentures during the year and has complied with the provision of Section 42 & Section 62 of the Companies Act, 2013 and the amount raised have been used for the purposes for which the funds were raised.

xi) a) According to the information and explanations given to us by the management which have been relied by us, there were no frauds on or by the Company noticed or reported during the period under audit.

b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

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 and according to the information and explanations given to us, the Company is not a Nidhi Company. Hence, reporting under Para 3(xii) is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the Standalone Ind AS financial statements as required by the applicable accounting standards.

xiv) a) In our opinion and based on our examination, the company has an adequate 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, in determining the nature, timing and extent of our audit procedures.

xv) According to the information and explanations given to us, in our opinion during the year, the company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 is not applicable to the company.

xvi) a) In our opinion and according to the information provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Therefore, paragraph 3(xvi) (a) of the Order is not applicable to the Company.

G. ANENDER & ASSOCIATES CHARTERED ACCOUNTANTS NEW DELHI

b) In our opinion and according to the information provided to us, the company has not conducted any Non-Banking Financial or Housing Finance activities. Therefore, paragraph 3(xvi) (b) of the Order is not applicable to the Company.

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. Hence, reporting under Para 3(xvi) (c) is not applicable.

d) In our opinion and according to the information and explanations given to us, the Group has no Core Investment Company (CIC) as part of the Group. Hence, reporting under Para 3(xvi)(d) is not applicable.

xvii) The company has incurred cash losses in the financial year amounting to Rs. 10,620.23 lakhs and in the immediately preceding financial year amounting to Rs. 2,109 lakhs.

xviii) There has been resignation of the statutory auditors during the year and no issues, objections or concerns were raised by the outgoing auditors.

xix) According to the information and explanations given to us read with Note No. 43 of the financial statements 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 strengthened 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, The Section 135 of the Companies Act, 2013 is not applicable to the Company. Hence, reporting under this para 3 (xx) (a) & (b) are not applicable.

For Gianender & Associates
Chartered Accountants
(Firm's Registration No. 004661N)

GK Agrawal
(Partner)
(M No. 081603)
Place: New Delhi
Date: 18.04.2022
UDIN: 22081603AHQHOJ4538

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in 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 with reference to financial statements of **Lucknow International Airport Limited (Formerly known as Adani Lucknow International Airport Limited)** ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to financial statements issued by the Institute of Chartered Accountants of India (the "Guidance Note"). 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 with reference to financial statements based on our audit. We conducted our audit in accordance with 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements 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 Standalone Ind AS 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 Standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls With reference to financial statements issued by the Institute of Chartered Accountants of India.

For Gianender & Associates
Chartered Accountants
(Firm's Registration No. 004661N)

GK Agrawal
(Partner)
(M No. 081603)
Place: New Delhi
Date: 18.04.2022
UDIN: 22081603AHQHOJ4538

Lucknow International Airport Limited (Formerly known as Adani Lucknow International Airport Limited)

Balance Sheet as at March 31, 2022

CIN: U63030GJ2019PLC109814

₹ in Lacs

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
Assets			
Non-Current assets			
Property, Plant and Equipment	3.1	17,358.14	16,122.60
Right of Use Assets	42	593.41	-
Capital work-in-progress	3.2	75,931.76	52,105.65
Intangible Assets	3.3	3,383.10	3,942.28
Financial Assets			
(i) Other Financial Assets	4	111.77	83.00
Income Tax Assets	5	206.60	28.14
Other Non-Current Assets	6	2,627.58	2,443.56
		100,212.36	**74,725.23**
Current assets			
Inventories	7	159.35	-
Financial Assets			
(i) Trade Receivables	8	3,023.95	2,349.36
(ii) Cash and Cash Equivalents	9	157.97	127.13
(iii) Loans	10	-	2.75
(iv) Other Financial Assets	11	77.83	301.14
Other Current Assets	12	2,302.26	953.47
		5,721.36	**3,733.85**
Total Assets		**105,933.72**	**78,459.08**
Equity and Liabilities			
Equity			
Equity Share Capital	13	1.00	1.00
Instrument Entirety in Equity Nature	14	57,000.00	-
Other Equity	15	(18,083.36)	(3,827.52)
Total Equity		**38,917.64**	**(3,826.52)**
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	16	42,958.93	2,000.00
(ii) Lease Liabilities	42	582.43	-
(iii) Other Financial Liabilities	17	659.45	156.86
Provisions	18	82.19	177.27
Other Non-Current Liabilities	19	1,511.07	-
		45,794.07	**2,334.13**
Current Liabilities			
Financial Liabilities			
(i) Borrowings	20	-	16,972.15
(il) Lease Liabilities	42	29.14	-
(iii) Trade and Other Payables			
- Total outstanding dues of micro enterprises and small enterprises	21	792.25	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	21	4,348.91	3,528.71
(iv) Other Financial Liabilities	22	14,690.52	58,192.15
Other Current Liabilities	23	1,341.85	1,231.79
Provisions	24	19.34	26.67
		21,222.01	**79,951.47**
Total Liabilities		**67,016.08**	**82,285.60**
Total Equity And Liabilities		**105,933.72**	**78,459.08**

The accompanying notes are an integral part of Financials Statements.

As per our report of even date

For GIANENDER & ASSOCIATES

Chartered Accountants

Firm Registration No.: 04661N

G.K. Agrawal
Partner
Membership No. 081603

Place: N. Delhi
Date: 18/4/22

For and on behalf of the Board of Directors

Rakesh Tiwary
Director
DIN: 06895533

Place:
Date:

Hariharan Iyer
Director
DIN: 00151584

Place:
Date:

Lucknow International Airport Limited (Formerly known as Adani Lucknow International Airport Limited)

Statement of Profit and Loss for the year ended March 31, 2022

CIN: U63030GJ2019PLC109814

₹ in Lacs

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
Income			
Revenue from Operations	25	11,803.74	5,869.37
Other Income	26	31.15	109.25
Total Income		**11,834.89**	**5,978.62**
Expenses			
Concession Fees		6,780.46	3,095.21
Operating Expenses	27	5,239.14	1,549.05
Employee Benefits Expense	28	1,714.18	824.38
Finance Costs	29	2,992.73	481.61
Depreciation and Amortization Expense	3.1, 3.3 & 42	3,698.44	1,712.05
Other Expenses	30	5,677.58	2,137.37
Total Expense		**26,102.53**	**9,799.67**
Loss Before Tax		**(14,267.64)**	**(3,821.05)**
Tax Expense:			
Current Tax	31	-	-
Deferred Tax	31	-	-
Total Tax Expenses		-	-
Loss After Tax for the year	(A)	**(14,267.64)**	**(3,821.05)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement (losses) / gains on defined benefit plans		11.80	(6.14)
Net other comprehensive gain / (loss) that will not be reclassified to profit or loss	(B)	**11.80**	**(6.14)**
Total Comprehensive (Loss) for the year	(A)+(B)	**(14,255.84)**	**(3,827.19)**
Earnings/ (Loss) per Share - (Face value of ₹ 10 each)			
Basic and Diluted (in ₹)	32	**(142,676.40)**	**(38,210.50)**

The accompanying notes are an integral part of Financials Statements.

