

**S.R. BATLIBOI & ASSOCIATES LLP**  
Chartered Accountants  
3rd & 6th Floor, Worldmark 1  
IGI Airport Hospitality District, Aerocity  
New Delhi 110 037. India

**K. S. Rao & Co.**  
Chartered Accountants  
# No. 2, 7<sup>th</sup> Cross, B Street  
Magadi Road  
Bengaluru 560 023. India

## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)**

### **Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone Ind AS Financial Statements**

The Company's management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



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

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion, proper books of 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, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-2" to this report;



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(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 disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 34 (II) to the standalone Ind AS financial statements.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For S.R. BATLIBOI & ASSOCIATES LLP**

**ICAI Firm Registration Number: 101049W/E300004**

Chartered Accountants



**per Yogesh Midha**  
**Partner**

Membership Number: 094941

Place: New Delhi

Date : May 02, 2018



**For K. S. Rao & Co.,**

**ICAI Firm Registration Number: 003109S**

Chartered Accountants



**per Hitesh Kumar P**  
**Partner**

Membership Number: 233734

Place: New Delhi

Date : May 02, 2018



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**Annexure-1 referred to in paragraph 1 under the heading “Report on other legal and regulatory requirements” of our report of even date**

Re: Delhi International Airport Limited (“the Company”)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the title deeds of immovable properties included in fixed asset register are held in the name of the Company.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to aeronautical services, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues applicable to it.
- (b) According to the information and explanations given to us, there are no undisputed dues in respect of provident fund, employees’ state insurance, income-tax, sales tax, wealth tax, service tax, excise duty, custom duty, value added tax, cess and other material statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.



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- (c) According to the information and explanations given to us, the dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute, are as follows\*:

Name of the statute	Nature of Dues	Amount (Rs. in Crores)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Taxability of Passenger Service Fee (Security Component), Taxability of Upfront fee, capital work in progress disallowance on account of capital expenditure under section 14A of the Act., Disallowance under section 40(a)(ia) of the Act.	21.39	Assessment Year: 2007-08	Income Tax Appellate Tribunal (ITAT).
Income Tax Act, 1961	Taxability of Passenger Service Fee (Security Component), Disallowance on account of capital expenditure, Disallowance of payment of gratuity, Disallowance under section 40(a)(ia) of the Act, Disallowance of club expenses, Disallowance under Section 14A of the Act, Issue of SFIS Duty Credit Scrips.	42.90	Assessment Year: 2008-09	Income Tax Appellate Tribunal (ITAT)
Finance Act 1994	Service tax on Development Fees (DF) receipt.	131.89	March 2009 to September 2013.	Commissioner, Service tax.
Finance Act 1994	(i) Non Payment of Service Tax on License Fees / lease rentals.	1.56	Financial year 2006-07 to 2009-10	Commissioner, Service tax, New Delhi
Finance Act 1994	Non-payment of Service Tax on License Fees / lease rentals.	0.07	Financial year 2011-12 (Apr – June'2010)	Commissioner of Service Tax, New Delhi.
Finance Act 1994	Wrong availment of service tax on the payment made towards employee's medical insurance.	0.22	Financial year 2011-12.	Additional Commissioner of Service Tax, New Delhi.
Finance Act 1994	(i) Service tax on the supply of electricity and water	2.35	Financial year: 2009 -10 to 2012-13	Commissioner of Service tax
Finance Act 1994	Non-payment of service tax on Advance Development Costs ('ADC').	54.32	Financial year: 2010-11 to 2011-12	Commissioner of Service Tax

\* Dispute under Income Tax Act 1961, wherein disallowances resulting in reduction in 'returned loss' as per return of income have not been considered for above disclosure. Tax impact of reduction in loss amounts to Rs. 55.81 crores.



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- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
- (ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of debt instruments in the nature of secured notes for the purposes for which they were raised. The Company has not raised any fund by way of initial public offer or further public offer or term loan.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xi) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

**For S.R. BATLIBOI & ASSOCIATES LLP**

ICAI Firm Registration Number: 101049W/E300004

Chartered Accountants

**per Yogesh Midha**  
**Partner**

Membership Number: 094941

Place: New Delhi

Date : May 02, 2018

**For K. S. Rao & Co.,**

ICAI Firm Registration Number: 003109S

Chartered Accountants

**per Hitesh Kumar P**  
**Partner**

Membership Number: 233734

Place: New Delhi

Date : May 02, 2018



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**ANNEXURE-2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF DELHI INTERNATIONAL AIRPORT LIMITED (FORMERLY KNOWN AS DELHI INTERNATIONAL AIRPORT PRIVATE LIMITED)**

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

We have audited the internal financial controls over financial reporting of Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited) ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the 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.

**Auditor's Responsibility**

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

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



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**Meaning of Internal Financial Controls Over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For S.R. BATLIBOI & ASSOCIATES LLP****ICAI Firm Registration Number: 101049W/E300004**

Chartered Accountants

**per Yogesh Midha**  
**Partner**

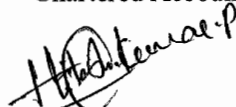
Membership Number: 094941

Place: New Delhi

Date : May 02, 2018

**For K. S. Rao & Co.,****ICAI Firm Registration Number: 003109S**

Chartered Accountants

**per Hitesh Kumar P**  
**Partner**

Membership Number: 233734

Place: New Delhi

Date : May 02, 2018





	Notes	March 31, 2018	March 31, 2017
<b>ASSETS</b>			
(1) Non-current assets			
Property, plant and equipment	4	6,806.21	7,381.27
Capital work in progress	4	194.44	123.94
Intangible Assets	5	395.30	404.07
Investment in subsidiary, associates and joint ventures	6.1	289.37	181.04
Financial Assets			
(i) Investment	6.2	0.01	0.01
(ii) Loans	7	2.46	1.25
(ii) Other financial assets	8	1.20	0.22
Other non-current assets	9	56.28	91.29
		7,745.27	8,183.09
(2) Current assets			
Inventories	11	6.39	7.42
Financial Assets			
(i) Investments	6.3	2,584.46	2,184.38
(ii) Trade Receivables	12	525.13	898.88
(iii) Cash and cash equivalents	13	374.97	554.12
(iv) Bank balance other than cash and cash equivalents	14	91.27	46.00
(v) Loans	7	1.58	2.16
(vi) Other Financial assets	8	123.16	53.96
Other current assets	9	40.18	36.99
		3,747.14	3,783.91
<b>Total Assets</b>		<b>11,492.41</b>	<b>11,967.00</b>
<b>EQUITY AND LIABILITIES</b>			
(1) Equity			
Equity Share Capital	15	2,450.00	2,450.00
Other Equity			
(i) Retained earnings	16	422.57	575.49
(ii) Cash flow hedge reserve	16	(4.49)	(16.84)
		2,868.08	3,008.65
(2) Non-current liabilities			
Financial Liabilities			
(i) Borrowings	17	5,249.12	5,261.97
(ii) Other financial liabilities	18	323.02	298.31
Deferred revenue	19	1,577.23	1,781.31
Deferred tax liabilities (net)	10	224.87	292.04
Other non-current liabilities	20	102.57	112.95
Long term provisions	22	1.45	1.21
		7,478.26	7,747.79
(3) Current liabilities			
Financial Liabilities			
(i) Trade Payables	21		
- Total outstanding dues of micro enterprises and small enterprises		7.35	1.19
- Total outstanding dues of creditors other than micro enterprises and small enterprises		404.66	430.21
(ii) Other financial liabilities	18	454.82	381.38
Deferred revenue	19	85.94	86.18
Other current liabilities	20	162.52	226.29
Short term provisions	22	21.51	18.13
Liabilities for current tax (net)		9.27	67.18
		1,146.07	1,210.56
<b>Total Liabilities</b>		<b>8,624.33</b>	<b>8,958.35</b>
<b>Total equity and liabilities</b>		<b>11,492.41</b>	<b>11,967.00</b>

Summary of significant accounting policies

3

The accompanying notes are an integral part of these standalone financials statements and have been taken on record by the board of directors vide their meeting dated May 2, 2018.

As per our report of even date  
For S.R. BATLIBOI & ASSOCIATES LLP  
ICAI Firm Registration No. : 101049W/E300004  
Chartered Accountants

per Yogesh Midha  
Partner  
Membership no: 094941  
Place: New Delhi  
Date : May 2, 2018



As per our report of even date  
For K.S. Rao & Co.  
ICAI Firm Registration No. : 003109S  
Chartered Accountants

per Hitesh Kumar P  
Partner  
Membership no: 233734  
Place: New Delhi  
Date : May 2, 2018



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

G.B.S Raju  
Managing Director  
DIN-00061686

K. Narayana Rao  
Whole Time Director  
DIN-00016262

G Radha Krishna Babu  
Chief Financial Officer  
Place: New Delhi  
Date : May 2, 2018

Saurabh Jain  
Company Secretary



**Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)**  
**CIN. U63033DL2006PLC146936**  
**Standalone Statement of Profit and Loss for the year ended March 31, 2018**  
**(All amounts in Rupees Crore, except otherwise stated)**

Particulars	Notes	March 31, 2018	March 31, 2017
<b>I REVENUE</b>			
Revenue from operations	23	3,680.97	5,632.52
Other Income	24	361.87	306.99
<b>Total Income (I)</b>		<b>4,042.84</b>	<b>5,939.51</b>
<b>II EXPENSES</b>			
Annual fee to Airports Authority of India (AAI) [refer note 41 (i)]		1,761.47	2,634.84
Employee Benefits Expense	25	165.24	129.47
Depreciation and Amortization Expense	26	645.90	638.03
Finance Costs	27	579.15	527.25
Other Expenses	28	931.68	842.66
<b>Total Expense (II)</b>		<b>4,083.44</b>	<b>4,772.25</b>
<b>III (Loss)/Profit before exceptional items and tax [(I)-(II)]</b>		<b>(40.60)</b>	<b>1,167.26</b>
Exceptional items	29	-	40.80
<b>IV (Loss)/Profit before tax</b>		<b>(40.60)</b>	<b>1,126.46</b>
Current Tax	20	-	238.69
Adjustment of tax relating to earlier years	20	(4.88)	(1.88)
Deferred Tax (credit) / charge	20	(73.97)	303.69
<b>V Total Tax (credit)/expense</b>		<b>(78.85)</b>	<b>540.50</b>
<b>VI Profit for the year (IV-V)</b>		<b>38.25</b>	<b>585.96</b>
<b>Other Comprehensive Income</b>	30		
<b>A Items that will not be reclassified to profit or loss in subsequent periods</b>			
Re-measurement gains on defined benefit plans		0.77	(1.11)
Income tax effect		(0.27)	0.38
<b>B Items that will be reclassified to profit or loss in subsequent periods</b>			
Net movement of cash flow hedges		18.88	(16.84)
Income tax effect		(6.53)	-
<b>VII Total Other Comprehensive Income/(Loss) for the year (net of tax) (A+B)</b>		<b>12.85</b>	<b>(17.57)</b>
<b>VIII Total Comprehensive Income for the year (net of tax) (VI+VII)</b>		<b>51.10</b>	<b>568.39</b>
<b>IX Earnings per equity share: [nominal value of share Rs. 10 (March 31, 2017: Rs. 10)]</b>			
(1) Basic	31	0.16	2.39
(2) Diluted	31	0.16	2.39
<b>Summary of significant accounting policies</b>	3		

The accompanying notes are an integral part of these standalone financials statements and have been taken on record by the board of directors vide their meeting dated May 2, 2018.

As per our report of even date  
**For S.R. BATLIBOI & ASSOCIATES LLP**  
**ICAI Firm Registration No. : 101049W/E300004**  
Chartered Accountants

*[Signature]*

**per Yogesh Midha**  
**Partner**  
Membership no: 094941  
Place: New Delhi  
Date : May 2, 2018



As per our report of even date  
**For K.S. Rao & Co.**  
**ICAI Firm Registration No. : 003109S**  
Chartered Accountants

*[Signature]*

**per Hitesh Kumar P**  
**Partner**  
Membership no: 233734  
Place: New Delhi  
Date : May 2, 2018



**For and on behalf of the Board of Directors of**  
**Delhi International Airport Limited**

*[Signature]*

**G.B.S Raju**  
**Managing Director**  
DIN-00061686

*[Signature]*

**K. Narayana Rao**  
**Whole Time Director**  
DIN-00016262

*[Signature]*

**G Radha Krishna Babu**  
**Chief Financial Officer**

Place : New Delhi  
Date : May 2, 2018

*[Signature]*

**Saurabh Jain**  
**Company Secretary**



Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)

CIN. U63033DL2006PLC146936

Standalone Statement of Change in Equity as at March 31, 2018

(All amounts in Rupees Crore, except otherwise stated)

Equity share capital	Reserves and Surplus	Item of OCI	Total equity
	Retained earnings	Cash flow hedge reserve	
Balance as at April 1, 2016	2,450.00	(9.74)	2,440.26
Profits for the year	-	585.96	585.96
Other comprehensive income (net of tax)	-	(0.73)	(17.57)
Balance as at March 31, 2017	2,450.00	575.49	3,008.65
Profits for the year	-	38.25	38.25
Other comprehensive income (net of tax)	-	0.50	12.85
Payment of dividends (refer note 16.1)	-	(159.25)	(159.25)
Dividend distribution tax (refer note 16.1)	-	(32.42)	(32.42)
Balance as at March 31, 2018	2,450.00	422.57	2,868.08

Summary of significant accounting policies (refer note 3)

The accompanying notes are an integral part of these standalone financials statements and have been taken on record by the board of directors vide their meeting dated May 2, 2018.

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP

ICAI Firm Registration No. : 101049W/E300004

Chartered Accountants

*[Signature]*

per Yogesh Midha  
Partner

Membership no: 094941

Place: New Delhi

Date : May 2, 2018



As per our report of even date

For K.S. Rao & Co.

ICAI Firm Registration No. : 003109S

Chartered Accountants

*[Signature]*

per Hitesh Kumar P  
Partner

Membership no: 233734

Place: New Delhi

Date : May 2, 2018



For and on behalf of the Board of Directors of

Delhi International Airport Limited

*[Signature]*

G.B.S Raju  
Managing Director  
DIN-00061686

*[Signature]*

G Radha Krishna Babu  
Chief Financial Officer

Place : New Delhi

Date : May 2, 2018

*[Signature]*

K. Narayana Rao  
Whole Time Director  
DIN-00016262

*[Signature]*

Saurabh Jain  
Company Secretary



Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)  
CIN. U63033DL2006PLC146936

Standalone Statement of Cash Flows for the year ended March 31, 2018

(All amounts in Rupees Crore, except otherwise stated)

	Notes	March 31, 2018	March 31, 2017
<b>Cash flow from operating activities</b>			
(Loss)/Profit before tax		(40.60)	1,126.46
<i>Adjustment to reconcile profit before tax to net cash flows</i>			
Depreciation and amortization expenses		645.90	638.03
Provision for Bad debts / Bad Debts Written off		0.31	1.73
Interest income on deposits/current investment		(47.47)	(43.29)
Exchange differences unrealised (net)		(54.15)	(96.34)
Gain on sale of current investments-Mutual fund		(125.03)	(97.43)
Income from Duty credit scrips		(30.27)	-
Reversal of finance charges on cancellation of finance lease (refer note 32.1)		-	(7.01)
Loss on discard of Property Plant and Equipments		0.08	1.59
Dividend Income on non current investments carried at cost		(67.76)	(51.38)
Interest on Borrowings		346.88	426.57
Call spread option premium		153.65	40.70
Interest expenses on financial liability carried at amortised cost		74.41	49.87
Other borrowing costs		-	7.13
Rent expenses on financial assets carried at amortised cost		0.47	0.21
Loan prepayment charges [refer note 41 (f) ]		-	40.80
Deferred income on financial liabilities carried at amortized cost		(79.60)	(63.80)
Fair value gain on financial instruments at fair value through profit or loss		(23.57)	(2.50)
Fair value gain on financial instruments (IRS) at fair value through profit or loss		-	(6.17)
		753.25	1,965.17
<b>Working capital adjustment:</b>			
(Decrease)/Increase in trade payables		(19.75)	40.66
Decrease in other non current liabilities		(10.38)	(33.67)
(Decrease)/Increase in other current liabilities		(63.76)	48.10
(Decrease)/Increase in non current deferred revenue		(124.09)	92.34
(Decrease)/Increase in current deferred revenue		(0.24)	4.13
(Decrease)/Increase in non current financial liabilities		(31.51)	9.17
Increase / (Decrease) in current financial liabilities		141.84	(6.21)
Decrease/(Increase) in trade receivables		373.44	(109.15)
Decrease/(Increase) in inventories		1.03	(0.24)
Decrease in other non current assets		0.04	0.44
(Increase) / Decrease in other current assets		(3.66)	13.33
(Increase) / Decrease in other current financial assets		(34.93)	17.59
Increase in other Non current financial assets		(0.97)	-
Increase / (Decrease) in non current loans		(0.82)	1.01
Increase in current loans		0.58	(3.91)
Increase in non current provisions		0.24	-
Increase in current provisions		4.15	2.79
<b>Cash generated from operations</b>		984.46	2,041.54
Direct taxes paid (net)		(17.93)	(195.00)
<b>Net cash flow from operating activities (A)</b>		966.53	1,846.54
<b>Cash flows from investing activities</b>			
Purchase of property plant and equipments, including CWIP and capital advances		(185.77)	(213.94)
Development fee (DF) realised		-	83.99
Purchase of non-current investments		(108.33)	(2.40)
Purchase of current investments		(14,874.91)	(14,212.84)
Sale/maturity of current investments		14,634.39	13,085.06
Dividend Income		67.76	51.38
Interest received		43.48	37.73
(Investment)/Redemption of Margin Money Deposit		(0.01)	42.07
Purchase of deposits with original maturity of more than three months		(186.27)	(47.61)
Proceeds from deposits with original maturity of more than three months		141.00	35.46
<b>Net cash flow used in investing activities (B)</b>		(468.66)	(1,141.10)

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Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)

CIN. U63033DL2006PLC146936

Standalone Statement of Cash Flows for the year ended March 31, 2018

(All amounts in Rupees Crore, except otherwise stated)

<b>Cash flows from financing activities</b>		
Proceeds from borrowings	-	3493.92
Repayment of borrowings	-	(3,633.44)
Final dividend paid	(159.25)	-
Dividend distribution tax	(32.42)	-
Option premium paid	(144.49)	(14.96)
Derivative IRS- Mark to market-Breakage Cost	-	(8.17)
Other borrowing costs paid	-	(7.13)
Collection of interest on DF loans from airlines	-	0.87
Interest paid	(340.86)	(390.09)
<b>Net cash flow used in financing activities (C)</b>	<b>(677.02)</b>	<b>(559.00)</b>
<b>Net (decrease)/increase in cash and cash equivalents (A + B + C)</b>	<b>(179.15)</b>	<b>146.45</b>
Cash and cash equivalents at the beginning of the year	<b>554.12</b>	<b>407.67</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>374.97</b>	<b>554.12</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	0.02	0.03
Cheques/ drafts on hand	0.48	4.73
With banks		
- on current account	110.91	44.36
- on deposit account	263.56	505.00
<b>Total cash and cash equivalents (refer note 13)</b>	<b>374.97</b>	<b>554.12</b>

Summary of significant accounting policies

3

Explanatory notes to statement of cashflows

1. The above cash flow statement has been compiled from and is based on the standalone balance sheet as at March 31, 2018 and the related standalone statement of profit and loss for the year ended on that date.
2. Cash and cash equivalents include Rs. 1.23 crore (March 31, 2017: Rs. 2.34 crore) pertaining to Marketing Fund, to be used for sales promotional activities.
3. Changes in liabilities arising from financing activities:-

Particulars	Liabilities arising from financing activities		Assets held to hedge long term borrowings
	Borrowings	Interest accrued on Borrowings	Derivative instrument- Cash flow hedge- call spread option
As at April 1, 2017	5,261.97	107.02	42.58
Cash flows	-	(340.86)	(144.49)
Non-cash changes			
Finance cost	7.71	339.17	153.65
Foreign exchange fluctuation	(20.56)	-	-
Change in Fair values	-	-	(52.71)
<b>As at March 31, 2018</b>	<b>5,249.12</b>	<b>105.33</b>	<b>(0.97)</b>

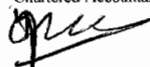
4. The accompanying notes are an integral part of these standalone financials statements and have been taken on record by the board of directors vide their meeting dated May 2, 2018.

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP

ICAI Firm Registration No. : 101049W/E300004

Chartered Accountants



per Yogesh Midha  
Partner

Membership no: 094941

Place: New Delhi

Date : May 2, 2018

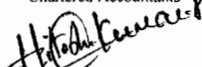


As per our report of even date

For K.S. Rao & Co.

ICAI Firm Registration No. : 003109S

Chartered Accountants



per Hitesh Kumar P  
Partner

Membership no: 233734

Place: New Delhi

Date : May 2, 2018



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

ICAI Firm Registration No. : 003109S

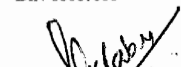
Chartered Accountants



G.B.S. Raju  
Managing Director  
DIN-00061686



K. Narayana Rao  
Whole Time Director  
DIN-00016262



G. Radha Krishna Babu  
Chief Financial Officer



Saurabh Jain  
Company Secretary

Place : New Delhi  
Date : May 2, 2018



**Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)**

**CIN. U63033DL2006PLC146936**

**Notes to the standalone financial statements for the year ended March 31, 2018**

**(All amounts in Rupees Crore, except otherwise stated)**

**1. Corporate information**

Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited) ('DIAL' or 'the Company') is a Public Limited Company domiciled in India. It was incorporated as a Private Limited Company on March 1, 2006 under the provisions of the erstwhile Companies Act, 1956, (replaced with Companies Act 2013 with effect from April 1, 2014) and was converted into a Public Limited Company w.e.f. April 10, 2017. DIAL is into the business of managing the operations and modernization of the Indira Gandhi International Airport ('Delhi Airport'). GMR Airports Limited ('GAL') a subsidiary of GMR Infrastructure Limited ('GIL'), holds majority shareholding in the Company. DIAL had entered into Operation, Management and Development Agreement ('OMDA') with Airports Authority of India ('AAI'), which gives DIAL an exclusive right to operate, maintain, develop, modernize and manage the Delhi Airport on a revenue sharing model for an initial term of 30 years, which can be extended by another 30 years on satisfaction of certain terms and conditions pursuant to the provisions of the OMDA.

**2. (A) Basis of preparation**

The standalone financial statements of the Company have been prepared in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) notified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. However, the Company has adopted not to disclose Earnings before interest, tax, depreciation and amortization and exceptional items (EBITDA) as a separate line item in the standalone statement of profit or loss.

The standalone financial statements have been prepared on historical cost convention on an accrual basis, except for the following assets and liabilities which have been measured at fair value:

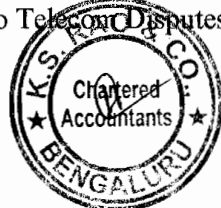
- Derivative Financial Instruments
- Certain financial assets and liabilities (refer accounting policy regarding financial instruments) which have been measured at fair value.

**(B) Going Concern:**

The Airport Economic Regulatory Authority ("AERA") vide its powers conferred by Section 13(1) (a) of the AERA Act, 2008 passed an Aeronautical tariff order Viz. 03/2012-13 issued on April 24, 2012 which determined the Aeronautical tariff to be levied at Delhi Airport for the fourth and fifth year of tariff period of first Control period of 5 years period (i.e. 2009 - 2014). The first control period of five years referred to above ended on March 31, 2014. DIAL vide appeal no 10/2012 had filed an appeal before Airport Economic Regulatory Authority Appellate Tribunal ("AERAAT") on certain disputed issues in the Tariff order of first control period No.03/2012-13. Subsequently, Hon'ble High Court of Delhi vide its final order dated January 22, 2015, against the writ petition filed by the Company in this matter, ordered that the tariff determined by AERA for the first control Period shall continue till the disposal of the appeals pending against the said Tariff Order, by AERAAT.

Subsequently, AERA also released the tariff order No. 40/2015-16 ('AERA order') dated December 08, 2015 (issued on December 10, 2015) for second control period i.e. 2014 -2019, DIAL filed an appeal with AERAAT against some of the matters of order No. 40/2015-16 on January 11, 2016.

Further, Ministry of Finance vide the notification dated May 26, 2017, Part XIV of Chapter VI of the Finance Act, 2017 directed the merger of Appellate Tribunal under the Airports Economic Regulatory Authority Act, 2008 ("AERA Act") i.e. AERAAT into Telecom Disputes Settlement and Appellate Tribunal (TDSAT).



The Hon'ble Supreme Court of India, on SLP filed by Air India, vide its judgement dated July 03, 2017, has vacated the order of Hon'ble High Court of Delhi and directed TDSAT to dispose off the appeals of DIAL in the next two months.

Accordingly, DIAL implemented the Tariff order No. 40/2015-16 dated December 08, 2015 with immediate effect i.e. from July 07, 2017 as per directions of Director General of Civil Aviation dated July 07, 2017.

DIAL's appeal no. 10/2012 with respect to first control period has been concluded along with the appeal of certain airlines. TDSAT vide its order dated April 23, 2018 has passed the order, which provides clarity on the issues which were pending for last six years and has laid down the principles to be followed by AERA in the third control period starting from April 1, 2019. The Company expects the uplift impact of the TDSAT order to reflect in the tariff determination by AERA for the next control period i.e. 2019 -2024. DIAL's appeal against the second control period shall be heard in due course.

Basis the profit earned over the previous five financial years, Company's business plans and cash projections prepared by the management for next one year, the management expects to earn sufficient cash profits and do not foresee any difficulty in continuing its business / operations and meeting its financial obligations for foreseeable future and accordingly, these standalone financial statements have continued to be prepared on a going concern basis.

### **3. Summary of significant accounting policies**

#### **a. Use of estimates**

The preparation of the standalone financial statements inconformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the standalone financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financials statements have been disclosed in note 32. Accounting estimates could change from year to year. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the standalone financial statements in the year in which changes are made and, if material, their effects are disclosed in the notes to the standalone financial statements.

#### **b. Current versus non-current classification**

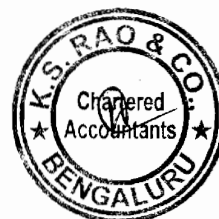
The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

The company classifies all other assets as non-current.

A liability is current when:

- a) It is expected to be settled in normal operating cycle



**Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)**

**CIN. U63033DL2006PLC146936**

**Notes to the standalone financial statements for the year ended March 31, 2018**

**(All amounts in Rupees Crore, except otherwise stated)**

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- b) It is held primarily for the purpose of trading
- c) It is due to be settled within twelve months after the reporting period, or
- d) 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.

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.

**c. Investments in Associates, Joint Ventures and Subsidiary**

The Company has accounted for its investments in associates, joint ventures and subsidiary at cost.

**d. Property, Plant and Equipment**

Property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Assets under installation or under construction as at the balance sheet date are shown as "Capital work-in-progress (CWIP)". However, CWIP relating to the development fund are being net off from the Development fee accrued (to the extent not utilized) and are not included in CWIP. Expenditure including finance charges directly relating to construction activity is capitalised.

Capital work in progress includes leasehold improvements under development as at the balance sheet date.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. Further, when each major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment if the recognition criteria are satisfied. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

Collection charges on development fund (DF) are added to the property, plant and equipment and are being depreciated over the remaining useful life of the property, plant and equipment.

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 de-recognition 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 when the asset is derecognised.

Development fee from any regulatory authority are recognized when there is reasonable assurance that it will be received / utilized and the Company will comply with the conditions attached to them.

Development fee related to an asset, (net of direct amount incurred to earn aforesaid development fee) is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.

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.





**e. Depreciation on Property, Plant and Equipment**

Depreciation on property, plant and equipment is calculated on a straight line basis using the useful lives prescribed under Schedule II to the Companies Act, 2013 except for certain assets class i.e. Internal Approach Roads, Electric Panels and Transformers/Sub-station, the Company, based on a technical evaluation, believes that the useful life of such property, plant and equipment is different from the useful life specified in Schedule II to Companies Act 2013. The following is a comparison of the useful lives of these property, plant and equipment as adopted by the Company and those prescribed under Schedule II to the Companies Act, 2013:

Type of Assets	Useful life as estimated by the Company based on technical evaluation	Useful life as prescribed in Schedule II to the Companies Act, 2013
Roads – Other than RCC	10 years	5 years
Transformers/Power Sub-Stations (included in Plant and Machinery)	15 years	10 years
Electric Panels (included in Electrical Installations and Equipment)	15 years	10 years

The useful life of property, plant and equipment which are not as per schedule II of the Companies Act 2013, have been estimated by the management based on internal technical evaluation.

The Property, plant and equipment acquired under finance lease is depreciated over the asset's useful life; or over the shorter of the asset's useful life and the lease term, if there is no reasonable certainty that the Company will obtain ownership at the end of lease term.

On June 12, 2014, the Airport Economic Regulatory Authority ("the Authority") has issued a consultation paper viz.05/2014-15 in the matter of Normative Approach to Building Blocks in Economic Regulation of Major Airports wherein it, interalia, mentioned that the Authority proposes to lay down, to the extent required, the depreciation rates for airport assets, taking into account the provisions of the useful life of assets given in Schedule II of the Companies Act, 2013, that have not been clearly mentioned in the Schedule II of the Companies Act, 2013 or may have a useful life justifiably different than that indicated in the Companies Act, 2013 in the specific context to the airport sector. Pursuant to above, the Authority has issued order no. 35/2017-18 on January 12, 2018 which is further amended on April 09, 2018, in the matter of Determination of Useful life of Airport Assets, which will be effective from April 01, 2018. Based on preliminary assessment, the management is of the view that useful lives considered by the Company for most of the assets except passenger related Furniture and Fixtures are in line with the useful life proposed by AERA in its order dated January 12, 2018, which is further amended on April 09, 2018.

Leasehold Improvements are improvements, betterments, or modifications of leased property which will benefit the company for the period of more than one year. The amount of leasehold improvements are capitalised and amortised over the period of lease of five years or useful life whichever is less.

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**f. Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Intangible assets include software, upfront fee paid as airport concessionaire rights and other costs (excluding operation support costs) paid to the Airports Authority of India (AAI) pursuant to the terms and conditions of the OMDA.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as finite.

**g. Amortisation of intangible assets**

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 with a finite useful life 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 with finite lives is recognised in the statement of profit and loss.

The Company amortises, upfront fee paid as airport concession rights and other costs paid to AAI referred to above are recognized and amortized over the initial and extended period of OMDA i.e. 60 years. Other intangible assets are amortised over the useful life of asset or six years, whichever is lower.

**h. Government Grant and subsidies**

Grants and subsidies from the government are recognized when there is reasonable assurance that

- (i) the Company will comply / have complied with the conditions attached to them, and
- (ii) the grant / subsidy will be received.

When the grant/ subsidy relates to revenue, it is recognized under other income in the Statement of profit and loss in the period of receipts of such grant/ subsidy, at the amount expected to be realized.

**i. Borrowing cost**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**j. Leases**

The determination of whether an agreement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.



**Company as a lessee:**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at fair value of the leased property on inception date or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs (refer note 32.1).

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless either:

- another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or
- the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

**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. Income from operating lease is recognised on a straight-line basis over the term unless either:

- another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or
- the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

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.

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 transfers 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

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**k. Inventories**

Inventories are valued at the lower of cost and net realizable value. Cost is determined on a weighted average basis and includes other directly associated costs in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**l. Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating units' (CGUs) fair value less cost of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less cost of disposal, recent market transactions are taken into account.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

For assets an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

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**m. Provisions, Contingent liabilities and Commitments**

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

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

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation
- A present obligation arising from past events, when no reliable estimate is possible
- A possible obligation arising from past events, unless the probability of outflow of resources is remote

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

Provisions for onerous contracts are recognized when the expected benefits to be delivered by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the Company recognizes any impairment loss on the assets associated with that contract.

**n. Contingent assets**

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are recognized when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

Contingent assets are reviewed at each reporting date. A contingent asset is disclosed where an inflow of economic benefits is probable.

**o. Retirement and other Employee Benefits**

**Defined benefit plan**

Retirement benefit in the form of provident fund is a defined benefit scheme. DIAL contributes a portion of contribution to DIAL Employees Provident Fund Trust ('the Trust'). DIAL has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate which is determined by actuary and accounted by the DIAL as provident fund cost.

Retirement benefit in the form of Superannuation Fund and Employee State Insurance are defined contribution schemes and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. The Company has no obligation, other than the contribution payable to the respective trusts.



All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the statement of profit and loss in the period in which the employee renders the related service.

The Company recognizes contribution payable as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the reporting 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 a reduction in future payment or a cash refund.

Gratuity Liability is a defined benefit obligation which is funded through policy taken from Life Insurance Corporation of India and Liability (net of fair value of investment in LIC) is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Every employee who has completed five years or more of service gets a gratuity on separation at 15 days' salary (based on last drawn basic salary) for each completed year of service.

The Company treats accumulated leave including sick leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences including sick leave 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 and are not deferred.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods. Past service costs are recognised in profit or loss on the earlier of:

- i) The date of the plan amendment or curtailment, and date that the Company recognises related restructuring costs.
- ii) The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

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 the 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

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**p. Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**I) Financial assets**

**Initial recognition and measurement**

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

The Company's financial liabilities include trade and other receivables, investments in mutual funds and commercial papers and derivative financial instruments.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in two broad categories:

- a) Financial assets at amortised cost
- b) Financial assets at fair value through profit or loss (FVTPL)

**Financial assets at amortised cost:** A 'Financial asset' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 12.

**Financial assets at FVTPL:** FVTPL is a residual category for financial assets. Any Financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a Financial assets, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss.

**Derecognition of financial assets**

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

- The rights to receive cash flows from the asset have expired or



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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

#### **Impairment of financial assets**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets measured at amortised cost e.g., deposits, trade receivables and bank balance.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL 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 entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms





As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

## **II) Financial liabilities**

### **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including and derivative financial instruments.

### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in respective carrying amounts is recognised in statement of Profit and Loss.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **Subsequent measurement**

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

### **Loans and borrowings**

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.



**q. Derivative financial instruments and hedge accounting**

**Initial Recognition and subsequent measurement**

The Company uses derivative financial instruments, such as call spread options and interest rate swaps, to hedge its foreign currency risks and interest rate risks, respectively.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss.

For the purpose of hedge accounting, hedges are classified as:

- a) Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment;
- b) Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment;
- c) Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Cash flow hedges that meet the strict criteria for hedge accounting are accounted for as described below:

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

**Presentation of derivative contracts in the financial statement**

Derivative assets and liabilities recognized on the balance sheet are presented as current and non-current based on the classification of the underlying hedged item.



**r. Cash and cash equivalents**

Cash and cash equivalent 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.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**s. Foreign currencies**

**Functional Currency**

The standalone financial statements are presented in Indian rupees (INR), which is also the Company's functional currency.

**Transactions and Translations**

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss. 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.

**t. Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities



Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company determines the policies and procedures for recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

External valuers are involved for valuation of significant assets or liabilities such as derivative instruments.

At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes as mentioned below.

- a) Disclosures for valuation methods, significant estimates and assumptions (note 37)
- b) Quantitative disclosures of fair value measurement hierarchy (note 38)
- c) Financial instruments (including those carried at amortised cost)

#### **u. Revenue recognition**

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

#### **Income from services**

Revenue from airport operations i.e. Aeronautical and Non Aeronautical operations are recognised on accrual basis, net of service tax/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, operation and maintenance of passenger boarding and other allied services. The main streams of non – aeronautical revenue includes duty free, retail , advertisement , food & beverages, cargo, ground handling, 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.

Revenue from commercial property development rights granted to concessionaires is recognized on accrual basis, as per the terms of the agreement entered into with the customers.



**Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)**

**CIN. U63033DL2006PLC146936**

**Notes to the standalone financial statements for the year ended March 31, 2018**

**(All amounts in Rupees Crore, except otherwise stated)**

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**Interest income**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable except the interest income received from customers for delayed payments which is accounted on the basis of reasonable certainty / realisation.

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

**Dividends**

Dividend income is recognised when the Company's right to receive dividend is established, which is generally when the shareholders approve the dividend.

**Claims**

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

**v. Taxes**

Tax expense comprises current tax and deferred tax.

**Current income tax**

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961.

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

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

**Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.



- ii) In respect of taxable temporary differences associated with investments in subsidiary, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- ii) In respect of deductible temporary differences associated with investments in subsidiary, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient 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 profit or loss is recognised outside profit or 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.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax ('MAT') paid in a year is charged to the statement of profit and loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognises MAT credit as an asset in accordance with the Guidance Note on 'Accounting for Credit Available in respect of Minimum Alternative Tax' under IT Act, the said asset is created by way of credit to the statement of profit and loss and shown as 'MAT credit entitlement'. The Company reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.



**Taxes, cess, duties such as sales tax/ value added tax/ service tax/goods and service tax etc. paid on acquisition of assets or on incurring expenses**

Expenses and assets are recognised net of the amount of taxes paid, except:

- When the tax incurred on a purchase of assets, goods or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

**w. Operating segments**

The Company has only one reportable operating segment, which is operation of airport and providing allied services. Accordingly, the amounts appearing in the standalone financial statements relate to the Company's single operating segment.