As per our report of even date

For GIANENDER & ASSOCIATES

Chartered Accountants

Firm Registration No.: 04661N

G.K. Agrawal

Partner

Membership No. 081603

Place: N. Delhi

Date: 15/4/22

For and on behalf of the Board of Directors

Rakesh Tiwary

Director

DIN: 06895533

Place:

Date:

Hariharan Iyer

Director

DIN: 00151584

Place:

Date:

Lucknow International Airport Limited (Formerly known as Adani Lucknow International Airport Limited)
Statement of Cash Flows for the year ended March 31, 2022
CIN: U63030GJ2019PLC109814

₹ in Lacs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Cash Flow From Operating Activities		
(Loss) Before Tax	(14,267.64)	(3,821.05)
Adjustments For:		
Liabilities no longer required written back	(0.06)	-
Depreciation and Amortisation Expenses	3,698.44	1,712.05
Finance Income	(29.39)	(107.91)
Profit on Sale of Current Investments (Net)	(1.70)	(1.34)
Notional Expense on Security Deposit	0.30	-
Finance Expense	2,992.73	481.61
Operating (Loss) Before Working Capital Changes	**(7,607.32)**	**(1,736.64)**
Movements in Working Capital :		
Decrease / (Increase) in Inventories	(159.35)	-
(Increase) in Trade Receivables	(674.54)	(2,349.36)
Decrease/ (Increase) in Other Financial Assets	201.82	(302.08)
(Increase) in Other Assets	(1,547.93)	(953.47)
Increase in Trade Payables	1,612.45	3,528.38
Increase in Other Financial Liabilities	256.70	439.74
Increase in Other Liabilities	1,620.83	1,231.79
(Decrease)/ Increase in Provision	(90.61)	197.80
Cash generated from operations	**(6,387.95)**	**56.16**
Direct Taxes Paid (Net of Refunds)	(178.46)	(28.14)
Net Cash (Inflow) From Operating Activities	**(6,566.41)**	**28.02**
B. Cash Flows From Investing Activities		
Payment for Purchase of Property, Plant and Equipments and Intangible Assets (Including Capital work in progress and Capital Advances)	(71,473.30)	(18,416.87)
Proceeds from Sale of Investment in Mutual Fund (Net)	1.70	1.34
Interest Received	24.86	106.10
Deposits of Margin Money With Banks (net)	-	(83.00)
Net Cash (Outflow) from Investing Activities	**(71,446.74)**	**(18,392.43)**
C. Cash Flows From Financing Activities		
Proceeds from issuance of Instrument Entirety in Equity Nature	57,000.00	-
Proceeds Long-Term Borrowing	83,552.32	2,000.00
Repayment of Long-Term Borrowings	(42,593.39)	-
Proceeds/ (Repayment) (Net) of Inter Corporate Deposits	(16,972.15)	16,972.15
Repayment of Lease Liabilities	(16.82)	-
Interest and Finance Charges Paid	(2,925.97)	(481.61)
Net Cash Inflow from Financing Activities	**78,043.99**	**18,490.54**
D. Net Increase in Cash & Cash Equivalents (A + B + C)	30.84	126.13
E. Cash & Cash Equivalents at the beginning of the year	**127.13**	**1.00**
F. Cash & Cash Equivalents at the end of the year	**157.97**	**127.13**
Component of Cash and Cash Equivalents		
Cash on hand	-	3.39
Balances with Scheduled Bank		
- On Current Accounts	157.97	123.74
Cash and Cash Equivalents at the end of the year	**157.97**	**127.13**

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 below:

Changes in liabilities arising from financing activities

₹ in Lacs

Particulars	As at April 1, 2021	Cash Flows	Other Changes	As at March 31, 2022
Instrument Entirety in Equity Nature	-	57,000.00	-	57,000.00
Long-term Borrowings	2,000.00	40,958.93	-	42,958.93
Short-term Borrowings	16,972.15	(16,972.15)	-	-
Lease Liabilities	-	(16.82)	628.39	611.57
Interest Accrued but not due	-	(2,925.97)	2,925.97	-
TOTAL	**18,972.15**	**78,043.99**	**3,554.36**	**100,570.50**

₹ in Lacs

Particulars	As at April 01, 2020	Cash Flows	Other Changes	As at March 31, 2021
Long-term Borrowings	-	2,000.00	-	2,000.00
Short-term Borrowings	-	16,972.15	-	16,972.15
Interest Accrued but not due	-	(481.61)	481.61	-
TOTAL	**-**	**18,490.54**	**481.61**	**18,972.15**

As per our report of even date
For GIANENDER & ASSOCIATES
Chartered Accountants
Firm Registration No.: 04661N

G.K. Agrawal
Partner
Membership No. 081603

Place: N. Delhi
Date: 18/4/22

For and on behalf of the Board of Directors

Rakesh Tiwary
Director
DIN: 06895533

Place:
Date:

Hariharan Iyer
Director
DIN: 00151584

Place:
Date:

Lucknow International Airport Limited (Formerly known as Adani Lucknow International Airport Limited)
Statement of Changes in Equity for the year ended March 31, 2022
CIN: U63030GJ2019PLC109814

₹ in Lacs

Particulars	Equity Share Capital	Instrument Entirety in Equity Nature	Reserves and Surplus	Total
			Retained Earning	
As at April 01, 2020	**1.00**	**-**	**(0.33)**	**0.67**
(Loss) for the year	-	-	(3,821.05)	(3,821.05)
Other Comprehensive (Loss)				
Re-measurement (losses) / gains on defined benefit plans	-	-	(6.14)	(6.14)
Total Comprehensive (Loss) for the year	**1.00**	**-**	**(3,827.52)**	**(3,826.52)**
Share Capital issued during the year	-	-	-	-
As at March 31, 2021	**1.00**	**-**	**(3,827.52)**	**(3,826.52)**
(Loss) for the year	-	-	(14,267.64)	(14,267.64)
Other Comprehensive (Loss)				
Re-measurement (losses) / gains on defined benefit plans	-	-	11.80	11.80
Total Comprehensive (Loss) for the year	**-**	**-**	**(14,255.84)**	**(14,255.84)**
Share Capital issued during the year	-		-	-
Compulsory Convertible Debentures issued during the year	-	57,000.00		57,000.00
As at March 31, 2022	**1.00**	**57,000.00**	**(18,083.36)**	**38,917.64**

The accompanying notes are an integral part of Financials Statements.

As per our report of even date
For GIANENDER & ASSOCIATES
Chartered Accountants
Firm Registration No.: 04661N

G.K. Agrawal
Partner
Membership No. 081603

Place:
Date:

For and on behalf of the Board of Directors

Rakesh Tiwary
Director
DIN: 06895533

Place:
Date:

Hariharan Iyer
Director
DIN: 00151584

Place:
Date:

1 Corporate information

Lucknow International Airport Limited ("LIAL" or "the Company") (Formerly known as Adani Lucknow International Airport Limited) was incorporated on September 06, 2019 as a subsidiary of Adani Enterprise Limited ("AEL") with an objective of operation, management & development of domestic and international airport.

LIAL has signed concession agreement with Airport Authority of India on February 14, 2020 for operation, management & development of Chaudhary Charan Singh International Airport for a period of 50 years. The Company has started its commercial operations from November 02, 2020 (Commercial Operation Date).

The financial statements were authorised for issue in accordance with the resolution of directors on April 18, 2022.

2 Basis of preparation

2.1 The Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of schedule III to the Companies Act, 2013 (as amended), on going concern basis under the historical cost convention except for certain financial instruments that are measured at fair values, as explained in the accounting policies below.

The financial statements are presented in Indian rupees (INR) which is also Company's functional currency and all values are rounded to the nearest Lac Rupees, except when 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 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 expenditure incurred on existing property, plant and equipment is added to their book value only if such expenditure increases the future benefits from the existing assets beyond their previously assessed standard of performance.

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.

The useful lives of Property, Plant and Equipment are considered in accordance with order issued by Airport Economic Regulatory Authority (AERA).However, the Company, 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	5 to 30 Years
Runways, Taxiway and Aprons	20 Years
Plant and Equipment	2 to 10 Years
Vehicles	5 to 10 Years

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. 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.

Spare parts, standby equipment's and service equipment's are recognised in accordance with Ind AS 16 ' Property, Plant and Equipment', when they meet the definition of property, plant and equipment.

An item of property, plant and equipment covered under Concession agreement shall be transferred to and shall vest in Grantor (Airport Authority of India) at the end concession agreement.