**x. Proposed dividend**

As per Ind AS -10, 'Events after the Reporting period', the Company disclose the dividend proposed by board of directors after the balance sheet date in the notes to these standalone financial statements.

**y. Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year 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.

**z. Corporate Social Responsibility ('CSR') expenditure**

The Company charges its CSR expenditure during the year to the statement of profit and loss.

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4 Property, plant and equipments

	Buildings	Leasehold improvement	Bridges, Culverts, Bunders, etc.	Electrical Installations and Equipment	Roads-Other than RCC	Runways, Taxiways & Apron etc.	Plant and Machinery	Office Equipment	Computer and data processing units	Furniture and Fittings	Vehicles	Total	Capital work in progress (CWIP)
<b>Gross block (at cost)</b>													
As at April 1, 2016	4,412.95	-	396.58	1,240.09	213.61	2,181.08	2,205.83	21.58	265.18	203.19	10.35	11,230.44	63.87
Additions	19.67	7.47	-	29.17	4.46	12.21	20.23	0.86	11.69	34.32	2.45	142.53	60.07
Transfer of assets*	(2.48)	-	-	(263.89)	(0.01)	-	(21.92)	-	(202.38)	(11.46)	(0.12)	(499.77)	-
Adjustments (refer note (a) below)	-	-	-	(0.02)	-	-	(0.60)	(11.24)	(4.78)	(2.20)	(0.27)	(21.60)	-
Development fund (Collection Charges)	-	-	-	-	-	-	-	-	-	-	-	-	-
Refer note 41 (a) (vi)	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2017	4,430.78	7.47	396.61	1,005.45	218.09	2,193.44	2,203.87	11.20	69.71	223.87	12.41	10,872.90	123.94
<b>Reclassification</b>													
Additions	2.14	-	-	(0.57)	4.45	-	(0.72)	-	-	(5.30)	-	-	-
Disposals	8.52	2.36	0.52	14.56	1.78	9.30	7.22	0.23	14.85	11.88	1.25	72.27	70.50
Adjustments (refer note (a) below)	-	-	-	-	-	-	(0.15)	(0.04)	(2.09)	(0.04)	-	(10.70)	-
As at March 31, 2018	4,439.28	9.83	396.93	1,019.27	224.32	2,202.74	2,210.15	11.39	82.47	230.41	13.66	10,932.15	194.44
<b>Depreciation</b>													
As at April 1, 2016	837.24	-	87.24	571.48	86.09	553.31	733.45	20.25	223.27	91.06	7.25	3,210.64	-
Transfer of assets	-	-	-	(138.97)	-	-	(5.21)	-	(179.00)	(3.18)	-	(338.45)	-
Charge for the year	148.16	0.91	13.28	118.94	31.08	92.43	192.14	0.62	5.65	24.33	1.09	628.63	-
Adjustments (refer note (a) below)	(0.67)	-	-	(0.07)	(0.01)	-	(0.35)	(11.23)	(4.70)	(1.96)	(0.27)	(19.19)	-
As at March 31, 2017	984.73	0.91	100.52	551.45	117.16	645.74	920.03	9.64	45.22	108.25	7.98	3,491.63	-
<b>Reclassification</b>													
Charge for the year	0.02	-	-	(0.01)	0.06	-	(0.01)	-	-	(0.06)	-	-	-
Disposals	145.08	2.33	13.31	120.76	31.57	94.45	192.26	0.51	7.15	27.38	1.15	636.55	-
As at March 31, 2018	1,130.43	3.24	113.83	672.20	148.79	740.19	1,112.20	10.11	50.28	135.54	9.13	4,128.94	-
<b>Net block</b>													
As at March 31, 2017	3,446.05	6.56	296.09	454.00	100.93	1,547.70	1,383.84	1.56	24.49	115.62	4.43	7,381.27	123.94
As at March 31, 2018	3,308.85	6.59	283.10	347.07	75.53	1,462.55	1,197.95	1.28	32.19	94.87	4.53	6,896.21	194.44

a. Adjustments include amounts related to final settlement of the vendors related to construction of various capital assets.

b. Buildings include space given on operating lease

Gross block Rs. 233.27 Crore (March 31, 2017: Rs. 215.64 Crore).

Depreciation charge for the year Rs. 7.75 Crore (March 31, 2017: Rs. 7.17 Crore).

Accumulated depreciation Rs. 60.12 Crore (March 31, 2017: Rs. 48.75 Crore).

Net book value Rs. 173.15 Crore (March 31, 2017: Rs. 166.89 Crore)

c. Property, plant and equipment includes asset taken on finance lease as below:

	Electrical Installations and Equipment	Plant and Machinery	Computer and data processing units	Furniture and Fittings	Vehicles	Total
<b>Gross block (at cost)</b>						
As at March 31, 2016	263.89	21.92	203.38	11.46	0.12	499.77
Transfer of assets*	(263.89)	(21.92)	(203.38)	(11.46)	(0.12)	(499.77)
As at March 31, 2017	-	-	-	-	-	-
Transfer of assets*	-	-	-	-	-	-
As at March 31, 2018	-	-	-	-	-	-
<b>Depreciation</b>						
As at March 31, 2016	138.97	5.21	179.00	5.18	0.09	328.44
Charge for the year	-	-	-	-	-	-
Transfer of assets*	(138.97)	(5.21)	(179.00)	(5.18)	(0.09)	(328.44)
As at March 31, 2017	-	-	-	-	-	-
Transfer of assets*	-	-	-	-	-	-
As at March 31, 2018	-	-	-	-	-	-
<b>Net block</b>						
As at March 31, 2017	-	-	-	-	-	-
As at March 31, 2018	-	-	-	-	-	-

\*During the financial year 2016-17, there is a modification in the terms of arrangement and as per the modified terms, this arrangement no longer contains an embedded lease. Accordingly Company has derecognised the assets and liabilities recognised under finance lease. (Also refer note 32.1)





Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)

CIN. U63033DL2006PLC146936

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts in Rupees Crore, except otherwise stated)

**5 Intangible assets**

	Airport concessionaire rights	Computer software	Total
<b>Gross block (at cost)</b>			
At April 1, 2016	490.52	40.63	531.15
Additions	-	0.53	0.53
At March 31, 2017	490.52	41.16	531.68
<b>Additions</b>	-	<b>0.58</b>	<b>0.58</b>
<b>At March 31, 2018</b>	<b>490.52</b>	<b>41.74</b>	<b>532.26</b>
<b>Amortisation</b>			
At April 1, 2016	80.55	37.66	118.21
Charge for the year	8.20	1.20	9.40
At March 31, 2017	88.75	38.86	127.61
<b>Charge for the year</b>	<b>8.20</b>	<b>1.15</b>	<b>9.35</b>
<b>At March 31, 2018</b>	<b>96.95</b>	<b>40.01</b>	<b>136.96</b>
<b>Net Block</b>			
At March 31, 2017	401.77	2.30	404.07
<b>At March 31, 2018</b>	<b>393.57</b>	<b>1.73</b>	<b>395.30</b>

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6.1 Investment in subsidiary, associates and joint ventures

	Non current	
	March 31, 2018	March 31, 2017
<b>Investments carried at cost</b>		
<b>Unquoted equity shares fully paid up</b>		
<b>Investment in subsidiary</b>		
Delhi Aerotropolis Private Limited		
100,000 shares of Rs 10 each (March 31, 2017 : 100,000 shares of Rs 10 each)	0.10	0.10
<b>Investment in associates</b>		
Celebi Delhi Cargo Terminal Management India Private Limited	29.12	29.12
29,120,000 shares of Rs. 10 each (March 31, 2017 : 29,120,000 shares of Rs. 10 each)		
Delhi Duty Free Services Private Limited	39.92	39.92
39,920,000 shares of Rs. 10 each (March 31, 2017 : 39,920,000 shares of Rs. 10 each)		
Delhi Airport Parking Services Private Limited	40.64	40.64
40,638,560 shares of Rs 10 each (March 31, 2017:40,638,560 shares of Rs 10 each)		
Travel Food services (Delhi Terminal 3) Private Limited	5.60	5.60
5,600,000 shares of Rs. 10 each (March 31, 2017 : 5,600,000 shares of Rs. 10 each)		
TIM Delhi Airport Advertising Private Limited	9.22	9.22
9,222,505 shares of Rs. 10 each (March 31, 2017 : 9,222,505 shares of Rs. 10 each)		
<b>Investment in joint ventures</b>		
Delhi Aviation Services Private Limited	12.50	12.50
12,500,000 shares of Rs. 10 each (March 31, 2017 : 12,500,000 shares of Rs. 10 each)		
Delhi Aviation Fuel Facility Private Limited	42.64	42.64
42,640,000 shares of Rs. 10 each (March 31, 2017 : 42,640,000 shares of Rs. 10 each)		
Wipro Airport IT Services Limited	1.30	1.30
1,300,000 shares of Rs. 10 each (March 31, 2017 : 1,300,000 shares of Rs. 10 each)		
GMR Bajoli Holi Hydropower Private Limited	108.33	-
108,334,241 shares of Rs. 10 each (March 31, 2017 : Nil )		
	<b>289.37</b>	<b>181.04</b>
<b>Aggregate book value of unquoted non-current investment</b>	<b>289.37</b>	<b>181.04</b>

6.2 Other Investments

<b>Carried at fair value through profit and loss</b>		
East Delhi Waste Processing Company Private Limited		
7,839 shares of Rs 10 each ( March 31, 2017 :7,839 shares of Rs 10 each)	0.01	0.01
	<b>0.01</b>	<b>0.01</b>



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6.3 Current Investments

	Current	
	March 31, 2018	March 31, 2017
<b>Investments carried at fair value through profit or loss</b>		
<b>Investment in mutual fund</b>		
<b>Unquoted investments</b>		
ICICI Prudential Liquid Regular Plan Growth	285.37	327.98
[11,130,257.38 units (March 31, 2017 : 13,656,817.68) of Rs. 100 each]		
Bank of Baroda Mutual Fund	35.10	75.05
[176,460.73 units (March 31, 2017 : 402,921.06) of Rs. 1000 each]		
Axis Liquid Fund Growth	175.42	175.10
[913,307.88 units (March 31, 2017 : 973,867.89) of Rs. 1000 each]		
Birla Sunlife Cash Plus- Inst. - Growth	517.92	408.63
[16,757,830.39 units (March 31, 2017 : 13,874,600.55) of Rs. 100 each]		
IDFC Cash Fund Growth Regular Plan	83.03	150.09
[394,752.88 units (March 31, 2017 : 761,522.75) of Rs. 1000 each]		
HDFC Liquid Fund	-	200.13
[ Nil (March 31, 2017: 6,25,480.62 units) of Rs. 10 each ]		
DHFL Mutual Fund	150.31	-
[6,680,746.71 units (March 31, 2017 : Nil) of Rs. 100 each]		
Invesco Mutual Fund	150.32	-
[630,626.71 units (March 31, 2017 : Nil) of Rs. 1000 each]		
Kotak Liquid Scheme	145.42	190.13
[413,959.05 units (March 31, 2017 : 577,802.97) of Rs. 1000 each]		
Reliance Mutual Fund	77.04	105.31
[7,593,237.26 units (March 31, 2017 : 7,728,843.10) of Rs. 1000 each]		
Sundaram Money Fund Regular - Growth	175.37	100.06
[48,059,856.01 units (March 31, 2017 : 29,264,666.72) of Rs. 10 each]		
SBI Premier Liquid Fund - Regular Plan -Growth	-	120.07
[Nil units (March 31, 2017 : 471,677.90) of Rs. 1000 each]		
DSP Mutual Fund	230.53	190.12
[931,807.72 units (March 31, 2017 : 820,156.48) of Rs. 1000 each]		
LIC Nomura Liquid Fund	90.20	50.03
[287,655.12 units (March 31, 2017 : 170,270.79) of Rs. 1000 each]		
IDBI Mutual Fund	90.16	-
[487,216.23 units (March 31, 2017 : Nil) of Rs. 1000 each]		
<b>Investments carried at amortised cost</b>		
<b>Investment in Commercial Papers</b>		
SREI Infrastructure Finance Limited	378.27	91.68
[8000 (March 31, 2017 : 2000) Units of Rs. 500,000 each]		
	<b>2,584.46</b>	<b>2,184.38</b>
<b>Aggregate book value of unquoted investments</b>	<b>2,584.46</b>	<b>2,184.38</b>

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7. Loans

		Non current		Current	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Carried at amortised cost					
Security deposits					
Unsecured, considered good		2.46	1.25	1.58	2.16
	(A)	2.46	1.25	1.58	2.16
Advances					
Doubtful, to related parties [refer note 35]		2.82	2.82	-	-
Less: provision for doubtful advances		(2.82)	(2.82)	-	-
	(B)	-	-	-	-
<b>Total (A+B)</b>		<b>2.46</b>	<b>1.25</b>	<b>1.58</b>	<b>2.16</b>

8. Other Financial assets

		Non current		Current	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Derivative Instrument carried at fair value through OCI #					
Cash flow hedge- Call spread option		0.97	-	-	-
Carried at amortised cost					
Interest accrued on fixed deposits and others		-	-	19.18	15.19
Non-trade receivable		-	-	47.39	16.40
[net of provision of doubtful debts Rs 0.46 crores (March 31, 2017 Rs. 1.57 crores)]					
Unbilled revenue		-	-	9.11	5.66
Other recoverables from related parties [refer note 35]		-	-	17.65	16.71
Margin money deposit * (refer note 13)		0.23	0.22	-	-
Other receivable		-	-	29.83	-
<b>Total other financial assets</b>		<b>1.20</b>	<b>0.22</b>	<b>123.16</b>	<b>53.96</b>

#Financial assets at fair value reflect the change in fair value of call spread options, designated as cash flow hedges to hedge the future cash outflow in USD on settlement of foreign exchange borrowings of USD 811.35 million (Rs. 5301.36 Crore) [March 31, 2017 USD 602.60 million (Rs. 3,953.06 Crore)] on senior secured foreign currency notes.

\* Rs 0.23 Crore (March 31, 2017: Rs. 0.22 Crore) against License fee to South Delhi Municipal Corporation.

9. Other assets

		Non current		Current	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Capital advances					
	(A)	4.60	4.47	-	-
		4.60	4.47	-	-
Advances other than capital advance					
Advance to suppliers		-	-	15.02	19.63
Advance to employees		-	-	-	0.09
Other advances		-	-	0.05	0.07
Less: provision for doubtful advances		-	-	(0.05)	(0.07)
	(B)	-	-	15.02	19.72
Others					
Prepaid expenses		5.83	5.87	6.52	5.02
Deposit with government authorities including paid under protest [refer note 34 II (e)]		-	-	4.07	4.10
Balance with statutory / government authorities		-	-	14.57	8.14
Advance Tax (net of provision for taxation Nil (March 31, 2017: Rs 155.78 crores))		45.85	80.95	-	-
	(C)	51.68	86.82	25.16	17.27
<b>Total other assets (A+B+C)</b>		<b>56.28</b>	<b>91.29</b>	<b>40.18</b>	<b>36.99</b>

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10. Income tax

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2018 and March 31, 2017:

	March 31, 2018	March 31, 2017
Current income tax:		
Current Tax	-	238.69
Adjustment of tax relating to earlier years	(4.88)	(1.88)
Deferred tax:		
Relating to origination and reversal of temporary differences	(73.97)	303.69
Income tax expense reported in the statement of profit or loss	(78.85)	540.50

OCI Section

Deferred tax related to items recognised in OCI during the year:

	March 31, 2018	March 31, 2017
Re-measurement gains (losses) on defined benefit plans	(0.27)	0.38
Cash flow Hedge Reserve	(6.53)	-
Income tax charged to OCI	(6.80)	0.38

	March 31, 2018	March 31, 2017
Accounting profit before tax	(40.60)	1,126.46
Tax at the applicable tax rate of 34.94% (March 31, 2017: 34.61%)	(14.19)	389.84
Exempt income not included in calculation of tax	(23.68)	(17.78)
Assets capitalised in the Income Tax Act in current year but in the books in previous year	(22.13)	-
MAT adjustment	-	238.69
Impact of increment in tax rate	0.98	-
Other adjustments	(1.60)	2.09
Interest on delayed payment by customers (Unrealized)	-	(23.86)
Adjustments on which deferred tax is not created	(13.27)	(52.19)
Adjustment of tax relating to earlier years	(4.88)	(1.88)
Previously unrecognised tax losses used to reduce deferred tax expense	(11.24)	-
Tax on other Comprehensive income	6.80	0.38
Tax effect of expenses that are not deductible in determining taxable profit:		
Donation paid disallowed	4.74	3.60
Interest on delayed payment of Income Tax	(0.38)	1.60
At the effective income tax rate of 48% (March 31, 2017: 19%)	(78.85)	540.49
Total tax expense reported in the statement of profit and loss	(78.85)	540.50

Deferred tax:

	Balance sheet		Statement of profit or loss	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Deferred tax liability				
Accelerated depreciation for tax purposes	(972.74)	(1,015.37)	42.63	2.29
Derivative liability-mark to market loss on IRS	-	(4.96)	4.96	(9.92)
On account of upfront fees being amortized using EIR method	(18.26)	(20.93)	2.68	(2.74)
Fair value of investment in mutual fund	(11.71)	(3.44)	(8.27)	(0.87)
Cash Flow Hedge	(0.71)	-	(0.71)	-
	(1,003.42)	(1,044.70)	41.29	(11.24)
Deferred tax asset				
Unabsorbed depreciation	649.27	597.75	51.52	(270.09)
Others Disallowances	42.96	34.37	8.21	25.39
Unrealised forex loss on borrowings	10.06	17.26	(7.20)	17.26
Intangibles (Airport Concession rights)	66.71	69.96	(3.25)	(3.88)
Carry Forward Losses	-	-	-	(85.73)
Other borrowing cost to the extent not amortised	16.34	19.26	(2.92)	(2.76)
Marketing Fund Liability	-	13.68	(13.68)	27.36
	785.34	752.28	32.68	(292.45)
Net deferred tax assets/(liabilities)	(218.08)	(292.42)	(73.97)	303.69

Reconciliations of net deferred tax liabilities / (assets)

	March 31, 2018	March 31, 2017
Opening balance as at beginning of the year	292.04	(11.27)
Tax income/(expense) during the period recognised in profit or loss	(73.97)	303.69
Tax income/(expense) during the period recognised in OCI	6.80	(0.38)
Closing balance as at March 31, 2018	224.87	292.04

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.