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. Company 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 3 to 6 years. Other Intangible Assets are being amortised over period of 7 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.

G.ANEENDER & ASSOCIATES * CHARTERED ACCOUNTANTS * NEW DELHI

Lucknow International Airport Limited

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

Recognition and measurement

Trade receivables and debt securities issued are initially recognised when they originate. All other financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

A financial asset and financial liability is initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the Statement of Profit and Loss .

Financial assets and financial liabilities are offset when the Company has a legally enforceable right (not contingent on future events) to off-set the recognised amounts either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Reclassification of Financial Instruments

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminate a business line. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets or liabilities in year ended March 31, 2022 and March 31, 2021.

e Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value, plus in case of financial asset not recorded at fair value through profit and loss, transaction cost that are attributable to the acquisition of the financial assets.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified based on assessment of business model in which they are held. This assessment is done for portfolio of the financial assets. The relevant categories are as below:

i) At amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) At fair value through Other comprehensive income (FVOCI)

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii) At fair value through profit and loss (FVTPL)

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.

Impairment of Financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit losses rate the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure;

a) Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, trade receivables and bank balances.

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

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Lucknow International Airport Limited

f Financial liabilities and equity instruments

Classification as 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

All financial liabilities are measured at amortised cost using the effective interest method or at FVTPL.

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

A financial liability may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability whose performance is evaluated on a fair value basis, in accordance with the Company's documented risk management;

Fair value changes related to such financial liabilities including derivative contracts like forward currency contracts and options to hedge the Company's foreign currency risks are recognised in the Statement of Profit and Loss .

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 .

g 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.

h Foreign currency translations

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 recognized in the 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 recognized 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.

Income from services

Revenue from airport operations i.e. Aeronautical and Non Aeronautical operations are recognized on accrual basis, net of Goods and Service Tax (GST), and applicable discounts when services are rendered. Aeronautical operations include User Development Fees (UDF), Landing and Parking of aircraft, fuel farm, CUTE counter charges, etc. The main streams of non-aeronautical revenue includes duty free, retail, advertisement, food & beverages, car parking and land & space-rentals.

Land & Space- rentals pertains to granting right to use land and space primarily for catering to the need of passengers, air traffic services and air transport services.

Interest income

Interest income is recognised on time proportion basis at the effective interest rate ("EIR") applicable.

Claims

Claims on contractors/concessionaries are accounted on the basis of reasonable certainty/ realization.

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Lucknow International Airport Limited

j Concession Fee

Concession fees is payable on monthly basis based on per passenger fees for domestic and international passenger as defined under respective concession agreements.The Concession fees is payable to Airport Authority of India pursuant to the terms and conditions of the Concession Agreement, is recognised as an expenditure.

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.

l Employee benefits

Defined Contribution plan

Retirement and other employee benefits in the form of provident fund, Employees State Insurance Contribution and Labour Welfare fund are defined contribution scheme and the Company recognizes contribution payable to the fund/ scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plan

The Company provides for retirement benefit in the form of gratuity. The Company's liability towards this benefit is determined on the basis of actuarial valuation using projected unit credit method at the date of balance sheet.

Remeasurement, comprising of actuarial gains and losses, (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 Other Comprehensive Income (OCI) in the period in which they occur. Remeasurement is not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or 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 as an expense in statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and Net interest expense or income.

Compensated absences

Accumulated leave, which is expected to be utilized 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 in the Statement of Profit and Loss for the reporting 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 tax comprises the expected tax payable or receivable on the taxable income or loss for the reporting period and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by 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 recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is also recognised in respect of carried forward tax losses and tax credits subject to the assessment of reasonable certainty of recovery.

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 assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

G.ANENDER & ASSOCIATES CHARTERED ACCOUNTANTS NEW DELHI

Lucknow International Airport Limited

n 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. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.
The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised but are disclosed in the notes where an inflow of economic benefits is probable.

o 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.
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.

p 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. 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 rightof- 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. Lease liabilities has been presented under the head "Other Financial Liabilities".

(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 shortterm 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 straightline 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.

q Inventories

Inventories are stated at the lower of cost or net realisable value. 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.

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.

G. ANENDER & ASSOCIATES * CHARTERED ACCOUNTANTS * NEW DELHI

Lucknow International Airport Limited

s Earnings per share

The Basic earning per share has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the year.
For the purpose of calculating diluted earning per share , the profit the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.3 Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures including contingent liabilities. Uncertainty 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) 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.





3.1 Property, Plant and Equipment

₹ In Lacs

Description of Assets	Buildings / Improvements	Runways, Taxiways and Aprons	Computer Hardware	Plant and Equipments	Office and Other Equipments	Furniture and Fixtures	Vehicles	Total
I. Cost								
Balance as at April 01, 2020	-	-	-	-	-	-	-	-
Additions during the year	9,296.70	1,954.17	69.07	5,374.57	256.34	100.84	538.66	**17,590.35**
Disposals during the year	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	**9,296.70**	**1,954.17**	**69.07**	**5,374.57**	**256.34**	**100.84**	**538.66**	**17,590.35**
Additions during the year	1,409.34	1,710.60	202.79	581.77	195.39	181.83	12.10	**4,293.82**
Disposals during the year	-	-	-	-	-	-	-	-
Balance as at March 31, 2022	**10,706.04**	**3,664.77**	**271.86**	**5,956.34**	**451.73**	**282.67**	**550.76**	**21,884.17**
II. Accumulated depreciation								
Balance as at April 01, 2020	-	-	-	-	-	-	-	-
Depreciation expense for the year	471.25	88.13	2.20	790.44	40.94	7.63	67.16	**1,467.75**
Disposals during the year	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	**471.25**	**88.13**	**2.20**	**790.44**	**40.94**	**7.63**	**67.16**	**1,467.75**
Depreciation expense for the year	1,011.69	261.30	38.02	1,409.50	142.48	32.63	162.66	**3,058.28**
Disposals during the year	-	-	-	-	-	-	-	-
Balance as at March 31, 2022	**1,482.94**	**349.43**	**40.22**	**2,199.94**	**183.42**	**40.26**	**229.82**	**4,526.03**
III. Net Block								
As at March 31, 2022	**9,223.10**	**3,315.34**	**231.64**	**3,756.40**	**268.31**	**242.41**	**320.94**	**17,358.14**
As at March 31, 2021	**8,825.45**	**1,866.04**	**66.87**	**4,584.13**	**215.40**	**93.21**	**471.50**	**16,122.60**

Notes:-

(i) 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') to the Company pursuant to terms of Concession agreements as applicable between AAI and the Company.

(ii) As per provisions of Concession Agreements, all the above assets & additions thereto from time to time will have to be mandatorily transferred to AAI upon expiry/termination of Concession agreements in accordance with the provisions of Concession Agreement.

(iii) The Company has capitalised Assets (Regulatory Asset Base i.e. RAB) which has been taken from AAI as per the Concession Agreement as on COD (Commercial Operaion Date). The RAB value is under reconciliation and the final effect will be given once the reconciliation is completed and approved by AAI.