11. Inventories

(valued at lower of cost or net realizable value)  
Stores and spares

March 31, 2018	March 31, 2017
6.39	7.42
6.39	7.42

12. Trade receivables

Trade receivables

Related parties (refer note 35)  
Others

Current	
March 31, 2018	March 31, 2017
106.28	66.01
418.85	832.87
525.13	898.88

Break up for security details:

Trade receivables

Secured, considered good\*\*  
Unsecured, considered good  
Unsecured, considered doubtful

220.32	313.09
304.81	585.79
3.23	2.66
528.36	901.54
(3.23)	(2.66)
525.13	898.88

Less: Allowances for doubtful receivables

\*\* Trade receivable to the extent covered by security deposits or bank guarantees are considered as Secured trade receivables.

Trade receivables includes:-

Dues from entities in which the Company's non-executive director is a director

Delhi Duty Free Services Private Limited  
TDM Delhi Airport Advertising Private Limited  
GMR Bajoli Holi Hydropower Private Limited

Current	
March 31, 2018	March 31, 2017
16.37	13.17
30.37	30.35
0.50	0.30

13 Cash and Cash Equivalent

Balances with Banks

-On current accounts#  
-Deposits with original maturity of less than three months\*

Cheques / drafts on hand  
Cash on hand

Non-current		Current	
March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
-	-	110.91	44.36
-	-	263.56	505.00
-	-	0.48	4.73
-	-	0.02	0.03
(A)	-	374.97	554.12

Other bank balances

- Margin money deposit\*

0.23	0.22	-	-
0.23	0.22	-	-
(0.23)	(0.22)	-	-
(B)	-	374.97	554.12

Amount disclosed under other non-current financial assets (refer note 8)

Total (A+B)

# Cash and cash equivalents includes balance on current account with banks for Rs. 1.23 crore (March 31, 2017: Rs 2.34 crore) in respect of Marketing Fund.

\*Deposit with banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

At March 31, 2018, the Company has available Rs. 225.81 crore (March 31, 2017: Rs. 221.54 crore) of undrawn borrowing facilities for future operating activities.

14. Bank balances other than cash and cash equivalents

Balances with banks:

- Deposits with original maturity of more than three months but less than 12 months#

March 31, 2018	March 31, 2017
91.27	46.00
91.27	46.00

# Deposits with bank includes Rs. 49.32 crore (March 31, 2017: 46.00 crore) in respect of Marketing Fund.

Break up of financial assets carried at amortised cost and at fair value through profit and loss

Financial assets carried at amortised cost

Investment in commercial papers (refer note 6.3)  
Trade Receivable (refer note 12)  
Cash and cash equivalents (refer note 13)  
Bank balance other than Cash and cash equivalents (refer note 14)  
Loans (refer note 8)  
Other financial assets (refer note 9)

Non current		Current	
March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
-	-	378.27	91.68
-	-	525.13	898.88
-	-	374.97	554.12
-	-	91.27	46.00
2.46	1.25	1.58	2.16
1.20	0.22	123.16	53.96
3.66	1.47	1,494.38	1,646.80

(A)

Financial assets carried at Fair value through profit or loss

Investment in mutual funds (refer note 6.3)  
Investments in Equity Shares (refer note 6.2)

-	-	2,206.19	2,092.70
0.01	0.01	-	-
0.01	0.01	2,206.19	2,092.70
3.67	1.48	3,700.57	3,739.50

(B)

Total financial assets (A+B)



**15 Equity Share Capital**

**Authorised shares (No. in Crores)**

300 (March 31, 2017: 300) equity shares of Rs. 10 each

March 31, 2018	March 31, 2017
3,000	3,000
3,000	3,000

**Issued, subscribed and fully paid-up shares (No. in Crores)**

245 (March 31, 2017: 245) equity shares of Rs. 10 each fully paid up

2,450	2,450
2,450	2,450

**a. Reconciliation of Shares Outstanding at the beginning and end of the reporting year**  
**Equity Shares**

At the beginning of the year

Issued during the year

Outstanding at the end of the year

March 31, 2018		March 31, 2017	
No. Crore	(Rs. In Crores)	No. Crore	(Rs. In Crores)
245	2,450	245	2,450
-	-	-	-
245	2,450	245	2,450

**b. Terms/Rights Attached to equity Shares**

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company the holders of equity shares would 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. Further the shareholders have entered into share holders agreement whereby special rights have been assigned to the Airports Authority of India (AAI) in respect of appointment of the nominee director in the Board of Directors, approval of reserved Shareholders and Board matters by affirmative vote of the AAI. Further in case if any shareholder intends to the transfer its shares subject to restriction of lock in period in Operation, Management and Development Agreement between shareholders, other shareholders will have first right of refusal in accordance with the terms of the shareholders agreement.

**c. Shares held by holding/ intermediate holding company and its subsidiary**

Out of equity shares issued by the Company, shares held by its holding company, intermediate holding company and its subsidiary are as below:

**Name of Shareholder**

**GMR Infrastructure Limited, the intermediate holding company**

100 (March 31, 2017: 100) equity share of Rs.10 each fully paid up

March 31, 2018	March 31, 2017
0.00	0.00

**GMR Energy Limited, Subsidiary of the intermediate holding company**

100 (March 31, 2017: 100) equity share of Rs.10 each fully paid up

0.00	0.00
------	------

**GMR Airports Limited along with Mr. Srinivas Bommidala**

1 (March 31, 2017: 1) equity share of Rs.10 each fully paid up

0.00	0.00
------	------

**GMR Airports Limited along with Mr Grandhi Kiran Kumar**

1 (March 31, 2017: 1) equity share of Rs.10 each fully paid up

0.00	0.00
------	------

**GMR Airports Limited, the holding company**

156.80 crore (March 31, 2017: 156.80 crore) equity share of Rs.10 each fully paid up

1,568	1,568
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**d. Details of Shareholders holding more than 5% of equity shares in the Company**

**Equity shares of Rs. 10 each fully paid**

Airports Authority of India

GMR Airports Limited

Fraport AG Frankfurt Airport Services Worldwide

March 31, 2018		March 31, 2017	
Numbers	% holding in Class	Numbers	% Holding in Class
63,70,00,000	26%	63,70,00,000	26%
1,56,79,99,798	64%	1,56,79,99,798	64%
24,50,00,000	10%	24,50,00,000	10%
2,44,99,99,798	100%	2,44,99,99,798	100%

As per records of the Company including its register of share holders/members and other declarations received from share holders regarding beneficial interest, the above share holding represents legal and beneficial ownership of shares as at the balance sheet date.

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#### 16 Other Equity

##### Retained earnings

Balance as per last financial statements  
Net profit for the year  
Re-measurement gains on defined benefit plans

Payment of dividends  
Dividend distribution tax  
Closing balance

##### Other items of Comprehensive Income

##### Cash flow hedge reserve

Balance as per last financial statements  
Net Movement during the year

March 31, 2018	March 31, 2017
575.49	(9.74)
38.25	585.96
0.50	(0.73)
(159.25)	-
(32.42)	-
422.57	575.49
(16.84)	-
12.35	(16.84)
(4.49)	(16.84)
418.08	558.65

#### 16.1 Distribution made and proposed on Equity shares:

##### Cash dividends on equity shares declared and paid

Final dividend on equity shares for the year ended on March 31, 2017: Rs. 0.65 per share  
Dividend distribution tax (DDT) on final dividend

March 31, 2018	March 31, 2017
159.25	-
32.42	-
191.67	-

##### Proposed dividends on Equity shares:

The Board proposed dividend after the balance sheet date:-

Proposed dividend on equity shares for the year ended on March 31, 2017: Rs. 0.65 per share  
Dividend distribution tax (DDT) on proposed dividend

March 31, 2018	March 31, 2017
-	159.25
-	32.42
-	191.67

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon) as at March 31, 2017. This is subsequently approved in annual general meeting held on September 5, 2017.

#### 16.2 Net dividend remitted in foreign exchange:

Year of remittance (ending on)

Period to which relates

Number of non-resident shareholders

Number of equity shares of nominal value Rs.10 per share held on which dividend was due

Amount remitted in USD (in million)

Amount remitted in INR (in crore)

March 31, 2018	March 31, 2017
April 1, 2016 to March 31, 2017	-
1	-
24,50,00,000	-
0.25	-
15.93	-

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# 17 Borrowings

## Bonds

- 6.125% (2022) senior secured foreign currency notes (Note-1)  
6.125% (2026) senior secured foreign currency notes (Note-2)

Non - Current	
March 31, 2018	March 31, 2017
1,857.93	1,859.25
3,391.19	3,402.72
<b>5,249.12</b>	<b>5,261.97</b>

a. 6.125% Senior Secured Foreign Currency Notes (Note-1) of USD 284.35 million (March 31, 2017: USD 283.42 million), principal outstanding of USD 288.75 million (March 31, 2017: USD 288.75 million) from International capital market carrying a fixed interest rate of 6.125% p.a. plus applicable withholding tax. The Note-1 are due for repayment in February, 2022. The bonds are secured by first rank pari-passu charge on all the future revenues, receivables, Trust and Retention account, any other reserve, other bank accounts and insurance proceeds of the Company and all the rights, titles, interests, permits in respect of the project documents as detailed in the lenders agreements, to the extent permissible under OMDA.

b. 6.125% Senior Secured Foreign Currency Notes (Note-2) of USD 519.00 million (March 31, 2017: USD 518.70 million), principal outstanding of USD 522.60 million (March 31, 2017: USD 522.60 million) from International capital market carrying a fixed interest rate of 6.125% p.a. plus applicable withholding tax. The Note-2 are due for repayment in October 2026. The loan is secured by first rank pari-passu charge on all the future revenues, receivables, Trust and Retention account, any other reserve, other bank accounts and insurance proceeds of the Company and all the rights, titles, interests, permits in respect of the project documents as detailed in the lenders agreements, to the extent permissible under OMDA.

c. With respect to note-1 and note-2, the Company has to follow Fixed Charge Coverage Ratio as provided under the Indenture for any additional indebtedness and other limitations. The Company has complied with the financial covenants prescribed in the financing documents and the Indenture.

# 18 Other Financial Liabilities

## Financial liabilities carried at fair value through OCI \*

Cash flow hedge; Call spread option

Non Current		Current	
March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
-	-	-	42.58
-	-	-	42.58

## Other financial liabilities at amortised cost

Security Deposits from trade concessionaires- related parties [refer note 35]  
Security Deposits from trade concessionaires- others  
Security Deposits from commercial property developers  
Earnest money deposits  
Capital Creditors  
Retention money  
Liability for Voluntary retirement scheme  
Interest accrued but not due on borrowings

-	148.75	-	1.37
310.78	121.61	150.24	124.85
7.48	7.59	116.75	-
-	-	2.51	4.50
-	-	23.63	49.25
3.41	3.51	40.89	37.36
1.35	16.85	15.47	14.45
-	-	105.33	107.02

## Total other financial liabilities at amortised cost

323.02	298.31	454.82	338.80
--------	--------	--------	--------

## Total other financial liabilities

323.02	298.31	454.82	381.38
--------	--------	--------	--------

## \*Financial liabilities at fair value through OCI

Financial liabilities at fair value reflect the change in fair value of call spread options, designated as cash flow hedges to hedge the future cash outflow in USD on settlement of foreign exchange borrowings of USD 811.35 million (Rs. 5301.36 Crore) [March 31, 2017 USD 602.6 million (Rs. 3,953.06 Crore)] on Note-1 and Note-2.

# 19 Deferred Revenue

Deferred income on financial liabilities carried at amortized cost  
Unearned revenue

Non Current		Current	
March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
1,575.76	1,780.83	74.27	74.73
1.47	0.48	11.67	11.45
<b>1,577.23</b>	<b>1,781.31</b>	<b>85.94</b>	<b>86.18</b>

## Deferred income on financial liabilities carried at amortized cost

At April 1  
Deferred during the year  
Reversed during the year  
Released to the statement of profit and loss

March 31, 2018	March 31, 2017
1,855.56	1,825.78
36.84	93.45
(163.16)	-
(79.21)	(63.67)
<b>1,650.03</b>	<b>1,855.56</b>

## Unearned revenue

At April 1  
Deferred during the year  
Released to the statement of profit and loss

March 31, 2018	March 31, 2017
11.93	9.04
277.93	246.90
(276.72)	(244.01)
<b>13.14</b>	<b>11.93</b>

## Deferred income on financial liabilities carried at amortized cost

Interest free security deposit received from concessionaire and commercial property developers (that are refundable in cash on completion of its term) are carried at amortised cost. Difference between the amortised value and transaction value of the security deposits received has been recognised as deferred revenue.



20 Other Liabilities

	Non Current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
<b>Advances</b>				
Advances from commercial property developers	92.72	95.60	48.15	94.74
Advance from customer	9.85	17.35	6.16	5.91
<b>Others</b>				
Marketing fund liability [refer note 4] (h)]	-	-	51.51	53.43
Tax deducted at source/Tax Collected at source payable	-	-	15.20	55.90
Goods & Service tax payable	-	-	1.72	-
Other statutory dues	-	-	1.66	2.79
Other liabilities	-	-	38.12	13.52
	102.57	112.95	162.52	226.29

21 Trade payables

	March 31, 2018	March 31, 2017
<b>Trade Payable</b>		
- Micro Enterprises and Small Enterprises	7.35	1.19
- Related parties [refer note 35]	204.58	214.44
- Others	200.08	215.77
	412.01	431.40

Disclosure as per Section 22 of "The Micro, Small and Medium Enterprises Development Act, 2006".

	March 31, 2018	March 31, 2017
The principal amount and the interest due thereon remaining unpaid to any supplier:		
- Principal amount	7.35	1.19
- Interest thereon	-	-

The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day.

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 this Act

The amount of interest accrued and remaining unpaid

The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small investor

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 60-day terms.  
Related parties payable are payable on demand once they get due.

For explanations on the Company's credit risk management processes, refer to Note 39.

22 Provisions

	Long term		Short term	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
<b>Provision for employee benefits</b>				
Provision for leave benefits	-	-	21.18	17.84
Provision for Gratuity (refer note 33)	1.45	1.21	-	-
Provision for superannuation	-	-	0.33	0.29
	1.45	1.21	21.51	18.13

Break up of financial liabilities

	Non Current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
<b>Financial liability carried at amortised cost</b>				
Borrowings (refer note 17)	5,249.12	5,261.97	-	-
Trade Payables (refer note 21)	-	-	412.01	431.40
Other financial liabilities	323.02	298.31	454.82	338.80
<b>Financial liabilities carried at fair value through OCI (refer note 37)</b>				
Cash flow hedge- Call spread option	-	-	-	42.58
	5,572.14	5,560.28	866.83	812.78

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**23. Revenue From Operations**

	March 31, 2018	March 31, 2017
<b>Sale of services</b>		
<b>Aeronautical (A)</b>	<b>1,705.48</b>	<b>3,939.82</b>
<b>Non - Aeronautical</b>		
Duty free	378.42	342.52
Retail	133.30	99.37
Advertisement	170.98	142.24
Food & Beverages	134.66	111.51
Cargo	206.99	171.23
Ground Handling	124.40	113.18
Parking	25.89	19.23
Land & Space — Rentals	349.33	317.47
Others	274.84	211.72
<b>Total Non -Aeronautical (B)</b>	<b>1,798.81</b>	<b>1,528.47</b>
<b>Other operating revenue</b>		
Revenue from commercial property development (C )	176.68	164.23
<b>TOTAL (A+B+C)</b>	<b>3,680.97</b>	<b>5,632.52</b>

**24. Other income**

	March 31, 2018	March 31, 2017
<b>Interest income on financial asset carried at amortised cost</b>		
Bank deposits and others	60.96	52.21
Security deposits given	0.39	0.14
<b>Dividend Income on non-current investments carried at cost</b>	<b>67.76</b>	<b>51.38</b>
<b>Other non-operating income</b>		
Gain on sale of financial asset carried at Fair value through profit and loss	-	-
Current investments-Mutual fund	125.03	97.43
Exchange difference (net)	53.26	96.34
Fair value gain on financial instruments (IRS) at fair value through profit or loss	-	6.17
Fair value gain on financial instruments at fair value through profit and loss*	23.57	2.50
Income from Duty credit scrips [refer note 41 (n)]	30.27	-
Miscellaneous income	0.63	0.82
	<b>361.87</b>	<b>306.99</b>

\* Fair value gain on financial instrument at fair value through profit & loss relates to current investment in mutual funds.

**25. Employee Benefits Expense**

	March 31, 2018	March 31, 2017
Salaries, wages and bonus	147.11	115.88
Contribution to provident and other funds [refer note 33(a)]	10.48	8.75
Gratuity expenses [refer note 33 (b)]	3.01	1.24
Staff welfare expenses	4.64	3.60
	<b>165.24</b>	<b>129.47</b>

**26. Depreciation and amortization expense**

	March 31, 2018	March 31, 2017
Depreciation on Property, Plant and Equipment (refer note 4)	636.55	628.63
Amortization of Intangible assets (refer note 5)	9.35	9.40
	<b>645.90</b>	<b>638.03</b>

**27. Finance Costs**

	March 31, 2018	March 31, 2017
Interest on borrowings*	346.88	419.56
Call spread option premium	153.65	40.70
Interest expenses on financial liability carried at amortised cost	74.41	49.87
Other interest	1.41	9.99
Other borrowing costs		
-Bank charges	2.80	3.91
-Other cost	-	3.22
	<b>579.15</b>	<b>527.25</b>

\*Includes reversal of finance charges under finance lease obligation of Nil (March 31, 2017 expenses of: Rs 7.01 crore ) [refer note 34 I]



28. Other expenses

	March 31, 2018	March 31, 2017
Utility expenses	113.20	106.54
Repairs and maintenance		
Plant and machinery	108.27	95.20
Buildings	32.35	27.00
IT Systems	35.32	32.08
Others	10.46	9.14
Manpower hire charges	125.97	95.79
Airport Operator fees	171.87	151.05
Security related expenses	23.06	13.61
Information technology and related expenses	-	2.75
Insurance	6.63	7.16
Consumables	12.73	11.30
Professional and consultancy expenses	73.06	47.19
Travelling and conveyance	17.63	16.51
Office maintenance and other expenses	5.38	6.40
Rates and taxes	8.30	8.28
Rent (including lease rentals)	10.57	9.65
Advertising and sales promotion	11.18	11.01
Communication costs	2.09	1.70
Printing and stationery	1.51	0.98
Directors' sitting fees	0.27	0.32
Payment to auditors (refer note A below)	1.62	1.89
Provision for Bad debts / Bad Debts Written off	0.31	1.73
Corporate cost allocation	85.02	75.92
Collection charges (Net)	5.28	8.29
Loss on discard of Property, Plant and Equipment	0.08	1.59
Donations	2.42	2.89
CSR expenditure (refer note B below)	11.14	7.51
Marketing expenses	-	39.55
Expenses of commercial property development	49.47	43.13
Miscellaneous expenses	6.49	6.50
	<b>931.68</b>	<b>842.66</b>

A. Payment to Auditors (Included in other expenses above)

	March 31, 2018	March 31, 2017
<b>As Auditor</b>		
Audit fee	0.70	0.78
Tax audit fee	0.07	0.07
<b>Other services</b>		
- Other services (including certification fees)*	0.83	0.95
- Reimbursement of expenses	0.02	0.09
	<b>1.62</b>	<b>1.89</b>

\* Professional fees of Nil (March 31, 2017: Rs. 0.62 crores) in connection with 6.125% of senior secured foreign currency notes (2026) are amortised over the period of secured notes.