G. ANENDER & ASSOCIATES * CHARTERED ACCOUNTANTS * NEW DELHI

Lucknow International Airport Limited

3.2 Capital Work in Progress

	As at March 31, 2022 ₹ In Lacs	As at March 31, 2021 ₹ In Lacs
Capital Work in Progress	75,931.76	52,105.65
Total	**75,931.76**	**52,105.65**

CWIP Ageing Schedule

As at March 31, 2022

₹ In Lacs

CWIP	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	74,456.40	1,475.36			75,931.76
Projects temporarily suspended					-
Total	**74,456.40**	**1,475.36**	**-**	**-**	**75,931.76**

As at March 31, 2021

₹ In Lacs

CWIP	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	52,105.65	-	-	-	52,105.65
Projects temporarily suspended	-	-	-	-	-
Total	**52,105.65**	**-**	**-**	**-**	**52,105.65**

3.3 Intangible Assets

₹ In Lacs

Description of Assets	Computer software	Other Intangible Assets	Total
I. Cost			
Balance as at April 01, 2020	-	-	-
Additions during the year	68.24	4,118.32	4,186.56
Disposals during the year	-	-	-
Balance as at March 31, 2021	**68.24**	**4,118.32**	**4,186.56**
Additions during the year	58.28	-	58.28
Disposals during the year	-	-	-
Balance as at March 31, 2022	**126.52**	**4,118.32**	**4,244.84**
II. Accumulated amortisation			
Balance as at April 01, 2020	-	-	-
Amortisation expense for the year	2.50	241.78	244.28
Disposals during the year	-	-	-
Balance as at March 31, 2021	**2.50**	**241.78**	**244.28**
Amortisation expense for the year	29.13	588.33	617.46
Disposals during the year	-	-	-
Balance as at March 31, 2022	**31.63**	**830.11**	**861.74**
III. Net Block			
As at March 31, 2022	**94.89**	**3,288.21**	**3,383.10**
As at March 31, 2021	**65.74**	**3,876.54**	**3,942.28**

GAVENDER & ASSOCIATES CHARTERED ACCOUNTANTS NEW DELHI

Lucknow International Airport Limited

4 Other Non Current Financial assets

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
Security Deposits	28.77	-
Margin Money Deposit	83.00	83.00
	111.77	**83.00**

Note: Margin Money is placed against Bank Guarantee issued in favour of Commissioner of Customs - Lucknow towards Cargo Operations at Lucknow Airport. Fixed Deposit is held as Margin Money with Axis Bank @ 5.40% p.a. interest.

5 Income Tax Assets

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
TDS Receivable	206.60	28.14
	206.60	**28.14**

6 Other Non Current Assets

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
Capital Advances	2,428.44	2,443.56
Prepaid Expenses	180.00	-
Deferred Expenses on security deposits carried at amortised cost	19.14	-
	2,627.58	**2,443.56**

7 Inventories

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
(Valued at lower of cost and net realisable value)		
Stores and spares	159.35	-
	159.35	**-**

8 Trade Receivables

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
Trade Receivables (refer notes below)		
- Secured, considered good	663.11	-
- Unsecured, considered good	2,360.84	2,349.36
- Trade Receivables which have significant increase in credit risk	-	-
- Trade Receivables - credit impaired	-	-
Less: Allowance for credit losses	3,023.95	2,349.36
	-	-
Total Trade Receivables	**3,023.95**	**2,349.36**

Trade Receivables Ageing Schedule

As at March 31, 2022

₹ in Lacs

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	2,062.84	12.20	846.36	102.55	-	-	-	3,023.95
2	Undisputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-	-
3	Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
4	Disputed Trade receivables - Considered good	-	-	-	-	-	-	-	-
5	Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-	-
6	Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
	Total	**2,062.84**	**12.20**	**846.36**	**102.55**	**-**	**-**	**-**	**3,023.95**

G.JANENDER & ASSOCIATES CHARTERED ACCOUNTANTS NEW DELHI

Lucknow International Airport Limited

As at March 31, 2021

₹ in Lacs

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	-	1,344.07	1,005.29	-	-	-	-	2,349.36
2	Undisputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-	-
3	Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
4	Disputed Trade receivables - Considered good	-	-	-	-	-	-	-	-
5	Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-	-
6	Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
	Total	**-**	**1,344.07**	**1,005.29**	**-**	**-**	**-**	**-**	**2,349.36**

Notes:-

(i) No trade or other receivable 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.

9 Cash and cash equivalents

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
Balances with banks:		
Balance in current account	157.97	123.74
Cash on hand	-	3.39
	157.97	**127.13**

10 Current Loans

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
Loan to employees	-	2.75
	-	**2.75**

11 Other Current Financial assets

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
Accrued Revenue	-	192.01
Security Deposits	71.71	6.30
Interest accrued on deposits	6.12	1.81
Other Receivables	-	101.02
	77.83	**301.14**

12 Other Current Assets

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
Advances to Suppliers	280.39	3.91
Advances to Employees	1.59	1.07
Prepaid Expenses	183.12	78.23
Deferred Expenses on security deposits carried at amortised cost	2.50	-
Balance with Government Authorities	1,834.66	870.26
	2,302.26	**953.47**

Notes:

(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.

G. ANENDER & ASSOCIATES CHARTERED ACCOUNTANTS NEW DELHI

Lucknow International Airport Limited

13 Share capital

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
Authorised		
10,000 ((Previous Year 10,000) Equity Shares of ₹ 10 each	1.00	1.00
	1.00	**1.00**
Issued, subscribed and fully paid up share capital		
10,000 (Previous Year 10,000) Equity Shares of ₹ 10 each fully paid up	1.00	1.00
	1.00	**1.00**

Notes:

(a) Reconciliation of the number of the shares outstanding at the beginning and at the end of the reporting period:

	As at March 31, 2022		As at March 31, 2021	
	No in Lacs	₹ in Lacs	No in Lacs	₹ in Lacs
As the beginning of the year	0.10	1.00	0.10	1.00
Share capital issued during the year	-	-	-	-
Outstanding at the end of the year	**0.10**	**1.00**	**0.10**	**1.00**

(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.
During the year, no dividend has been paid or declared by the company.

(c) Details of shareholder holding more than 5% shares in the Company

Equity shares of ₹ 10 each fully paid	Particulars	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
Adani Enterprises Limited - Holding	No.	0.05	0.10
	% Holding	51.00%	85.50%
Adani Airport Holdings Limited - Fellow Subsidiary	No.	0.05	0.01
	% Holding	49.00%	14.50%

(d) Shareholding of Promoters

	As at March 31, 2022			% Change during the year
S. No	Promoter name	No. of Shares in Lacs	%of total shares	
1	Adani Enterprises Limited - Holding	0.05	51.00%	-34.50%
2	Adani Airport Holdings Limited - Fellow Subsidiary	0.05	49.00%	34.50%
Total		0.10	100.00%	0.00%

	As at March 31, 2021			% Change during the year
S. No	Promoter name	No. of Shares in Lacs	%of total shares	
1	Adani Enterprises Limited - Holding	0.09	85.50%	-14.50%
2	Adani Airport Holdings Limited - Fellow Subsidiary	0.01	14.50%	14.50%
Total		0.10	100.00%	0.00%

14 Instrument entirely in equity nature

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
Authorised		
57,00,00,000/- (Previous Year Nil) 0% Compulsory Convertible Debentures of ₹ 10 each	57,000.00	-
	57,000.00	**-**

Notes:

(a) Reconciliation of the number of the shares outstanding at the beginning and at the end of the reporting period:

	As at March 31, 2022		As at March 31, 2021	
	No in Lacs	₹ in Lacs	No in Lacs	₹ in Lacs
As the beginning of the year	-	-	-	-
Compulsorily Convertible Debentures issued during the year	5,700.00	57,000.00	-	-
Outstanding at the end of the year	**5,700.00**	**57,000.00**	**-**	**-**

(b) Compulsory Convertible Debentures

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
Balance at the beginning of the year	-	-
Changes in Compulsorily Convertible Debentures due to prior period errors	-	-
Changes in Compulsorily Convertible Debentures during the year	57,000.00	-
Balance at the end of the year	**57,000.00**	**-**

(c) Terms

Compulsorily Convertible Debentures are issued at Face Vaue of Rs. 10 per Debenture at 0% Interest Rate. Each investor's CCDs Series-I shall be mandatorily convertible by the Company into 5,700 Lacs 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.

(d) Details of Debentureholder holding more than 5% Debentures in the Company

Debentures of ₹ 10 each fully paid	Particulars	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
Adani Enterprises Limited - Holding	No.	2,907	-
	% Holding	51.00%	0.00%
Adani Airport Holdings Limited - Fellow Subsidiary	No.	2,793	-
	% Holding	49.00%	0.00%

(e) Holding of Promoters

	No in Lacs			% Change during the year
S. No	Promoter name	No. of Debentures in Lacs	%of total Debentures	
1	Adani Enterprises Limited - Holding	2,907	51.00%	51.00%
2	Adani Airport Holdings Limited - Fellow Subsidiary	2,793	49.00%	49.00%
Total		5,700	100.00%	100.00%

	No in Lacs			% Change during the year
S. No	Promoter name	No. of Debentures in Lacs	%of total Debentures	
1	Adani Enterprises Limited - Holding	-	0.00%	0.00%
2	Adani Airport Holdings Limited - Fellow Subsidiary	-	0.00%	0.00%
Total		-	0.00%	0.00%

G.GANENDRA & ASSOCIATES CHARTERED ACCOUNTANTS NEW DELHI

LUCKNOW INTERNATIONAL AIRPORT LIMITED

15 Other Equity

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
Retained earnings (refer note below)		
Opening Balance	(3,827.52)	(0.33)
Add : (Loss) for the year	(14,255.84)	(3,827.19)
Closing Balance	**(18,083.36)**	**(3,827.52)**

The portion of profits not distributed among the shareholders are termed as retained earnings. The Company may utilize 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.

16 Non Current Borrowings

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
Secured non convertible redeemable debentures (Valued at amortised cost)	20,000.00	2,000.00
Inter Corporate Deposit (Unsecured)	22,958.93	-
Total Non-current borrowing	**42,958.93**	**2,000.00**

Notes:

(a) 12% P.A., Unlisted, Redeemable Non-Convertible Debenture aggregating to ₹ 20,000.00 Lakhs (previous year ₹ 2,000.00 Lakhs) are secured by first pari-passu charge on all the movable assets excluding Project Assets, other than receivables as mentioned in the Concession Agreement & A first ranking exclusive charge by way of hypothecation over the Escrow Account and on all funds from time to time deposited therein including the reserves. Debentures are repayable on November 04, 2050.

(b) Inter corporate deposit of ₹ 22,958.93 Lakhs (previous year Nil) is received from Adani Airport Holdings Ltd.@ 12.00% P.A., which is repayable in 1st April, 2026.

17 Other Non Current Financial Liabilities

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
Deposit from customers	658.73	-
Capital creditors, retention money and other payable	0.72	156.86
	659.45	**156.86**

18 Non Current Provisions

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
Provision for gratuity	40.68	100.63
Provision for compensated absences	41.51	76.64
	82.19	**177.27**

19 Other Non Current Liabilities

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
Deferred Income on financial liabilties carried at amortised cost	1,511.07	-
	1,511.07	**-**

20 Current Borrowings

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
Inter Corporate Deposit (Unsecured)	-	16,972.15
Total current borrowing	**-**	**16,972.15**

Notes:

(a) Inter corporate deposit of Nil (Previous year ₹ 910.55 Lakhs is received from Adani Enterprise Ltd.@ 10.50% P.A., which is repayable in 16th July, 2021.)

(b) Inter corporate deposit of ₹ Nil (Previous year ₹ 16,061.60 Lakhs) is received from Adani Airport Holdings Ltd.@ 12.00% P.A., which is repayable in 30th January, 2022.)

21 Trade and Other Payables

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
Total outstanding dues of micro enterprises and small enterprises	792.25	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,348.91	3,528.71
	5,141.16	**3,528.71**

Trade Payables Ageing Schedule

As at March 31, 2022

₹ in Lacs

Sr No	Particulars	Unbilled	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	484.32	168.91	139.02		-	-	792.25
2	Others	2,899.58	466.66	798.64	184.03	-	-	4,348.91
3	Disputed dues - MSME	-	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-	-
	Total	**3,383.90**	**635.57**	**937.66**	**184.03**	**-**	**-**	**5,141.16**

As at March 31, 2021

₹ in Lacs

Sr No	Particulars	Unbilled	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	-	-	-	-	-	-	-
2	Others	-	1,421.51	2,107.20	-	-	-	3,528.71
3	Disputed dues - MSME	-	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-	-
	Total	**-**	**1,421.51**	**2,107.20**	**-**	**-**	**-**	**3,528.71**

G. ANENDER & ASSOCIATES CHARTERED ACCOUNTANTS NEW DELHI

Lucknow International Airport Limited

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, 2022. 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 Lacs

Sr No	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year. Principal Interest	792.25 -	- -
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.	-	-

22 Other Current Financial Liabilities

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
Deposits from customers	92.17	439.74
Capital creditors, retention money and other payable	14,598.35	57,752.41
	14,690.52	**58,192.15**

23 Other Current Liabilities

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
Statutory liabilities	661.75	1,013.15
Marketing Fund	19.17	-
Deferred income on financial liabilties carried at amortised cost	113.62	-
Contract Liabilities (Advance from customers)	547.31	218.64
	1,341.85	**1,231.79**

24 Current Provisions

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
Provision for gratuity	1.70	1.92
Provision for compensated absences	17.64	24.75
	19.34	**26.67**

25 Revenue from Operations

	For the year ended March 31, 2022 ₹ in Lacs	For the year ended March 31, 2021 ₹ in Lacs
Revenue from Contract with Customers		
Aeronautical Income	9,229.85	3,798.83
Non - Aeronautical Income	1,945.54	1,889.70
Cargo Income	628.35	180.84
	11,803.74	**5,869.37**

26 Other Income

	For the year ended March 31, 2022 ₹ in Lacs	For the year ended March 31, 2021 ₹ in Lacs
Interest Income on Financial Assets at Amortised Cost		
- Bank deposits	4.68	16.66
- Other deposits	24.49	91.25
- Notional Interest Income on Security Deposit	0.22	-
Income on Financial Assets at Fair Value		
- Profit on sale of current investment (net)	1.70	1.34
Liabilities no longer required written back	0.06	-
Total Other income	**31.15**	**109.25**

27 Operating Expenses

	For the year ended March 31, 2022 ₹ in Lacs	For the year ended March 31, 2021 ₹ in Lacs
Reimbursement of Salary to AAI	3,386.13	1,032.62
Manpower Cost	498.40	175.66
Power and fuel Cost	889.80	340.77
Spare parts and consumables	405.42	-
Other Operating Expenses	59.39	-
	5,239.14	**1,549.05**

28 Employee benefit expense

	For the year ended March 31, 2022 ₹ in Lacs	For the year ended March 31, 2021 ₹ in Lacs
Salaries and Wages	1,422.87	753.53
Contribution to Provident and Other Funds	66.38	20.44
Gratuity Expenses	16.33	31.05
Staff Welfare Expenses	208.60	19.36
	1,714.18	**824.38**

29 Finance Costs

	For the year ended March 31, 2022 ₹ in Lacs	For the year ended March 31, 2021 ₹ in Lacs
Interest on		
- Inter Corporate Deposit	1,994.06	319.65
- Debentures	906.89	96.66
- Lease Liabilities	12.30	-
- Notional Interest Cost on Security Deposit	54.46	-
Bank and Other Finance Charges	25.02	65.30
	2,992.73	**481.61**