B. Details of CSR expenditure:

	March 31, 2018	March 31, 2017
a) Gross amount required to be spent by the Company during the year	11.70	8.38
(b) Amount spent during the year ended on March 31, 2018:		
i) Construction/acquisition of any asset	In cash	Yet to be paid in cash
ii) On purposes other than (i) above	9.32	1.82
		<b>11.14</b>
b) Amount spent during the year ended on March 31, 2017:		
i) Construction/acquisition of any asset	In cash	Yet to be paid in cash
ii) On purposes other than (i) above	7.01	0.50
		<b>7.51</b>

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Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)

CIN. U63033DL2006PLC146936

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts in Rupees Crore, except otherwise stated)

#### 29. Exceptional items

	March 31, 2018	March 31, 2017
Loan prepayment charges [refer note 41(I)]	-	40.80
	-	40.80

#### 30. Components of OCI

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

##### During the year ended March 31, 2018

	March 31, 2018
Cash Flow Hedge Reserve	12.35
	12.35

##### During the year ended March 31, 2017

	March 31, 2017
Cash Flow Hedge Reserve	(16.84)
	(16.84)

#### 31. Earnings Per Share (EPS)

The following reflects the income and share data used in the basic and diluted EPS computations:

	March 31, 2018	March 31, 2017
Profit attributable to equity holders of the company	38.25	585.96
Weighted average number of equity shares used for Computing Earning Per Share (Basic & Diluted)	245.00	245.00
	245.00	245.00
Earning Per Share (Basic) (Rs)	0.16	2.39
Earning Per Share (Diluted) (Rs)	0.16	2.39
Face value per share (Rs)	10.00	10.00

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## **32. Significant accounting judgements, estimates and assumptions**

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

### **32.1 Judgements**

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

#### **Discounting rate**

The Company has considered incremental borrowing rate of Airport sector as at transition date for measuring deposits, being financial assets and financial liabilities, at amortised cost.

#### **Non applicability of Service Concession Arrangement (SCA)**

DIAL had entered into Operation, Management and Development Agreement ('OMDA') with Airports Authority of India ('AAI'), which gives DIAL an exclusive right to operate, maintain, develop, modernize and manage the Delhi Airport on a revenue sharing model for an initial term of 30 years, which can be extended by another 30 years on satisfaction of certain terms and conditions pursuant to the provisions of the OMDA. Under the agreement, AAI has granted exclusive right and authority to undertake some of the functions of the AAI being the functions of operation, maintenance, development, design, construction, upgradation, modernization, finance and management 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 determination of prices for Non-Aeronautical Services. The management of the Company conducted detailed analysis to determine applicability of Appendix A of Ind AS 11 and concluded that the same does not apply to DIAL. Company concession arrangement has significant non-regulated revenues, which are apparently not ancillary in nature, as these are important from DIAL, AAI and users/passengers perspective. 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.

#### **Development Fund**

The Airport Economic Regulatory Authority of India (AERA) had passed an order vide Order No. 28/2011-12, 30/2012-13 and AERA tariff order No. 03/2012-13 on determination of Aeronautical Tariff, issued on November 14, 2011, December 28, 2012 and April 24, 2012 respectively, in respect of levy of Development fee (DF) at Delhi Airport. As per the facts of the matter, DIAL is collecting tax/levy for the purpose of bridging the funding gap i.e. essentially a viability gap funding made by AERA to meet the project cost. The amount of funding, its securitisation and utilisation is closely monitored by AERA. The DF collected is not in the nature of tariffs or charges to be collected from passengers for the purpose of concession, but a levy or tax that has been collected by DIAL on behalf of AAI and utilised for the expansion and up-gradation of the Airport. Accordingly, the management has concluded that DF is a levy or tax and has been used/ collected under a mechanism for building infrastructure that has been part of concession.





### **Annual Fee to AAI**

As per the Concession Agreement (OMDA) entered into with AAI in April 2006, the Company is required to pay to AAI annual fee (AF) each year at 45.99% on its projected revenue and same shall be payable in twelve equal monthly instalments (MAF), to be paid in each calendar month. As per Article 1.1 of Chapter I of OMDA, "Revenue" is defined to mean all pre-tax gross revenue of DIAL with certain specified exclusions.

Management of the Company is of the view that the certain income / credits arising on adoption of Ind-AS was not in contemplation of parties in April 2006 when this Concession Agreement was signed / entered. Further, these income/credits in Statement of Profit and Loss do not represent actual receipts from business operations, from any external sources and therefore, these incomes/ credits should not be treated as "Revenue" for calculation of MAF to AAI. Accordingly, the Company, basis above and Legal Opinion and discussions with consultants, has provided the monthly annual fee to AAI based on Revenue as per the Ind AS financial statements after adjusting such incomes/credits.

### **Leases: whether an arrangement contains a lease**

Company in earlier years, had entered in to an IT service arrangement with a Wipro Airport IT Systems Limited (WAISL) to provide IT services at the Airport on its behalf. As per the agreement, Company pays or receives a variable charge to the WAISL depending upon the actual billing and subsistence level agreed. WAISL cannot offer such services to any other customer and it is not economically feasible for the WAISL to offer the level of services using any other equipment. Accordingly, although the arrangement is not in the legal form of lease, the Company concluded that the arrangement contains a lease of the IT equipment and other assets. The lease was classified as a finance lease at inception of the arrangement and payments were split into lease payments and payments related to the other elements based on their relative fair values. The imputed finance costs on the liability were determined based on incremental borrowing rate of interest.

However, in the financial year 2016-17, there is modification in the terms of arrangement and as per the modified terms; this arrangement no longer contains an embedded lease. Accordingly, the Company has derecognised the assets and liabilities recognised under finance lease.

### **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 from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounting cash flow (DCF) model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

## **32.2 ESTIMATES AND ASSUMPTIONS**

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. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, 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.



## **Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement 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.

## **Defined benefit plans**

The cost of the defined benefit plan and other post-employment benefits 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.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 33.

## **Provision for Leave encashment**

The present value of leave encashment is 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 discount rate, future salary increases, and withdrawal rates. Due to complexities involved in the valuation and its long term nature, provision for leave encashment is sensitive to changes in these assumptions. All assumptions are reviewed at each balance sheet date.

## **Contingencies**

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

## **Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements 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. See Note 37, 38 and 39 for further disclosures.



**33. Retirement and other employee Benefit:-****Employee Benefit:-****a) Defined benefit plans**

During the year ended March 31, 2018, the Company has recognised Rs. 10.48 crore (March 31, 2017: Rs. 8.75 crore) as an expenses and included in Employee benefits expense as under the following defined contribution plans.

	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>benefits (Employer's contribution to):</b>		
Provident and other fund#	7.02	5.62
Superannuation fund*	3.46	3.13
<b>Total</b>	<b>10.48</b>	<b>8.75</b>

#Net of amount transferred to Capital work-in-progress ('CWIP') & CPD Rs. 0.11 Crore (March 31, 2017: Rs. 0.11 Crore)

\*Net of amount transferred to CWIP & CPD Rs. 0.08 Crore (March 31, 2017: Rs. 0.07 Crore).

The Company makes contribution towards provident fund which is administered by the trustees. The rules of the Company's provident fund administered by a trust, require that if the board of the trustees are unable to pay interest at the rate declared by the government under para 60 of the Employees provident fund scheme, 1972 for the reason that the return on investment is less for any other reason, then the deficiency shall be made good by the Company making interest shortfall a defined benefit plan. Accordingly, the Company has obtained actuarial valuation and based on the below provided assumption there is no cumulative deficiency at the balance sheet date. Hence, the liability is restricted towards monthly contributions only.

As per the requirement of Ind AS 19 of the Institute of Chartered Accountants of India, benefits involving employer established provident funds, which require interest shortfalls to be re-compensated, are to be considered as defined benefit plans. Based on the actuarial valuation and on the assumptions provided below there is no cumulative short-fall which has been provided in the financial statements.

Particulars	March 31, 2018	March 31, 2017
Plan assets at the year end, at fair value	111.59	94.27
Present value of benefit obligation at year end	111.59	94.27
Net (liability) recognized in the balance sheet	-	-

Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:

Particulars	March 31, 2018	March 31, 2017
Discount rate	7.60%	7.10%
Fund rate	9.30%	9.50%
PFO rate	8.55% for the next one year	8.60% for the next one year
Withdrawal rate	5%	5%
Mortality	Indian Assured Lives Mortality (2006-08) (modified)Ult *	Indian Assured Lives Mortality (2006-08) (modified)Ult *

\*As published by IRDA and adopted as Standard Mortality Table as recommended by Institute of Actuaries of India effective April 1, 2013.



**Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)****CIN. U63033DL2006PLC146936****Notes to the standalone financial statements for the year ended March 31, 2018****(All amounts in Rupees Crore, except otherwise stated)****(b) Gratuity expense**

Gratuity liability is a defined benefit obligation (DBO) which is funded through policy taken from Life Insurance Corporation of India and Liability (net of fair value of investment in LIC) is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days' salary (based on last drawn basic salary) for each completed year of service.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss/OCI and amounts recognised in the balance sheet for defined benefit plans/obligations:

Net employee benefit expense (recognized in Employee Cost) for the year ended March 31, 2018:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Current Service Cost	1.51	1.31
Past Service Cost	1.53	-
Net Interest Cost	(0.03)	(0.07)
<b>Total</b>	<b>3.01</b>	<b>1.24</b>

Amount recognised in Other Comprehensive Income for the year ended March 31, 2018:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Actuarial (gain)/loss due to DBO experience	0.08	(0.39)
Actuarial gain due to DBO financial assumptions changes	(0.59)	(0.69)
<b>Actuarial gain arising during period</b>	<b>(0.51)</b>	<b>(1.08)</b>
Return on plan assets greater than discount rate	(0.26)	(0.03)
<b>Actuarial gains recognized in OCI</b>	<b>(0.77)</b>	<b>(1.11)</b>

**Balance Sheet**

Particulars	March 31, 2018	March 31, 2017
Defined benefit obligation	(16.39)	(12.78)
Fair value of plan assets	14.94	11.57
<b>Benefit liability</b>	<b>(1.45)</b>	<b>(1.21)</b>

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**Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)****CIN. U63033DL2006PLC146936****Notes to the standalone financial statements for the year ended March 31, 2018****(All amounts in Rupees Crore, except otherwise stated)**

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

Particulars	March 31, 2018	March 31, 2017
Opening defined benefit obligation	12.78	10.66
Interest cost	0.87	0.78
Current service cost	1.51	1.31
Past Service Cost	1.53	-
Acquisition cost	1.10	0.24
Benefits paid (including transfer)	(0.89)	(1.29)
Actuarial (gain)/ losses on obligation-experience	(0.51)	1.08
Closing defined benefit obligation	16.39	12.78

Changes in the fair value of plan assets are as follows:

Particulars	March 31, 2018	March 31, 2017
Opening fair value of plan assets	11.57	11.02
Acquisition Adjustment	0.92	-
Interest income on plan assets	0.90	0.85
Contributions by employer	2.18	1.02
Benefits paid (including transfer)	(0.89)	(1.29)
Return on plan assets greater/ (lesser) than discount rate	0.26	(0.03)
Closing fair value of plan assets	14.94	11.57

The Company expects to contribute Rs. 2.18 crore to gratuity fund during the year ended on March 31, 2019 (March 31, 2018: Rs. 1.01 crore).

The major category of plan assets as a percentage of the fair value of total plan assets is as follows:

Particulars	March 31, 2018	March 31, 2017
	(%)	(%)
Investments with insurer managed funds	100	100

Experience adjustments for the current and previous years are as follows:

Particulars	March 31, 2018	March 31, 2017
Defined benefit obligation	(16.39)	(12.78)
Plan assets	14.94	11.57
Funded status	(1.45)	(1.21)
Experience gain adjustment on plan liabilities	(0.51)	(1.08)
Experience gain adjustment on plan assets	(0.26)	(0.03)
Actuarial gain due to change in assumptions	-	-



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The principal assumptions used in determining gratuity obligation for the Company's plans are shown below:

Particulars	March 31, 2018	March 31, 2017
Discount rate (in %)	7.60%	7.10%
Salary Escalation (in %)	6.00%	6.00%
Expected rate of return on assets	7.60%	7.80%
Attrition rate (in %)	5.00%	5.00%

A quantitative sensitivity analysis for significant assumption as at March 31, 2018 is as shown below:

	March 31, 2018	March 31, 2017
<b>Assumptions</b>	<b>Discount rate</b>	
Sensitivity Level	1%	1%
Impact on defined benefit obligation due to increase	(1.17)	(0.97)
Impact on defined benefit obligation due to decrease	1.34	1.12

<b>Assumptions</b>	<b>Future Salary Increase</b>	
Sensitivity Level	1%	1%
Impact on defined benefit obligation due to increase	1.26	0.91
Impact on defined benefit obligation due to decrease	(1.15)	(0.85)

<b>Assumptions</b>	<b>Attrition rate</b>	
Sensitivity Level	1%	1%
Impact on defined benefit obligation due to increase	0.14	0.12
Impact on defined benefit obligation due to decrease	(0.16)	(0.14)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (March 31, 2017:10 years).

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### **34. Commitments and Contingencies**

#### **I. Leases**

##### **Operating lease: Company as lessee**

The Company has taken office and residential space, information technology equipment under operating lease arrangements. Office premises are obtained on operating lease for terms ranging from 0-5 years and are renewable upon agreement of both the Company and the lessor. There are no sub leases.

Future minimum rentals payable under non-cancellable operating leases are as follows:

Particulars	March 31, 2018	March 31, 2017
Minimum Lease payment for the year (excluding taxes)	10.57	9.65
Minimum Lease Payments:		
Within one year	2.69	2.78
After one year but not more than five years	2.18	4.73
More than five years	-	-
Total future payments	4.87	7.51

#### **II. Contingent liabilities not provided for:**

	Particulars	March 31, 2018	March 31, 2017
(i)	In respect of Income tax matters *	64.29	67.95
(ii)	In respect of Indirect tax matters [refer note (e) & (f) below and other matters* ]	190.42	190.68
(iii)	Claim against the Company not acknowledged as debt [refer (d) below and other matters*]	41.47	41.47
(iv)	In respect of other matters [refer (a) below]	15.72	7.86

\*pertaining to various cases not included below

The Company has provided guarantee to an unrelated party for the performance in a contract. No liability is expected to arise.

Performance guarantees given by the Company on its own behalf are not considered as contingent liability.

- a) During the year ended March 31, 2017, the Delhi Cantonment Board (DCB) has raised provisional invoice demanding property tax of Rs. 9.01 crore in respect of vacant land at IGI Airport for the Financial Year 2016-17.





The airport area majorly consists of vacant land area which cannot be commercially let out by the Company because of operational safety, aircraft landing & take off and navigational requirements as per standards laid down by International Civil Aviation Organization (ICAO). However, based on same computation method as used for payment of property tax to South Delhi Municipal Corporation ('SDMC'), management has made payment of Rs. 1.15 crore towards property tax for financial year 2016-17 and requested DCB to withdraw its demand.

Company has also paid Rs. 1.15 crore for financial year 2017-18 based on same computation as of previous financial year. During the year ended March 31, 2018, DCB has raised provisional invoice on November 23, 2017 demanding property tax of Rs. 9.01 crore for the Financial Year 2017-18 along with arrears of Rs. 7.86 crore for 2016-17. Accordingly, The Company has disclosed remaining amount of Rs. 15.72 crore in respect of FY 2016-17 and FY 2017-18 as contingent liability.

The Company has obtained a legal opinion; wherein it has been opined that liability w.r.t. earlier years cannot be ruled out. As DCB has not raised any demand for earlier years, and the Company's application for adopting the same computation method as considered by SDMC, while arriving at the demand for the financial year 2016-17, is pending / under consideration by DCB, the amount of liability for earlier years is unascertainable; and therefore no provision has been considered necessary by the company against such demand in these standalone financial statements.

- b) The Ministry of Civil Aviation (MoCA) issued a Circular No. AV 13028/001/2009-AS dated January 8, 2010 giving fresh guidelines regarding the expenditure which could be met out of the PSF (SC) and subsequently clarified by MoCA vide order dated April 16, 2010. Based on the said circular, the Company is not debiting such security expenditure to PSF (SC) escrow account. Further, vide circular No. AV 13024/43/2003-SS (AD) dated May 17, 2012, it was further directed that any such expenditure already debited was required to be credited back to PSF(SC) account. However, security expenditure amounting to Rs. 24.48 crore was already incurred prior to April 16, 2010 and was debited to PSF (SC) account.

The Company had challenged the said circulars issued by MoCA before the Hon'ble Delhi High Court by way of a Writ Petition. The Hon'ble Court, vide its order dated December 21, 2012, had restrained MoCA from taking any coercive measures in the form of initiation of criminal proceedings against the Company and the matter is now listed for hearing on May 04, 2018. Based on an internal assessment and aforesaid order of the Hon'ble Delhi High Court, the management is confident that no liability in this regard would be payable and as such no provision has been made in these financial statements.

- c) MoCA issued an order no. AV 13024 /03/2011-AS (Pt. I) dated February 18, 2014 requiring the Airport Operators to reverse the expenditure incurred, since inception to till date, towards procurement and maintenance of security systems/equipment and on creation of fixed assets out of PSF (SC) escrow account opened and maintained by DIAL (the Airport Operator) in a fiduciary capacity. The Company had incurred Rs. 297.25 crore towards capital expenditure (excluding related maintenance expense and interest thereon) till March 31, 2018 (March 31, 2017: Rs. 296.90 crore) out of PSF (SC) escrow account as per Standard Operating Procedure (SOPs), guidelines and clarification issued by MoCA from time to time on the subject of utilization of PSF (SC) funds.

In the opinion of the management of the Company, the above order is contrary to and inconsistent with SOPs, guidelines and clarification issued by MoCA from time to time in this regard and as such had challenged the said order before Hon'ble Delhi High court. The Hon'ble Delhi High Court, vide its order dated March 14, 2014, stayed recovery of amount already utilized by the Company from PSF (SC) Escrow Account till date. The matter is now listed for hearing on July 13, 2018.



Further, MoCA has issued an order dated September 18, 2017, which is supplementary to the order dated February 18, 2014 stating the approximate amount of reversal to be made by the Company towards capital expenditure and interest thereon amounting to Rs. 295.58 crores and Rs. 368.19 crores respectively, subject to the order of the Hon'ble High court of Delhi.