G. ANENDER & ASSOCIATES CHARTERED ACCOUNTANTS NEW DELHI

30 Other Expenses

	For the year ended March 31, 2022 ₹ in Lacs	For the year ended March 31, 2021 ₹ in Lacs
Rent	-	112.11
Notional Expense on Security Deposit	0.30	-
Rates and Taxes	192.27	78.64
IT Support Services	316.59	58.78
Security Expenses	411.40	163.97
Travelling and Conveyance	105.59	35.90
Repairs & Maintenance:		
-Plant & Machinery	201.01	112.64
-Building	401.28	126.34
-Others	1,241.84	319.30
Insurance	136.09	41.52
Corporate Support Service Fees	1,278.46	600.90
Professional and Consultancy Charges	482.04	165.11
Foreign Exchange Loss (net)	0.04	0.23
Payment to Auditors (Refer Note a)	8.00	1.03
Housekeeping & Office Expenses	655.70	265.08
Miscellaneous Expenses	246.97	55.82
	5,677.58	**2,137.37**

a) Payment to Auditor

	For the year ended March 31, 2022 ₹ in Lacs	For the year ended March 31, 2021 ₹ in Lacs
As Auditor:		
Audit fee	8.00	1.00
In other Capacity		
Certification Fees	-	0.03
	8.00	**1.03**

31 Income Tax

(a) Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate for March 31, 2022

	March 31, 2022		March 31, 2021	
	%	₹ in Lacs	%	₹ in Lacs
(Loss) before tax as per Statement of Profit and loss		**(14,255.84)**		**(3,827.19)**
Income tax using the Company's domestic tax rate	26.00%	(3,706.52)	26.00%	(995.07)
Tax Effect of:				
Expenses not allowable/ (allowable) under Income Tax Act	-0.08%	(12.09)	0.00%	-
Effect of changes in Tax Rates	0.83%	119.00	0.83%	31.83
Tax offsets not recognised as Deferred Tax assets	0.66%	93.38	-21.35%	(817.21)
Unused Tax losses not recognised as Deferred Tax assets	24.60%	3,506.23	46.52%	1,780.45
Effective tax rate	**0.00%**	-	**0.00%**	-
Tax expenses as per Books		-		-

(b) Items on which Deferred Tax Asset has not been recognised

₹ in Lacs

Particulars	As at March 31, 2022	As at March 31, 2021
Depreciation on PPE, Intangible Assets	135.65	(873.01)
Provision for Employee Benefits	39.65	55.80
Lease Assets under Ind AS 116	4.57	-
'Pre-Operative Expenses	-	-
Unabsorbed Depreciation	1,220.37	830.21
Unused Tax Losses	3,188.59	950.24
	4,588.83	**963.24**

(c) Expiry of Income Tax Losses for Set off

Sr. No.	Particulars	AY	Loss Amount	Tax Impact	Expiry AY
1	Unabsorbed Depreciation	2021-22	1,572.56	395.78	2029-30
2	Business Losses	2021-22	2,012.49	506.50	2029-30
3	Unabsorbed Depreciation	2022-23	3,276.32	824.58	2030-31
4	Business Losses	2022-23	10,656.72	2,682.08	2030-31
			17,518.09	**4,408.95**	

GYANENDER & ASSOCIATES CHARTERED ACCOUNTANTS NEW DELHI

Lucknow International Airport Limited

32 Earnings/ (Loss) per share

	March 31, 2022 ₹ in Lacs	March 31, 2021 ₹ in Lacs
(Loss) attributable to equity shareholders of the company	(14,267.64)	(3,821.05)
Weighted average number of equity shares	0.10	0.10
Basic and Diluted Earning/ (Loss) per share (in ₹)	(142,676.40)	(38,210.50)

33 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) 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 Company 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 Company is not exposed to changes in interest rates due to its financing and investing 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's exposure to the risk of changes in foreign exchange rates is not material. Refer Note below.

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, 2022			As at March 31, 2021		
	Amount ₹ in Lacs	Foreign Currency	In Lacs	Amount ₹ in Lacs	Foreign Currency	In Lacs
Trade Receivables	-	$	-	9.51	$	0.13
Trade payables	2.25	CAD	0.04	14.53	CAD	0.25
	104.84	$	1.38	2.19	$	0.03

Closing rates as at March 31, 2022:
INR / USD = 76.10
INR / CAD = 60.86

Closing rates as at March 31, 2021:
INR / USD = 73.11
INR / CAD = 58.12

Sensitivity Analysis on foreign currency exposure

₹ in Lacs

Particulars	As at March 31, 2022		As at March 31, 2021	
Impact on Profit before Tax	**1% Increase**	**1% Decrease**	**1% Increase**	**1% Decrease**
INR / USD	(1.05)	1.05	0.07	(0.07)
INR / CAD	(0.02)	0.02	(0.15)	0.15

(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 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 is managed by the Company's treasury team in accordance with the Company'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 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. 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. At March 31, 2022, the Company had 10 customers (March 31, 2021: 10) that owed approximately 91.77% (March 31, 2021: 82.60 %) of all the receivables outstanding.

(c) 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 Lacs

Contractual maturities of financial liabilities as at March 31, 2022	Total Carrying Value	On demand or within 1 year	Over 1 year Within 3 years	Over 3 year Within 5 years	Over 5 years
Borrowings	42,958.93	-	-	22,958.93	20,000.00
Lease Liabilities	611.57	29.14	74.95	124.09	383.39
Trade Payables	5,141.16	5,141.16	-	-	-
Capital Creditors	14,599.07	14,598.35	0.72	-	-
Other Financial liabilities	750.90	92.17	-	-	658.73
Total	**64,061.63**	**19,860.82**	**75.67**	**23,083.02**	**21,042.12**

₹ in Lacs

Contractual maturities of financial liabilities as at March 31, 2021	Total Carrying Value	On demand or within 1 year	Over 1 year Within 3 years	Over 3 year Within 5 years	Over 5 years
Borrowings	18,972.15	16,972.15	-	-	2,000.00
Trade Payables	3,528.71	3,528.71	-	-	-
Capital Creditors	57,909.27	57,752.41	156.86	-	-
Other Financial liabilities	439.74	439.74	-	-	-
Total	**80,849.87**	**78,693.01**	**156.86**	**-**	**2,000.00**

The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments.

G. ANEJA & ASSOCIATES CHARTERED ACCOUNTANTS NEW DELHI

Lucknow International Airport Limited

34 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 maximize 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.

The Company 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.

₹ in Lacs

Particulars	As at March 31, 2022	As at March 31, 2021
Total Borrowings	42,958.93	18,972.15
Add: Capital Creditors	14,599.07	57,909.27
Less: Cash and bank balance	157.97	127.13
Net Debt (A)	**57,400.03**	**76,754.29**
Total Equity (B)		
Total Equity and Net Debt (C = A + B)	**38,917.64**	**(3,826.52)**
Gearing ratio	**96,317.67**	**72,927.77**
	59.59%	105.25%

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. 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, 2022 and March 31, 2021.

35 Fair Value Measurement

As at March 31, 2022

₹ in Lacs

Particulars	Level	Fair Value through other Comprehensive income	Fair Value through Profit & Loss	Amortised Cost	Carrying Value
Financial Asset					
Trade receivables	3	-	-	3,023.95	3,023.95
Cash and Cash Equivalents	3	-	-	157.97	157.97
Others financial assets	3	-	-	189.60	189.60
Total		-	-	**3,371.52**	**3,371.52**
Financial Liabilities					
Borrowings	3	-	-	42,958.93	42,958.93
Lease Liabilities	3	-	-	611.57	611.57
Trade payables	3	-	-	5,141.16	5,141.16
Other financial liabilities	3	-	-	15,349.97	15,349.97
Total		-	-	**64,061.63**	**64,061.63**

As at March 31, 2021

₹ in Lacs

Particulars	Level	Fair Value through other Comprehensive income	Fair Value through Profit & Loss	Amortised Cost	Carrying Value
Financial Asset					
Trade receivables	3	-	-	2,349.36	2,349.36
Cash and Cash Equivalents	3	-	-	127.13	127.13
Loans	3	-	-	2.75	2.75
Others financial assets	3	-	-	384.14	384.14
Total		-	-	**2,863.38**	**2,863.38**
Financial Liabilities					
Borrowings (including Current Maturities)	3	-	-	18,972.15	18,972.15
Trade payables	3	-	-	3,528.71	3,528.71
Other financial liabilities	3	-	-	58,349.01	58,349.01
Total		-	-	**80,849.87**	**80,849.87**

The Carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are reasonable approximation of their fair value, since the Company does not anticipate that the carrying amount would be significantly different from the values that would eventually be received or settled.