Based on an internal assessment, the management of the Company is of the view that no adjustments are required to be made in the books of accounts. Further, as directed by the Hon'ble High Court and pending further orders, the Company has charged Rs. 79.38 crore from April 1, 2014 till March 31, 2018 (March 31, 2017: Rs. 58.41 crore) towards the expenditure incurred on repair and maintenance of security equipment to the Statement of profit and loss which includes Rs. 20.97 crore during the year ended March 31, 2018 (March 31, 2017: Rs 22.79 crore).

- d) The Company was entitled to custom duty credit scrip under Served from India Scheme (SFIS) of Foreign Trade Policy issued by Government of India. Under the terms of SFIS, service providers are entitled to custom duty credit scrip as a percentage of foreign exchange earned by the Company that can be utilized for payment of import duty. Till March 31, 2014, the Company had cumulatively utilized custom duty credit scrip amounting to Rs. 89.60 crore in lieu of payment of import duty in respect of import of fixed assets (including capital work in progress) and thus, recorded fixed assets (including capital work in progress) imported, at net amount (after excluding the amount of custom duty paid by using these scrips).

The Expert Advisory Committee ('EAC') of the Institute of Chartered Accountants of India, pursuant to a specific application by the Company in this regard, has clarified vide its opinion viz. TD/EAC/1484/13 dated November 19, 2013 that such scrips should be recognised and accounted as grant related to revenue under erstwhile Accounting Standard 12 – Accounting for Government Grants.

Accordingly, as allowed under para 15 of erstwhile Accounting Standard 12, the Company had adjusted (netted off) Rs. 80.39 crore, [being the difference between the value of duty credit scrips amounting to Rs. 89.60 crore and the depreciation amounting to Rs. 9.21 crore that ought to have been charged on such assets] against certain expenditure, which in its view are related to obtaining such custom duty credit scrip entitlements and had disclosed the same as prior period items (net) in the financial statements for the year ended March 31, 2014.

However, Airport Authority of India ('AAI') has expressed different view on this and argued that amount utilized under SFIS should be treated as revenue and accordingly revenue share on amount of Rs 89.60 crore is payable to AAI. Enforcing their view, AAI has written letter to ICICI bank on July 06, 2015 instructing bank to remit Rs. 41.21 crore from Receivable Escrow Account of the Company as revenue share to AAI's bank account as per terms of the escrow agreement.

Company had filed a writ petition against the AAI's letter in Hon'ble Delhi High Court on July 10, 2015 disputing the demand and the letter unilaterally issued by AAI and prayed for quashing of demand by AAI. Court has granted the interim relief and disposed with a direction to Company to seek remedy under the provisions of Arbitration law. Accordingly Company filed a petition under section 9 of the Arbitration and Conciliation Act seeking interim restraint to AAI from enforcing its demand which was granted by the court in favour of Company. Both the parties have appointed their arbitrators.

Arbitration tribunal in its hearing dated October 5, 2017 has passed the order framing the issues after hearing the contention of both the parties. The tribunal has ordered and recorded that the present case does not demand leading of oral evidence and the parties may be permitted to rely on any document on record for arguments and posted the matter for final arguments. The next date of hearing is yet to be notified by the Tribunal.



Besides, based on an opinion obtained from consultant, DIAL has filed an application to EAC of ICAI on November 23, 2015 seeking clarification that the SFIS utilized for capital goods, should be treated as capital grant.

- e) The Director General of Central Excise Intelligence, New Delhi had issued a Show Cause Notice F. NO. 574/CE/41/2014/Inv./PT.II/11327 dated October 10, 2014 on the Company, proposing a demand of service tax of Rs. 59.91 crore (excluding interest and penalty) considering Advance Development Costs ('ADC') collected by Company from the Commercial Property Developers under the service tax category 'Renting of Immovable Property'.

The Company has replied to the show cause notice referred to above with appropriate authority on April 17, 2015.

Subsequently, Additional Director General (Adjudication), DGCEI has passed Order No. 10/2016-ST dated May 02, 2016 confirming demand of service tax of Rs. 54.31 crore and imposed equivalent penalty in respect of this matter.

However, based on an internal assessment and legal opinions obtained by the Company in this regard, the Management is of the view that service tax is not leviable on ADC, as these are collected for development of certain infrastructure facilities for the common use and not for the exclusive use of any developer. Service tax liability on ADC, if any arises, shall be adjusted from Advance Development Costs collected by Company from the Commercial Property Developers.

The Company has filed appeal before CESTAT, New Delhi on August 02, 2016 by depositing Rs. 4.07 crore against the order dated May 02, 2016, the same has been shown under other loan and advances as Deposit with Government Authorities including paid under protest. The date of hearing is yet to be notified by the Tribunal.

The Company has disclosed the amount of penalty of Rs. 54.31 crore as contingent liability.

Further, the management of the Company is of the view that no adjustments are required to be made to these financial statements.

- f) The Commissioner of Service Tax, New Delhi had issued three Show Cause Notices (SCN) and one addendum to SCN on the Company, proposing a demand of service tax aggregating to Rs. 275.53 crore (excluding interest and penalty) on the collection of Development Fee ("DF") from passengers in airport for the period from March, 2009 to September, 2013. Out of total demand of service tax of Rs 275.53 crore, service tax amounting to Rs 130.17 crore has already been paid by Company under protest.

The Company replied to the show cause notice referred to above with appropriate authority and the issue was heard on merits on February 17, 2016.

Subsequently, the Commissioner of Service Tax, has passed Order No. C.No D III/ST/IV/16/Hqrs/Adjn/DIAL/153/2015/1862-ST dated July 12, 2016 confirming the demand of service tax of Rs. 262.06 crore (after giving cum duty effect) and out of the said demand has appropriated amount of Rs 130.17 crore already deposited by Company under protest towards service tax, and further imposed a penalty of Rs 131.89 crore in respect of this matter.

However, based on an internal assessment and legal views obtained by Company in this regard, the management is of the view that service tax is not leviable on DF, as the DF is a statutory levy and is meant to bridge financing gap funding for the airport project. The collection of DF from passengers is not in lieu of provision of any service to them. Further, there is no service provider and service recipient relationship between the Company and the passengers paying DF. Service tax liability, if any arises on DF, shall be decided by AERA, keeping in view the final pronouncement of the matter.



The Company has filed appeal against the order before CESTAT, New Delhi on October 10, 2016 and; has disclosed the amount of penalty of Rs. 131.89 crore as contingent liability. The date of hearing is yet to be notified by the Tribunal.

Further, the management of the Company is of the view that no adjustments are required to be made to these financial statements.

**III. Financial guarantees-** The Company has not provided any financial guarantee other than performance guarantee on its own behalf, to any party.

**IV. Capital and Other Commitments:**

**i. Capital Commitments:**

At March 31, 2018, the Company has estimated amount of contracts remaining to be executed on capital account not provided for [net of advances of Rs. 4.01 crore (March 31, 2017: Rs. 4.96 crore)] Rs. 154.99 crore (March 31, 2017: Rs. 138.92 crore).

**ii. Other Commitments:**

- i. As per the terms of OMDA, the Company is required to pay annual fees to AAI at 45.99% of the revenue (as defined in OMDA) of the Company for an initial term of 30 years starting from May 2006 and which can be extended by another 30 years on satisfaction of certain terms and conditions pursuant to the provisions of OMDA.
- ii. In respect of its equity investment in East Delhi Waste Processing Company Private Limited, the Company along with SELCO International Limited has to maintain minimum 51% shareholding for a period of 2 years from the commissioning of the project and thereafter minimum 26% shareholding for next 10 years. The project has been commissioned with effect from April 01, 2017.
- iii. As per the terms of Airport Operator Agreement, the Company is required to pay every year 3% of previous year's gross revenue as operator fee to Fraport AG Frankfurt Airport Services Worldwide.
- iv. In terms of Section 115JB of Income Tax Act, 1961, certain Ind AS adjustments at the Ind AS transition date to be included in book profits equally over a period of five years starting from the year of first time adoption of Ind AS i.e. FY 2016-17. Pursuant to above, the Company had made Ind AS adjustments amounting to Rs. 184.79 crore as on March 31, 2016 and included 1/5th of the same i.e. Rs. 36.96 crore while computing book profit for FY 2016-17 and FY 2017-18 and paid MAT accordingly. The remaining amount of Rs. 110.87 crore will be adjusted in the three subsequent years while computing book profit for MAT.
- v. During previous year, the Company had entered into "Call spread Option" with various banks for hedging the repayment of 6.125% Senior secured notes (2026) of USD 522.60 mn, which is repayable in October 2026. Under this option, the Company has purchased a call option for USD 522.60 mn at a strike price of Rs. 66.85/USD and written a call option for USD 522.60 mn at a strike price of Rs. 101.86/USD at October 31, 2026. As per terms of the agreements, the Company is required to pay premium of Rs. 1,241.30 crore (starting from January 2017 to October 2026), which is payable on quarterly basis. The Company has paid Rs. 140.73 crore towards premium till March 31, 2018 and remaining balance of Rs. 1,100.57 crore is payable as at March 31, 2018 (March 31, 2017:Rs. 1,226.34 crore).



- vi. During the previous year, the Company had entered into "Call spread Option" with various banks for hedging the repayment of part of 6.125% Senior secured notes (2022) of USD 80 million (out of USD 288.75 million), which is repayable in February 2022. Under this option, the Company has purchased a call option for USD 80.00 million at a strike price of Rs. 68.00/USD and written a call option for USD 80 million at a strike price of Rs.85.00/USD at February, 2022. As per terms of the agreements, the Company is required to pay premium of Rs. 94.33 crore (starting from April 2017 to January 2022), payable on quarterly basis. The Company has paid Rs. 18.46 crore towards premium till March 31, 2018 and remaining balance of Rs. 75.87 crore is payable as at March 31, 2018 (March 31, 2017: Rs. 94.33 crore).

Further during the current year, the Company has purchased a call option for remaining USD 208.75 million at a strike price of Rs. 63.80/USD and written a call option for USD 208.75 million at a strike price of Rs.85.00/USD at February, 2022. As per terms of the agreements, the Company is required to pay premium of Rs. 198.34 crore (starting from January 2018 to January 2022), payable on quarterly basis. The Company has paid Rs. 0.26 crore towards premium till March 31, 2018 and remaining balance of Rs. 198.08 crore is payable as at March 31, 2018 (March 31, 2017: Nil).

**With respect to Subsidiary, Joint ventures and associates:**

- vii. DIAL entered into a tripartite Master Service Agreement (MSA) with Wipro Airport IT Services Limited (WAISL) and WIPRO Limited. As per the agreement, DIAL is committed to pay annually, premium fees to WAISL or receive from WAISL a concession fee, determined and mutually agreed on the basis of estimated receivable and subsistence level (as defined in the said MSA further amended vide addendum number 17, dated April 5, 2018). During year ended March 31, 2018, the Company accounted for Rs. 45.26 crore towards such concession fee from WAISL and this is included in revenue from operations (March 31, 2017: Rs. 2.75 crore as premium fee and was included in other expenses). This agreement was further amended vide addendum number 17, dated April 5, 2018, in which Antariksh Softtech Private Limited has also become the party to the agreement.

Also in case of delay in collection of dues from customers by WAISL, the Company would fund the deficit on a temporary basis till the time WAISL collects the dues from such customers. Till March 31, 2018, the Company has funded Rs. 11.02 Crore (March 31, 2017: Rs. 11.09 crore) towards shortfall in collection from customers.

- viii. In respect of its equity investment in WAISL, the Company has to maintain minimum 26% of equity shareholding directly or indirectly until the expiry of next 5 years from January 2010 and thereafter minimum 20% of equity shareholding directly or indirectly until the expiry of next 5 years.
- ix. The Company has committed to provide financial support to Travel Food Services (Delhi Terminal 3) Private Limited (Jointly Controlled Entity) in proportion to its shareholding to meet the liabilities of Travel Food Services (Delhi Terminal 3) Private Limited, as and when required.
- x. The Company has committed to provide financial support to Delhi Aerotropolis Private Limited (Subsidiary Company) in proportion to its shareholding to meet the liabilities of Delhi Aerotropolis Private Limited (Subsidiary Company), as and when required.



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- xi. The following investments have been pledged by the Company towards borrowings by these companies:

Company Name	March 31, 2018		March 31, 2017	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Delhi Duty Free Services Private Limited	11,976,000	119,760,000	11,976,000	119,760,000
Delhi Airport Parking Services Private Limited	18,853,703	188,537,030	18,853,703	188,537,030
Travel Food Services (Delhi Terminal 3) Private Limited	1,680,000	16,800,000	1,680,000	16,800,000

- xii. In respect of the Company's investment in Joint Venture ('JV') entities and Associate Companies, other JV/ associate partners have the first right of refusal in case, any of the JV/ associate partners intend to sell its stake subject to other terms and conditions of respective JV/ associate agreements.
- xiii. In respect of its equity investment in GMR Bajoli Holi Hydropower Private Limited ('Bajoli Holi'), the Company has to maintain minimum 17.33% of equity shareholding until the expiry of or early termination of power purchase agreement dated September 11, 2017 entered between the Company and the Bajoli Holi, expiring on May 03, 2036. The Company has invested Rs. 108.33 crore as Share Capital.

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**35. Related Party**

a) Names of related parties and description of relationship:

Description of relationship	Name of the related parties
Ultimate holding company	GMR Enterprises Private Limited <sup>1</sup>
Intermediate holding company	GMR Infrastructure Limited
Holding company	GMR Airports Limited
Subsidiary company	Delhi Aerotropolis Private Limited
Associate company	Delhi Airport Parking Services Private Limited
	Travel Food Services (Delhi Terminal 3) Private Limited
	Delhi Duty Free Services Private Limited
	Celebi Delhi Cargo Terminal Management India Private Limited
	TIM Delhi Airport Advertising Private Limited
Fellow subsidiaries (including subsidiary companies of the ultimate/intermediate holding company) (where transactions have taken place)	GMR Energy Limited
	GMR Hyderabad International Airport Limited
	GMR Male International Airport Private Limited
	GMR Airport Developers Limited
	GMR Aviation Private Limited
	Raxa Security Services Limited
	GMR Chhattisgarh Energy Limited
	GMR Kamalanga Energy Limited
	Kakinada SEZ Limited <sup>2</sup> (formerly known as Kakinada SEZ Private Limited)
	GMR Warora Energy Limited
	GMR Pochanpalli Expressways Limited
	GMR Tambaram Tindivanam Expressways Limited
	GMR Consulting Services Limited
	GMR Energy Trading Limited
	GMR Vemagiri Power Generation Limited
	GMR Goa International Airport Limited
	GMR Sports Private Limited
	GMR Aero Technic Limited
	GMR Tuni Anakapalli Expressways Limited
Joint ventures (where transactions have taken place)	Delhi Aviation Services Private Limited
	Delhi Aviation Fuel Facility Private Limited
	Wipro Airport IT Services Limited
	GMR Bajoli Holi Hydropower Private Limited <sup>3</sup>





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Description of relationship	Name of the related parties
Enterprises in respect of which the company is a joint venture	Airports Authority of India
	Fraport AG Frankfurt Airport Services Worldwide
Associate of member of a Group of which DIAL is a member	GMR Megawide Cebu Airport Corporation
Enterprises where significant influence of Key management Personnel or their relatives exists	GMR Varalaksmi Foundation
Post-employment benefit plan of the entity	DIAL Employee's provident fund trust
Key Management personnel	Mr. Srinivas Bommidala <sup>4</sup> - Managing Director
	Mr. Grandhi Kiran Kumar - Executive Director
	Mr. K. Narayana Rao - Whole Time Director
	Mr. R.S.S.L.N. Bhaskarudu - Independent Director
	Ms. Kameswari Vissa - Independent Director
	Mr. N.C. Sarabeswaran - Independent Director
	Mr. K.P. Rao - Non- Executive Director
	Mr. Matthias Engler- Non- Executive Director
	Mr. G. Subba Rao – Director
	Mr. S. Suresh - Director (AAI Nominee)
	Mr. A.K. Dutta - Director (AAI Nominee)
	Mr. G.B.S. Raju <sup>4</sup> – Director
	Mr. M. Ramachandran - Independent Director
Key Management personnel of holding company	Mr. G.M. Rao <sup>5</sup>

1. GMR Holdings Private Limited and GMR Projects Private Limited has been amalgamated with GMR Enterprises Private Limited (Transferee Company), pursuant to approval of scheme of amalgamation and arrangements by Hon'ble High Court of Madras vide its order No. 8471/16 dated July 06, 2016 effective from August 10, 2016.
2. Kakinada SEZ Private Limited is converted into a Public Company upon completion of all regulatory compliances. Consequently, the name of the Company has been changed to Kakinada SEZ Limited with effect from October 20, 2016.
3. W.e.f. from September 11, 2017, the Company has entered into a share subscription cum shareholder's agreement for acquisition of 17.33% of shareholding in GMR Bajoli Holi Hydropower Private Limited. The Company holds 20.85% of shareholding in GMR Bajoli Holi Hydropower Private Limited as at March 31, 2018. Pursuant to terms of the agreement, GMR Bajoli Holi Hydropower Private Limited has become a joint venture of the Company.



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4. Mr. Srinivas Bommidala ceased to be the Managing Director of the Company w.e.f. end of business hours of March 31, 2018. Appointment of Mr. G.B.S. Raju as Managing Director in place of Mr. Srinivas Bommidala w.e.f. April 01, 2018.
5. W.e.f. April 01, 2018, Mr. G.M. Rao would be Executive Chairman of the company.

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35 (b) Summary of balances with the above related parties are as follows:

Balances as at Date	March 31, 2018	March 31, 2017
<b><u>Investments in subsidiary, associates and Joint Ventures</u></b>		
<b><u>Investments in Unquoted Equity Share</u></b>		
<b><u>Subsidiary Company</u></b>		
Delhi Aerotropolis Private Limited	0.10	0.10
<b><u>Associate Companies</u></b>		
Celebi Delhi Cargo Terminal Management India Private Limited	29.12	29.12
Delhi Duty Free Services Private Limited	39.92	39.92
Travel Food services (Delhi Terminal 3) Private Limited	5.60	5.60
TIM Delhi Airport Advertising Private Limited	9.22	9.22
Delhi Airport Parking Services Private Limited	40.64	40.64
<b><u>Joint Ventures</u></b>		
Delhi Aviation Services Private Limited	12.50	12.50
Delhi Aviation Fuel Facility Private Limited	42.64	42.64
Wipro Airport IT Services Limited	1.30	1.30
GMR Bajoli Holi Hydropower Private Limited	108.33	-
<b><u>Trade Receivables (including marketing fund)</u></b>		
<b><u>Intermediate holding company</u></b>		
GMR Infrastructure Limited	0.36	0.47
<b><u>Enterprises in respect of which the company is a joint venture</u></b>		
Airports Authority of India	0.07	0.04
<b><u>Associate Companies</u></b>		
Delhi Duty Free Services Private Limited	16.37	13.17
TIM Delhi Airport Advertising Private Limited	30.37	30.35
Delhi Airport Parking Services Private Limited	2.69	2.30
Travel Food Services (Delhi Terminal 3) Private Limited	0.86	1.02
Celebi Delhi Cargo Terminal Management India Private Limited	15.57	14.35
Wipro Airport IT Services Limited	37.35	-
<b><u>Joint Ventures</u></b>		
GMR Bajoli Holi Hydropower Private Limited	0.50	0.30
<b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u></b>		
GMR Aviation Private Limited	0.02	0.18
GMR Consulting Services Limited	-	1.26
GMR Chhattisgarh Energy Limited	-	1.21
GMR Warora Energy Limited	1.46	0.11
GMR Vemagiri Power Generation Limited	0.41	0.90
GMR Kamalanga Energy Limited	0.23	0.35
GMR Aero Technic Limited	0.03	-



Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)

CIN. U63033DL2006PLC146936

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts in Rupees Crore, except otherwise stated)

35 (b) Summary of balances with the above related parties are as follows:

Balances as at Date	March 31, 2018	March 31, 2017
<b><u>Other Financial Assets - Current</u></b>		
<b><u>Unbilled revenue (including Utility recovery not billed)</u></b>		
<b><u>Enterprises in respect of which the company is a joint venture</u></b>		
Airports Authority of India	1.16	1.09
<b><u>Other recoverables</u></b>		
<b><u>Subsidiary Company</u></b>		
Delhi Aerotropolis Private Limited	0.06	0.14
<b><u>Joint Ventures</u></b>		
Delhi Aviation Services Private Limited	0.06	0.13
Delhi Aviation Fuel Facility Private Limited	0.15	0.15
Wipro Airport IT Services Limited	8.09	6.27
GMR Bajoli Holi Hydropower Private Limited	0.03	0.01
<b><u>Associate Companies</u></b>		
Delhi Airport Parking Services Private Limited	0.30	0.08
Travel Food Services (Delhi Terminal 3) Private Limited	0.05	0.17
Celebi Delhi Cargo Terminal Management India Private Limited	0.02	0.19
Delhi Duty Free Services Private Limited	0.06	0.05
TIM Delhi Airport Advertising Private Limited	0.10	0.32
<b><u>Enterprises in respect of which the company is a joint venture</u></b>		
Airports Authority of India	6.80	7.03
<b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u></b>		
GMR Consulting Services Limited	0.01	-
GMR Warora Energy Limited	0.01	-
Kakinada SEZ Limited	0.10	0.17
GMR Hyderabad International Airport Limited	0.13	0.23
GMR Male International Airport Private Limited	1.37	1.40
GMR Energy Limited	-	0.01
GMR GOA International Airport Limited	0.25	0.25
GMR Energy Trading Limited	0.18	-
GMR Pochanpalli Expressways Limited	0.01	-
<b><u>Associate of member of a Group of which DIAL is a member</u></b>		
GMR Megawide Cebu Airport Corporation	0.07	0.08



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Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts in Rupees Crore, except otherwise stated)

35 (b) Summary of balances with the above related parties are as follows:

Balances as at Date	March 31, 2018	March 31, 2017
<b><u>Reversal of Unbilled Revenue</u></b>		
<b><u>Associate Companies</u></b>		
Travel Food Services (Delhi Terminal 3) Private Limited	-	0.29
Delhi Airport Parking Services Private Limited	-	0.59
<b><u>Non- Trade Receivables (including marketing fund)</u></b>		
<b><u>Intermediate holding company</u></b>		
GMR Infrastructure Limited	0.12	0.05
<b><u>Enterprises in respect of which the company is a joint venture</u></b>		
Airports Authority of India	3.38	0.71
<b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u></b>		
GMR Consulting Services Limited	-	0.78
GMR Chhattisgarh Energy Limited	0.02	0.24
GMR Tambaram Tindivanam Expressways Limited	0.01	0.03
GMR Warora Energy Limited	0.23	0.10
GMR Kamalanga Energy Limited	0.22	0.02
GMR Aviation Private Limited	-	0.02
GMR Vemagiri Power Generation Limited	0.27	0.18
<b><u>Associate Companies</u></b>		
Travel Food Services (Delhi Terminal 3) Private Limited	0.20	0.37
Celebi Delhi Cargo Terminal Management India Private Limited	0.10	0.58
Delhi Airport Parking Services Private Limited	0.33	0.16
TIM Delhi Airport Advertising Private Limited	0.21	0.23
Delhi Duty Free Services Private Limited	1.28	1.20
<b><u>Joint Ventures</u></b>		
Delhi Aviation Services Private Limited	0.91	0.74
Wipro Airport IT Services Limited	23.76	-
GMR Bajoli Holi Hydropower Private Limited	0.07	0.03
<b><u>Loans - Advances- Non-Current</u></b>		
<b><u>Joint Ventures</u></b>		
Wipro Airport IT Services Limited	2.82	2.82
<b><u>Provision for Doubtful Advances</u></b>		
<b><u>Joint Ventures</u></b>		
Wipro Airport IT Services Limited	2.82	2.82
<b><u>Trade payable (including marketing fund)</u></b>		
<b><u>Intermediate holding company</u></b>		
GMR Infrastructure Limited	1.93	11.88
<b><u>Holding company</u></b>		
GMR Airports Limited	44.43	8.93
<b><u>Enterprises in respect of which the company is a joint venture</u></b>		
Fraport AG Frankfurt Airport Services Worldwide	93.86	79.99
Airports Authority of India	62.31	113.31



Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)

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Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts in Rupees Crore, except otherwise stated)

35 (b) Summary of balances with the above related parties are as follows:

Balances as at Date	March 31, 2018	March 31, 2017
<b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u></b>		
Raxa Security Services Limited	1.50	2.77
GMR Energy Trading Limited	-	2.33
GMR Airport Developers Limited	0.36	-
GMR Vemagiri Power Generation Limited	0.02	-
GMR Sports Private Limited	0.01	-
GMR Tuni Anakapalli Expressways Limited	0.17	-
<b><u>Other Financial Liabilities at amortised cost- Non-current</u></b>		
<b><u>Liability for Voluntary retirement scheme</u></b>		
<b><u>Enterprises in respect of which the company is a joint venture</u></b>		
Airports Authority of India	1.35	16.85
<b><u>Other Financial Liabilities at amortised cost- Current</u></b>		
<b><u>Liability for voluntary retirement scheme</u></b>		
<b><u>Enterprises in respect of which the company is a joint venture</u></b>		
Airports Authority of India	15.47	14.45
<b><u>Other Financial Liabilities at amortised cost- Current</u></b>		
<b><u>Earnest Money Deposit</u></b>		
<b><u>Joint Ventures</u></b>		
GMR Bajoli Holi Hydropower Private Limited	-	0.05
<b><u>Other Financial Liabilities at amortised cost- Current</u></b>		
<b><u>Security Deposits from trade concessionaires</u></b>		
<b><u>Associate Companies</u></b>		
Delhi Duty Free Services Private Limited	1.10	1.19
Celebi Delhi Cargo Terminal Management India Private Limited	0.01	-
Delhi Airport Parking Services Private Limited	0.01	0.01
<b><u>Joint Ventures</u></b>		
Delhi Aviation Services Private Limited	0.09	0.06
<b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u></b>		
GMR Aviation Private Limited	0.11	-
<b><u>Other Financial Liabilities at amortised cost- Non Current</u></b>		
<b><u>Security Deposits from trade concessionaires</u></b>		
<b><u>Joint Ventures</u></b>		
Delhi Aviation Fuel Facility Private Limited	23.09	20.48
Delhi Aviation Services Private Limited	11.49	10.24
<b><u>Associate Companies</u></b>		
Celebi Delhi Cargo Terminal Management India Private Limited	21.26	17.91
Delhi Airport Parking Services Private Limited	0.77	0.68
Delhi Duty Free Services Private Limited	102.69	89.73
TIM Delhi Airport Advertising Private Limited	9.07	7.91
Travel Food Services (Delhi Terminal 3) Private Limited	2.80	1.44



**Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)**

**CIN. U63033DL2006PLC146936**

**Notes to the standalone financial statements for the year ended March 31, 2018**

**(All amounts in Rupees Crore, except otherwise stated)**

**35 (b) Summary of balances with the above related parties are as follows:**

<b>Balances as at Date</b>	<b>March 31, 2018</b>	<b>March 31, 2017</b>
<b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u></b>		
GMR Aero Technic Limited	0.20	-
<b><u>Deferred Revenue</u></b>		
<b><u>Unearned Revenue</u></b>		
<b><u>Associate Companies</u></b>		
TIM Delhi Airport Advertising Private Limited	0.31	0.13
Delhi Airport Parking Services Private Limited	0.01	-
Travel Food Services (Delhi Terminal 3) Private Limited	0.25	-
Delhi Duty Free Services Private Limited	0.16	-
Celebi Delhi Cargo Terminal Management India Private Limited	0.56	-
<b><u>Deferred Revenue</u></b>		
<b><u>Deferred Income on financial liabilities carried at amortised cost - Current</u></b>		
<b><u>Associate Companies</u></b>		
Delhi Airport Parking Services Private Limited	0.15	0.15
Delhi Duty Free Services Private Limited	12.99	12.70
Celebi Delhi Cargo Terminal Management India Private Limited	5.51	5.12
TIM Delhi Airport Advertising Private Limited	1.60	1.60
Travel Food Services (Delhi Terminal 3) Private Limited	0.47	0.15
<b><u>Joint Ventures</u></b>		
Delhi Aviation Fuel Facility Private Limited	6.39	6.30
Delhi Aviation Services Private Limited	1.02	1.02
<b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u></b>		
GMR Aero Technic Limited	0.03	-
<b><u>Deferred Income on financial liabilities carried at amortised cost - Non-Current</u></b>		
<b><u>Associate Companies</u></b>		
Delhi Airport Parking Services Private Limited	1.86	2.01
Delhi Duty Free Services Private Limited	82.74	93.99
Celebi Delhi Cargo Terminal Management India Private Limited	87.56	86.60
TIM Delhi Airport Advertising Private Limited	17.72	19.49
Travel Food Services (Delhi Terminal 3) Private Limited	3.04	0.39
<b><u>Joint Ventures</u></b>		
Delhi Aviation Fuel Facility Private Limited	105.49	110.62
Delhi Aviation Services Private Limited	1.38	2.41
<b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u></b>		
GMR Aviation Private Limited	-	0.09
GMR Aero Technic Limited	0.03	-



Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)

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Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts in Rupees Crore, except otherwise stated)

35 (b) Summary of balances with the above related parties are as follows:

Balances as at Date	March 31, 2018	March 31, 2017
<b><u>Other liabilities-Current</u></b>		
<b><u>Advances from customer</u></b>		
<b><u>Joint Ventures</u></b>		
Delhi Aviation Fuel Facility Private Limited	0.31	-
<b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u></b>		
GMR Tambaram Tindivanam Expressways Limited	0.47	-

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**35 (c) Summary of transactions with the above related parties is as follows:**

Transactions During the period	March 31, 2018	March 31, 2017
<b><u>Non-current investments</u></b>		
<b><u>Investment made in Equity Share</u></b>		
<b><u>Associate Companies</u></b>		
Travel Food Services (Delhi Terminal 3) Private Limited	-	2.40
<b><u>Joint Ventures</u></b>		
GMR Bajoli Holi Hydropower Private Limited	108.33	-
<b><u>Security Deposits from trade concessionaires</u></b>		
<b><u>Security Deposits Received</u></b>		
<b><u>Associate Companies</u></b>		
Delhi Airport Parking Services Private Limited	-	0.29
Celebi Delhi Cargo Terminal Management India Private Limited	7.95	-
Delhi Duty Free Services Private Limited	3.97	0.67
Travel Food Services (Delhi Terminal 3) Private Limited	4.33	-
<b><u>Joint Ventures</u></b>		
Delhi Aviation Fuel Facility Private Limited	-	10.64
Delhi Aviation Services Private Limited	0.04	-
<b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/</u></b>		
<b><u>Intermediate holding company)</u></b>		
GMR Aero Technic Limited	0.25	-
<b><u>Security Deposits Refunded</u></b>		
<b><u>Associate Companies</u></b>		
Delhi Duty Free Services Private Limited	0.12	0.30
<b><u>Marketing Fund Billed</u></b>		
<b><u>Associate Companies</u></b>		
Delhi Duty Free Services Private Limited	11.21	10.35
Travel Food Services (Delhi Terminal 3) Private Limited	0.86	0.67
Delhi Airport Parking Services Private Limited	0.01	0.01
<b><u>Marketing Fund Utilised</u></b>		
<b><u>Associate Companies</u></b>		
Delhi Duty Free Services Private Limited	10.87	1.72
TIM Delhi Airport Advertising Private Limited	0.36	0.46
Travel Food Services (Delhi Terminal 3) Private Limited	0.05	0.03
<b><u>Utilization of advance from commercial property developers</u></b>		
<b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/</u></b>		
<b><u>Intermediate holding company)</u></b>		
GMR Airport Developers Limited	2.63	1.76
Raxa Security Services Limited	-	1.15



**35 (c) Summary of transactions with the above related parties is as follows:**

Transactions During the period	March 31, 2018	March 31, 2017
<b><u>Post-employment benefit plan of the entity</u></b>		
<b><u>Contribution to PF trust</u></b>		
DIAL Employee's provident fund trust	12.52	10.33
<b><u>Dividend Paid</u></b>		
<b><u>Holding company</u></b>		
GMR Airports Limited	101.92	-
<b><u>Enterprises in respect of which the Company is a joint venture</u></b>		
Airports Authority of India	41.41	-
Fraport AG Frankfurt Airport Services Worldwide	15.92	-
<b><u>Non-aeronautical revenue</u></b>		
<b><u>Intermediate holding company</u></b>		
GMR Infrastructure Limited	2.61	2.43
<b><u>Joint Venture</u></b>		
Delhi Aviation Fuel Facility Private Limited	18.43	17.15
Delhi Aviation Services Private Limited	8.22	6.78
Wipro Airport IT Services Limited	45.26	-
GMR Bajoli Holi Hydropower Private Limited	1.69	0.79
<b><u>Associate Companies</u></b>		
TIM Delhi Airport Advertising Private Limited	171.28	142.24
Celebi Delhi Cargo Terminal Management India Private Limited	189.45	151.72
Travel Food Services (Delhi Terminal 3) Private Limited	22.17	16.39
Delhi Duty Free Services Private Limited	363.59	331.91
Delhi Airport Parking Services Private Limited	25.81	18.50
<b><u>Fellow subsidiaries (including subsidiary companies of the ultimate Holding company)</u></b>		
GMR Aviation Private Limited	0.06	0.05
GMR Chhattisgarh Energy Limited	-	1.05
GMR Consulting Services Limited	-	1.05
GMR Tambaram Tindivanam Expressways Limited	2.60	2.43
GMR Warora Energy Limited (formerly Known as EMCO Energy Limited)	1.69	1.84
GMR Vemagiri Power Generation Limited	1.69	0.79
GMR Kamalanga Energy Limited	1.69	0.79
GMR Aero Technic Limited	0.03	-
<b><u>Non-Aeronautical - Income on Security deposits</u></b>		
<b><u>Associate Companies</u></b>		
Delhi Airport Parking Services Private Limited	0.15	0.21
TIM Delhi Airport Advertising Private Limited	1.63	1.62
Delhi Duty Free Services Private Limited	13.09	12.91
Celebi Delhi Cargo Terminal Management India Private Limited	5.55	5.22
Travel Food Services (Delhi Terminal 3) Private Limited	0.38	0.15



## 35 (c) Summary of transactions with the above related parties is as follows:

Transactions During the period	March 31, 2018	March 31, 2017
<b><u>Joint Ventures</u></b>		
Delhi Aviation Fuel Facility Private Limited	4.49	8.69
Delhi Aviation Services Private Limited	1.03	1.03
<b><u>Aeronautical Revenue</u></b>		
<b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/Intermediate holding company)</u></b>		
GMR Aviation Private Limited	0.19	0.27
<b><u>Enterprises in respect of which the Company is a joint venture</u></b>		
Airports Authority of India	0.09	0.11
<b><u>Other Income</u></b>		
<b><u>Dividend Income on Non-current Investments</u></b>		
<b><u>Joint Ventures</u></b>		
Delhi Aviation Fuel Facility Private Limited	8.53	14.07
Delhi Aviation Services Private Limited	5.00	2.50
<b><u>Associate Companies</u></b>		
Delhi Duty Free Services Private Limited	32.93	23.55
TIM Delhi Airport Advertising Private Limited	9.68	9.22
Delhi Airport Parking Services Private Limited	10.16	2.03
Celebi Delhi Cargo Terminal Management India Private Limited	1.46	-
<b><u>Interest Income on Financial Assets carried at amortised cost</u></b>		
<b><u>Joint Ventures</u></b>		
Delhi Aviation Services Private Limited	-	0.19
<b><u>Associate Companies</u></b>		
Travel Food Services (Delhi Terminal 3) Private Limited	2.62	0.97
<b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/Intermediate holding company)</u></b>		
GMR Tambaram Tindivanam Expressways Limited	-	0.01
<b><u>Remuneration to key managerial personnel</u></b>		
<b><u>Short-term employee benefits</u></b>		
Mr. Grandhi Kiran Kumar	3.94	2.72
Mr. Srinivas Bommidala	3.94	2.72
Mr. K. Narayana Rao	1.60	1.32
*Managerial remuneration excludes provision for gratuity and compensated absences, since these are provided on the basis of an actuarial valuation for the Company as a whole.		