36 Contingent liabilities not provided for

Based on the information available with the Company, there is ₹ nil contingent liability at the year ended March 31, 2022 (March 31, 2021 ₹ Nil).

37 Capital commitments & other commitment

Capital commitments

₹ in Lacs

Particulars	March 31, 2022	March 31, 2021
a) Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	24,490.17	51,999.03

38 Segment information

The Company is primarily engaged in the business of acquire, promote, operating, maintaining, developing, designing, constructing, upgrading, modernizing, renovating, expanding and managing airport.. 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.

G. ANENDER & ASSOCIATES CHARTERED ACCOUNTANTS NEW DELHI

Lucknow International Airport Limited

Lucknow International Airport Limited (Formerly known as Adani Lucknow International Airport Limited)
Notes to Financials statements for the year ended March 31, 2022

39 Ratio Analysis

Ratios	UoM	As at March 31, 2022	As at March 31, 2021
(i) Current Ratio:			
Current Assets (a)	₹ in Lacs	5,721.36	3,733.85
Current Liabilities (b)	₹ in Lacs	21,222.01	79,951.47
Current Ratio (a/b)	Times	0.27	0.05
Variance	%	477.00%	NA
Note: Due to major Capital Creditors paid during the year & decrease in current borrowings, Current Ratio has improved.			
ii) Debt-Equity Ratio:			
Total Borrowings (a)	₹ in Lacs	42,958.93	18,972.15
Shareholder's Equity (b)	₹ in Lacs	38,917.64	(3,826.52)
Debt - Equity Ratio (a/b)	Times	1.10	-4.96
Variance	%	-122.00%	NA
Note: During the year Equity has increased due to issuance of Compulsory Convertible debentures due to which Debt Equity ratio has improved.			
iii) Debt Service coverage Ratio :			
Net Profit/ (Loss) After Taxes (a)	₹ in Lacs	(14,267.64)	(3,821.05)
Depreciation and Amortization Expense (b)	₹ in Lacs	3,698.44	1,712.05
Interest Expense ('c)	₹ in Lacs	2,900.95	416.31
Earnings available for Debt Services (d) (a+b+c)	₹ in Lacs	(7,668.25)	(1,692.69)
Interest Payment ('e)	₹ in Lacs	2,925.97	481.61
Lease Payment ('f)	₹ in Lacs	16.82	-
Principal Repayment (g)	₹ in Lacs	-	-
Total Repayment (h)	₹ in Lacs	2,942.79	481.61
Debt Service Coverage Ratio (d/h)	Times	(2.61)	(3.51)
Variance	%	-26.00%	NA
Note : Since Company has started its commercial operations from November 02, 2020 last year, ratios of both the years are not comparable.			
iv) Return on Equity Ratio :			
Net Profit after Taxes (a)	₹ in Lacs	(14,267.64)	(3,821.05)
Opening Equity Shareholder's Fund (b)	₹ in Lacs	(3,826.52)	0.67
Closing Equity Shareholder's Fund (c)	₹ in Lacs	38,917.64	(3,826.52)
Average Equity Shareholder's Fund (d)	₹ in Lacs	17,545.56	(1,912.93)
Return on Equity Ratio (a/d)	%	-81.32%	NA
Variance	%	NA	NA
Note : Since Company has started its commercial operations from November 02, 2020 last year, ratios of both the years are not comparable.			
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 & Inventory Turnover Ratio is not relevant to the Company.			
vi) Trade Receivables turnover Ratio :			
Annual net Credit Sales (a)	₹ in Lacs	11,803.74	5,869.37
Opening Accounts Receivable (b)	₹ in Lacs	2,349.36	-
Closing Accounts Receivable ('c)	₹ in Lacs	3,023.95	2,349.36
Average Accounts Receivable (d) (b+c/2)	₹ in Lacs	2,686.66	2,349.36
Trade Receivables turnover Ratio (a/d)	Times	4.39	2.50
Variance	%	76.00%	NA
Note 1: Since there were no operations in year 2019-20, Opening Accounts Receivable has not been considered while calculating Average Accounts Receivable.			
Note 2: Since Company has started its commercial operations from November 02, 2020 last year, ratios of both the years are not comparable.			
vii) Trade Payables turnover Ratio :			
Concession Fees (a)	₹ in Lacs	6,780.46	3,095.21
Operating Expenses (b)	₹ in Lacs	5,239.14	1,549.05
Other Expenses (c)	₹ in Lacs	5,677.58	2,137.37
Annual net credit Purchases ('d) (a+b+c)	₹ in Lacs	17,697.18	6,781.63
Opening Accounts Payable (e)	₹ in Lacs	3,528.71	0.33
Closing Accounts Payable (f)	₹ in Lacs	5,141.16	3,528.71
Average Accounts Payable (g)	₹ in Lacs	4,334.94	3,529.04
Trade Payables turnover Ratio (d/g)	Times	4.08	1.92
Variance	%	112.00%	NA
Note 1: Since there were no operations in year 2019-20, Opening Accounts Payable has not been considered while calculating Average Accounts Payable.			
Note 2: Since Company has started its commercial operations from November 02, 2020 last year, ratios of both the years are not comparable.			
viii) Net Capital turnover Ratio :			
Sales (a)	₹ in Lacs	11,803.74	5,869.37
Current Assets (b)	₹ in Lacs	5,721.36	3,733.85
Current Liabilities (c)	₹ in Lacs	21,222.01	79,951.47
Working Capital (d)	₹ in Lacs	(15,500.65)	(76,217.62)
Net Capital turnover Ratio (a/d)	Times	(0.76)	(0.08)
Variance	%	889.00%	NA
Note : Since Company has started its commercial operations from November 02, 2020 last year, ratios of both the years are not comparable.			
ix) Net Profit Ratio :			
Profit after Tax (a)	₹ in Lacs	(14,267.64)	(3,821.05)
Sales (b)	₹ in Lacs	11,803.74	5,869.37
Net Profit Ratio (a/b)	%	-120.87%	-65.10%
Variance	%	86.00%	NA
Note: Borrowing has increased during the year for operational payments leading to increase in interest cost & loss for the year.			

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x) Return on Capital Employed :

Profit/ (Loss) before Tax (a)	₹ in Lacs	(14,267.64)	(3,821.05)
Interest Expense (b)	₹ in Lacs	2,900.95	416.31
Earnings before Interest and Taxes ('c) (a+b)	₹ in Lacs	(11,366.69)	(3,404.74)
Shareholder's Equity (d)	₹ in Lacs	38,917.64	(3,826.52)
Intangible Assets ('e)	₹ in Lacs	3,383.10	3,942.28
Total Borrowings (f)	₹ in Lacs	42,958.93	18,972.15
Capital Employed (g) (d-e+f)	₹ in Lacs	78,493.47	11,203.35
Return on Capital Employed (c/g)	%	-14.48%	-30.39%
Variance	%	-52.00%	NA

Note: During the year Equity has increased due to issuance of Compulsory Convertible debentures due to which this ratio has improved.

xi) Return on Investment :

Return or Profit or Earnings (a)	₹ in Lacs	(14,267.64)	(3,821.05)
Property, Plant and Equipment (b)	₹ in Lacs	17,358.14	16,122.60
Capital work-in-progress ('c)	₹ in Lacs	75,931.76	52,105.65
Intangible Assets (d)	₹ in Lacs	3,383.10	3,942.28
Investment ('e) (b+c+d)	₹ in Lacs	96,673.00	72,170.53
Return on Investment (a/e)	%	-14.76%	-5.29%
Variance	%	179.00%	NA

Note: Borrowing has increased during the year for operational payments leading to increase in interest cost & loss for the year. Due to which Return on investment is decreased.

Note: Since Company has commenced operations in last year, reason for changes more than 25% in last year ratios are not mentioned.

40 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 ₹66.38 Lacs (previous year ₹ 20.44 Lacs) as expenses under the following defined contribution plan.

	₹ in Lacs	
Contribution to	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Provident Fund	66.38	20.44
Total	**66.38**	**20.44**

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 recognized in the balance sheet for the respective plan.

c) **Gratuity**

i)Changes in present value of the defined benefit obligation are as follows:

	₹ in Lacs	
Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Present value of the defined benefit obligation at the beginning of the year	**102.55**	-
Current service cost	19.05	28.07
Interest cost	6.87	4.29
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	(5.55)	-
- change in financial assumptions	(1.36)	-
- experience variance	(4.90)	6.14
Benefits paid	(5.86)	-
Liability Transfer In	12.51	64.05
Liability Transfer Out	(80.93)	-
Present value of the defined benefit obligation at the end of the year	**42.38**	**102.55**

ii) Net asset/(liability) recognised in the balance sheet

	₹ in Lacs	
Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Present value of the defined benefit obligation at the end of the year	42.38	102.55
Fair value of plan assets at the end of the year	-	-
Amount recognised in the balance sheet	(42.38)	(102.55)
Net (liability)/asset - Current	**(42.38)**	**(102.55)**

iii) Expense recognised in the statement of profit and loss for the year

	₹ in Lacs	
Particulars	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Current service cost	19.05	28.07
Interest cost on benefit obligation	6.87	4.29
Gratuity Expense capitalised suring the year	(9.59)	-
Total Expenses included in employee benefits expense	**16.33**	**32.36**

iv) Recognised in the other comprehensive income for the year

	₹ in Lacs	
Particulars	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Actuarial (gain)/losses arising from		
- change in demographic assumptions	(5.55)	-
- change in financial assumptions	(1.36)	-
- experience variance	(4.90)	6.14
Return on plan assets, excluding amount recognised in net interest expense	-	-
Recognised in comprehensive income	**(11.81)**	**6.14**

v) The principle assumptions used in determining gratuity obligations are as follows:

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Discount rate	6.90%	6.70%
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)
Attrition rate	8.00%	2.38%

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.

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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, 2022		As at March 31, 2021	
Assumptions	Discount rate			
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
Impact on defined benefit obligations	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
	(4.19)	4.39	(11.64)	13.57

Particulars	As at March 31, 2022		As at March 31, 2021	
Assumptions	Salary Growth rate			
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
Impact on defined benefit obligations	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
	4.30	(3.80)	13.26	(11.61)

Particulars	As at March 31, 2022		As at March 31, 2021	
Assumptions	Attrition rate			
Sensitivity level	50% Increase	50% Decrease	50% Increase	50% Decrease
Impact on defined benefit obligations	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
	(3.00)	3.74	(2.29)	2.51

Particulars	As at March 31, 2022		As at March 31, 2021	
Assumptions	Mortality rate			
Sensitivity level	10% Increase	10% Decrease	10% Increase	10% Decrease
Impact on defined benefit obligations	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
	-	0.01	(0.04)	0.04

viii) Maturity profile of Defined Benefit Obligation

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Weighted average duration (based on discounted cash flows)	10 Years	13 Years

ix) The expected cash flows of defined benefit obligation over the future periods (valued on undiscounted bases)

₹ in Lacs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1 year	1.70	1.92
2 to 5 year	16.30	13.05
6 to 10 year	16.46	33.82
More than 10 years	58.58	206.43

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42 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 Lacs

As at April 01, 2020	-
Additions for the year	-
Depreciation for the year	-
As at March 31, 2021	-
Additions for the year	616.10
Depreciation for the year	22.69
As at March 31, 2022	**593.41**

Set out below are the carrying amounts of lease liabilities and the movements during the period: ₹ in Lacs

As at April 01, 2020	-
Additions for the year	-
Interest expense for the year	-
Payments during the year	-
As at March 31, 2021	-
Additions for the year	616.10
Interest expense for the year	12.30
Payments during the year	(16.83)
As at March 31, 2022	**611.57**
Current Lease Liabilities	29.14
Non Current Lease Liabilities	582.43

The following are the amounts recognised in profit or loss: ₹ in Lacs

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Depreciation expense of right-of-use assets	22.69	-
Interest expense for the year	12.30	-
Total	**34.99**	-

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Going Concern:
As at March 31, 2022, the Company has incurred net loss of ₹ 14,255.84 lacs (March 31, 2021 ₹ 3,827.19 lacs) and has net worth of ₹ 38,917.64 lacs (March 31, 2021 ₹ -3,826.52 lacs). Being in an airport sector, having long gestation period, the management expects that there will be significant increase in the operations of the Company that will lead to improved cash flows and long term sustainability. Adani Enterprises Limited, the Parent Company has undertaken to provide such financial support as necessary, to enable the Company 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.

44 Non-Applicability of Service Concession Arrangement Accounting:
The Company has entered into Concession Agreement with Airports Authority of India ('AAI'), which gives the Company an exclusive right to operate, maintain and develop the Airport for the period of 50 years from the COD date on satisfaction of certain terms and conditions pursuant to the provisions of the Concession Agreement. Under the agreement, AAI has granted exclusive right and authority to undertake some of the functions of AAI being the functions of operation, maintenance and development of the Airport and to perform services and activities at the airport constituting ' Aeronautical Services' and Non-Aeronautical services'. For prices aeronautical services are regulated, while the regulator has no control over the determination of prices for Non-Aeronautical Services. The Management of the Company conducted detailed analysis to determine applicability of Appendix D of Ind As 115 and concluded that the same does not apply to Company. Company concession agreement has significant non-regulated revenues, which are apparently not ancillary in nature, as these are important for the Company, AAI and user/ passengers prospective. Further the regulated and non- regulated services are substantially interdependent and cannot be offered in isolation. The airport premise is being used both for providing regulated services (Aeronautical Services) and for providing non-regulated services (Non -aeronautical services). Accordingly , the management has concluded that SCA does not apply in its entirety to the Company.

45 Standard issued but not effective:
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 Accounting Standards) Amendment Rules, 2022 on 23rd March, 2022. These amendments maintain convergence with IFRS by incorporating amendments issued by International Accounting Standards Board(IASB) into Ind AS and has amended the following standards:

1.Ind AS 101 - First-time adoption of Ind AS
2.Ind AS 103 – Business Combinations
3.Ind AS 109 – Financial Instruments
4.Ind AS 16 – Property, Plant and Equipment
5.Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets
6.Ind AS 41 – Agriculture

These amendments shall come into force with effect from April 01, 2022.
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.

46 Given the Covid-19 pandemic situation, the Company 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 Company has determined that there is no significant impact for the current year. Considering the continuing uncertainty, The Company will continue to closely monitor any material changes to future economic conditions due to this pandemic situation.

47 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 as sess the impact of the Code when relevant provisions are notified and will record related impact, if any, in the period the Code becomes effective.

48 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 of April 18, 2022, there were no subsequent events to be recognized or reported that are not already disclosed.

As per our report of even date

For GIANENDER & ASSOCIATES
Chartered Accountants
Firm Registration No.: 04661N

G.K. Agrawal
Partner
Membership No. 081603

Place: N. Delhi
Date: 18/4/22

For and on behalf of the Board of Directors

Rakesh Tiwary	**Hariharan Iyer**
Director	Director
DIN: 06895533	DIN: 00151584
Place:	**Place:**
Date:	**Date:**