## 35 (c) Summary of transactions with the above related parties is as follows:

Transactions During the period	March 31, 2018	March 31, 2017
<b>Annual Fee</b>		
<b>Enterprises in respect of which the Company is a joint venture</b>		
Airports Authority of India	1,761.47	2,634.84
<b>Finance cost</b>		
<b>Other cost - Interest on Revenue share</b>		
<b>Enterprises in respect of which the Company is a joint venture</b>		
Airports Authority of India	2.49	4.87
<b>Other Interest</b>		
<b>Enterprises in respect of which the Company is a joint venture</b>		
Airports Authority of India	-	0.16
<b>Finance Cost- Interest expense on financial liability carried at amortised cost</b>		
<b>Associate Companies</b>		
Delhi Airport Parking Services Private Limited	0.08	0.12
TIM Delhi Airport Advertising Private Limited	0.99	0.86
Delhi Duty Free Services Private Limited	11.16	9.85
Celebi Delhi Cargo Terminal Management India Private Limited	2.31	1.96
Travel Food Services (Delhi Terminal 3) Private Limited	0.19	0.16
<b>Joint Ventures</b>		
Delhi Aviation Fuel Facility Private Limited	2.04	2.79
Delhi Aviation Services Private Limited	1.25	1.12
<b>Enterprises in respect of which the company is a joint venture</b>		
Airports Authority of India	2.65	4.16
<b>Reversal of finance cost- Interest on borrowings</b>		
<b>Joint ventures</b>		
Wipro Airport IT Services Limited	-	7.01
<b>CSR activities/Donations</b>		
<b>Enterprises where significant influence of key Management personnel or their relative exists</b>		
GMR Varalakshmi Foundation	5.42	6.14
<b>Consultancy fees paid</b>		
<b>Enterprises in respect of which the Company is a joint venture</b>		
Fraport AG Frankfurt Airport Services Worldwide	-	0.07
Airports Authority of India	-	0.12



## 35 (c) Summary of transactions with the above related parties is as follows:

Transactions During the period	March 31, 2018	March 31, 2017
<b><u>Manpower hire charges</u></b>		
<b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u></b>		
GMR Airport Developers Limited	45.11	40.20
<b><u>Airport Operator fees</u></b>		
<b><u>Enterprises in respect of which the Company is a joint venture</u></b>		
Fraport AG Frankfurt Airport Services Worldwide	171.87	151.05
<b><u>Corporate Cost Allocation</u></b>		
<b><u>Intermediate Holding company</u></b>		
GMR Infrastructure Limited	20.89	37.90
<b><u>Holding company</u></b>		
GMR Airports Limited	64.12	38.03
<b><u>Travelling &amp; Conveyance- Chartering Cost</u></b>		
<b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u></b>		
GMR Aviation Private Limited	4.28	3.67
<b><u>Meetings and Seminars</u></b>		
<b><u>Holding company</u></b>		
GMR Airports Limited	0.20	-
<b><u>Security related expenses</u></b>		
<b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u></b>		
Raxa Security Services Limited	22.47	15.70
<b><u>Information technology and related expenses</u></b>		
<b><u>Joint Ventures</u></b>		
Wipro Airport IT Services Limited	-	2.75
<b><u>Repair and Maintenance - IT System</u></b>		
<b><u>Joint Ventures</u></b>		
Wipro Airport IT Services Limited	0.19	0.08
<b><u>Utility Expenses</u></b>		
<b><u>Electricity charges</u></b>		
<b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u></b>		
GMR Energy Trading Limited	31.83	3.32



## 35 (c) Summary of transactions with the above related parties is as follows:

Transactions During the period	March 31, 2018	March 31, 2017
<b><u>Electricity charges recovered</u></b>		
<b><u>Intermediate holding company</u></b>		
GMR Infrastructure Limited	0.12	0.12
<b><u>Joint Ventures</u></b>		
Delhi Aviation Services Private Limited	12.87	12.10
GMR Bajoli Holi Hydropower Private Limited	0.16	0.02
<b><u>Associate Companies</u></b>		
Delhi Airport Parking Services Private Limited	1.86	1.76
Celebi Delhi Cargo Terminal Management India Private Limited	10.94	14.61
TIM Delhi Airport Advertising Private Limited	3.28	3.23
Travel Food Services (Delhi Terminal 3) Private Limited	3.12	3.15
Delhi Duty Free Services Private Limited	1.97	2.51
<b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/</u></b>		
<b><u>Intermediate holding company)</u></b>		
GMR Aviation Private Limited	0.01	0.01
GMR Chhattisgarh Energy Limited	-	0.18
GMR Warora Energy Limited	0.27	0.28
GMR Tambaram Tindivanam Expressways Limited	0.12	0.12
GMR Consulting Services Limited	-	0.33
GMR Vemagiri Power Generation Limited	0.29	0.16
GMR Kamalanga Energy Limited	0.18	0.02
<b><u>Enterprises in respect of which the Company is a joint venture</u></b>		
Airports Authority of India	17.07	15.93
<b><u>Water charges recovered</u></b>		
<b><u>Joint Ventures</u></b>		
Delhi Aviation Services Private Limited	0.11	0.11
GMR Bajoli Holi Hydropower Private Limited	0.02	0.01
<b><u>Associate Companies</u></b>		
Delhi Airport Parking Services Private Limited	0.41	0.43
Travel Food Services (Delhi Terminal 3) Private Limited	0.39	0.35
Celebi Delhi Cargo Terminal Management India Private Limited	1.27	1.18
Delhi Duty Free Services Private Limited	0.02	0.02
<b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/</u></b>		
<b><u>Intermediate holding company)</u></b>		
GMR Chhattisgarh Energy Limited	-	0.01
GMR Warora Energy Limited	0.01	0.01
<b><u>Enterprises in respect of which the Company is a joint venture</u></b>		
Airports Authority of India	-	0.61
<b><u>Water charges recoverable written off</u></b>		
<b><u>Enterprises in respect of which the Company is a joint venture</u></b>		
Airport Authority of India	-	0.99



**35 (c) Summary of transactions with the above related parties is as follows:**

Transactions During the period	March 31, 2018	March 31, 2017
<b><u>Directors' sitting fees</u></b>		
<b><u>Key management personnel</u></b>		
Mr.R.S.S.L.N. Bhaskarudu	0.06	0.06
Ms. Kameswari Vissa	0.05	0.05
Mr. K.P. Rao	-	0.02
Mr. N.C. Sarabeswaran	0.05	0.05
Mr. G. Subba Rao	0.03	0.03
Mr. G.B.S. Raju	0.01	0.01
Mr. Matthias Engler	-	0.02
Mr. S. Suresh	0.01	0.02
Mr. A.K. Dutta	0.01	0.01
Mr. M. Ramachandran	0.05	0.02
<b><u>Key Management personnel of holding company</u></b>		
Mr. G.M. Rao	0.01	0.01
<b><u>Recovery of Collection Charges</u></b>		
<b><u>Enterprises in respect of which the company is a joint venture</u></b>		
Airports Authority of India	3.07	-
<b><u>Expenses incurred by Company on behalf of related parties</u></b>		
<b><u>Intermediate Holding company</u></b>		
GMR Infrastructure Limited	0.02	0.01
<b><u>Holding company</u></b>		
GMR Airports Limited	4.74	6.19
<b><u>Enterprises in respect of which the Company is a joint venture</u></b>		
Airports Authority of India		
<b><u>Joint Ventures</u></b>		
Delhi Aviation Services Private Limited	0.60	0.46
Wipro Airport IT Services Limited	20.14	-
GMR Bajoli Holi Hydropower Private Limited	0.01	0.01
<b><u>Associate Companies</u></b>		
Celebi Delhi Cargo Terminal Management India Private Limited	0.54	0.43
TIM Delhi Airport Advertising Private Limited	0.64	0.61
Delhi Airport Parking Services Private Limited	0.57	0.54
Travel Food Services (Delhi Terminal 3) Private Limited	0.45	0.42
Delhi Duty Free Services Private Limited	0.35	0.31
<b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/</u></b>		
<b><u>Intermediate holding company)</u></b>		
GMR Airport Developers Limited	0.01	0.03
GMR Tuni Anakapalli Expressways Limited	0.02	0.01
GMR Pochanpalli Expressways Limited	0.04	0.01
GMR Consulting Services Limited	0.01	-
Raxa Security Services Limited	0.30	1.07
Kakinada SEZ Limited	0.08	0.10
GMR Hyderabad International Airport Limited	-	0.14
GMR Energy Trading Limited	0.02	0.01



**35 (c) Summary of transactions with the above related parties is as follows:**

Transactions During the period	March 31, 2018	March 31, 2017
<b><u>Expenses incurred by related parties on behalf of Company</u></b>		
<b><u>Intermediate Holding company</u></b>		
GMR Infrastructure Limited	0.02	-
<b><u>Holding company</u></b>		
GMR Airports Limited	0.18	0.47
<b><u>Associate Companies</u></b>		
Travel Food Services (Delhi Terminal 3) Private Limited	0.10	0.06
<b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u></b>		
GMR Hyderabad International Airport Limited	-	0.04
GMR Sports Private Limited	-	0.01

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**Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)**

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Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts in Rupees Crore, except otherwise stated)

**35 (d) Interest in significant investment in subsidiary, joint ventures and associates:**

Name of Joint Venture	Relationship	Ownership interest	Date of incorporation	Country of incorporation
Delhi Aerotropolis Private Limited	Subsidiary	100.00%	May 22, 2007	India
Celebi Delhi Cargo Terminal Management India Private Limited	Associate	26.00%	June 18, 2009	India
Delhi Duty Free Services Private Limited	Associate	49.90%	July 07, 2009	India
Delhi Airport Parking Services Private Limited	Associate	49.90%	February 11, 2010	India
Travel Food Services (Delhi Terminal 3) Private Limited	Associate	40.00%	December 04, 2009	India
TIM Delhi Airport Advertising Private Limited	Associate	49.90%	June 01, 2010	India
GMR Bajoli Holi Hydropower Private Limited	Joint Venture	20.85%	September 11, 2017	India
Delhi Aviation Fuel Facility Private Limited	Joint Venture	26.00%	August 11, 2009	India
Delhi Aviation Services Private Limited	Joint Venture	50.00%	June 28, 2007	India
Wipro Airport IT Services Limited	Joint Venture	26.00%	October 22, 2009	India

**Terms and Condition of transaction with related parties:**

Outstanding balances at the year-end are secured/ unsecured and settlement occurs in cash. For the year ended March 31, 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2017: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**Commitments with related parties:**

The commitments in respect of related parties are provided in note 34(IV) above, forming part of these financial statements.

**Transactions with key management personnel**

The transaction with key management personnel includes the payment of directors sitting fees and managerial remuneration which are provided in note 35(c) above. There are no other transactions with Key management personnel.

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**Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)****CIN. U63033DL2006PLC146936****Notes to the standalone financial statements for the year ended March 31, 2018****(All amounts in Rupees Crore, except otherwise stated)****36. Segment Information**

The Company has only one reportable business segment, which is operation of airport and providing allied services and operates in a single business segment. Accordingly, the amounts appearing in the financial statements relate to the Company's single business segment.

**Major customers:** Revenue from one customer of the Company is approximately Rs. 376.68 crore of the Company's total revenues (March 31, 2017: Revenue from two customers of the company is approximately Rs. 1,473.48 crore of the company's total revenues)

**37. Fair Values**

The carrying amount of all financial assets and liabilities (except for investment of mutual funds and certain assets and liabilities, i.e. "Instruments carried at fair value") appearing in the financial statements is reasonable approximation of fair values. Such investments carried at fair value are disclosed below:

Particulars	Carrying value		Fair value	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
<b>Financial assets</b>				
Investment in mutual fund	2,206.19	2,092.72	2,206.19	2,092.72
Derivative asset effective hedges	0.97	-	0.97	-
<b>Total</b>	<b>2,207.16</b>	<b>2,092.72</b>	<b>2,207.16</b>	<b>2,092.72</b>
<b>Financial liabilities</b>				
Derivative liability effective hedges	-	42.58	-	42.58
<b>Total</b>	<b>-</b>	<b>42.58</b>	<b>-</b>	<b>42.58</b>

**Assumption used in estimating the fair values:**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumption were used to estimate the fair values:

The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Derivatives are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity. As at March 31, 2018, the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk.

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**38. Fair Hierarchy**

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at March 31, 2018:

	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Assets measured at fair value</b>					
Investment in mutual fund	March 31, 2018	2,206.19	2,206.19	-	-
Cash flow hedges-Call spread option	March 31, 2018	0.97	-	0.97	-
<b>Total</b>		<b>2,207.16</b>	<b>2,206.19</b>	<b>0.97</b>	<b>-</b>

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at March 31, 2017:

	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Assets at fair value</b>					
Investment in mutual funds	March 31, 2017	2,092.70	2,092.70	-	-
<b>Liabilities measured at fair value</b>					
Cash flow hedges-Call spread option	March 31, 2017	42.58	-	42.58	-

There have been no transfers between Level 1, Level 2 and Level 3 during the year.

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### **39. Risk Management**

#### **Financial risk management objectives and policies**

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, security deposits and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by senior management team that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

#### **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 loans and borrowings, deposits and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2018 and March 31, 2017:

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at March 31, 2018.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations. The analysis for the contingent consideration liability is provided in Note 34.

The following assumptions have been made in calculating the sensitivity analyses:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2018 and March 31, 2017.
- The sensitivity of equity is calculated by considering the effect of any associated cash flow hedges and hedges of a net investment in a foreign subsidiary at March 31, 2018 for the effects of the assumed changes of the underlying risk.

#### **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to risk of changes in market interest rates as the borrowings of the company are at fixed rate of interest.



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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 foreign currency borrowings taken from banks.

**Cash flow hedges**

Foreign exchange call spread options measured at fair value through OCI are designated as hedging instruments in cash flow hedges to hedge the USD INR conversion rate volatility with reference to the cash outflows on settlement of its borrowings designated in USD.

The fair value of foreign exchange call spread option varies with the changes in foreign exchange rates and repayment of future premium.

Particulars	March 31, 2018		March 31, 2017	
	Assets	Liabilities	Assets	Liabilities
Fair value of foreign currency call spread options designated as hedging instruments	0.97	-	-	(42.58)

As at March 31, 2018, for call spread options of USD 602.60 million, the USD spot rate is below the USD call option strike price and hence not covered in hedge relationship in respect of hedge instruments. However, prospective testing is done and concluded to be effective. As a result, no hedge ineffectiveness arise requiring recognition through profit or loss.

For call spread options of Rs. 208.75 million, taken during the year, the USD spot rate is above the USD call option strike price. Accordingly, an amount of Rs. 33.82 crores has been released from Cash flow hedge reserve to Statement of Profit and Loss to neutralize the impact of Foreign exchange loss included in Statement of Profit and Loss.

As on March 31, 2017, the USD spot rate was below the USD call option strike price and hence not covered in hedge relationship in respect of hedge instruments. However, prospective testing was done and concluded to be effective. As a result, no hedge ineffectiveness arise requiring recognition through profit or loss. There was no re-classification to profit or loss during the previous year for gains or losses included in Statement of Profit and Loss.

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**Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)****CIN. U63033DL2006PLC146936****Notes to the standalone financial statements for the year ended March 31, 2018****(All amounts in Rupees Crore, except otherwise stated)****Foreign currency sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change in foreign currency exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of liabilities including non-designated foreign currency derivatives. The impact on the Company's pre-tax equity is due to changes in the fair value of forward exchange contracts designated as cash flow hedges and Interest rate swap. The Company's exposure to foreign currency changes for all other currencies is not material.

	March 31, 2018	March 31, 2017
	<b>Impact on profit before tax</b>	
<b>USD Sensitivity</b>		
INR/USD- Increase by 5%	(6.53)	(73.83)
INR/USD- decrease by 5%	6.53	73.83
<b>EURO Sensitivity</b>		
INR/EURO- Increase by 5%	(0.13)	(0.14)
INR/EURO- decrease by 5%	0.13	0.14
<b>GBP Sensitivity</b>		
INR/GBP Increase by 5%	(0.16)	-
INR/GBP- decrease by 5%	0.16	-

**Liquidity risk**

The Company monitors its risk of a shortage of funds on a regular basis. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and finance leases. None of the Company's debt will mature in less than one year at March 31, 2018 (March 31, 2017: Nil) based on the carrying value of borrowings reflected in the financial statements. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
<b>As at March 31, 2018</b>						
Borrowings	-	-	-	1,886.69	3,414.67	5,301.36
Trade payables	-	412.01	-	-	-	412.01
Other financial liabilities	236.38	142.26	76.82	186.13	2,124.70	2,766.29
<b>Total</b>	<b>236.38</b>	<b>554.27</b>	<b>76.82</b>	<b>2,072.82</b>	<b>5,539.37</b>	<b>8,479.66</b>
<b>As at March 31, 2017</b>						
Borrowings	-	-	-	1,894.20	3,428.26	5,322.46
Trade and other payables	-	431.44	-	-	-	431.44
Other financial liabilities	61.94	202.06	81.83	179.53	2,300.85	2,826.21
<b>Total</b>	<b>61.94</b>	<b>633.50</b>	<b>81.83</b>	<b>2,073.73</b>	<b>5,729.11</b>	<b>8,580.11</b>



## **Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and other financial assets) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables- Customer credit risk is managed by Company subject to the Company's established policy, procedures and control relating to customer credit risk management. 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. Outstanding customer receivables are regularly monitored and any services to major customers are generally covered by bank guarantee or other forms of credit assurance.

Financial instruments and cash deposits- Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's senior management on regular basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2018 and March 31, 2017 is the carrying amounts of Trade Receivables.

## **Collateral**

As at March 31, 2018 the security provided to bond holders and working capital facilities is as below;

- (i) A first ranking pari passu charge/ assignment of all insurance policies, contractors' guarantees and liquidated damages to the maximum extent permissible under the OMDA and the Escrow Account Agreement;
- (ii) A first ranking pari passu charge/assignment of all the rights; titles, permits, approvals and interests of the Borrower in, to and in respect of the Project Documents, in accordance with and to the maximum extent permitted under the OMDA and the Escrow Account Agreement;
- (iii) A first ranking pari passu charge on all the revenues / receivables of the Borrower (excluding dues to the Authority) subject to the provisions of the Escrow Account Agreement and the OMDA.

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**40. Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is total debt divided by total equity plus total debt. The Company's policy is to keep the gearing ratio below 80%, which is reviewed at end of each financial year.

	March 31, 2018	March 31, 2017
Borrowings	5,249.12	5,261.97
<b>Total debts (A)</b>	<b>5,249.12</b>	<b>5,261.97</b>
Share Capital	2,450.00	2,450.00
Other Equity	418.08	558.65
<b>Total Equity (B)</b>	<b>2,868.08</b>	<b>3,008.65</b>
<b>Total equity and total debt (C=A+B)</b>	<b>8,117.20</b>	<b>8,270.62</b>
<b>Gearing ratio (%) (A/C)</b>	<b>64.67%</b>	<b>63.62%</b>

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 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 years ended March 31, 2018 and March 31, 2017.

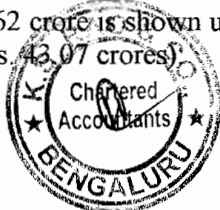
**41. Other Disclosures**

a) **AERA DF Order No. 28/2011-12, 30/2012-13 and AERA tariff order No. 03/2012-13 on determination of Aeronautical Tariff; issued on November 14, 2011, December 28, 2012 and April 24, 2012 respectively**

- (i). The Company had accrued Development Fee (DF) amounting to Rs. 350 crore during the year 2012-13, earmarked for construction of Air Traffic Control (ATC) tower; currently work is under progress as at March 31, 2018. DF amounting to Rs. 350 crore (March 31, 2017: Rs. 350 crore) has been adjusted against the expenditure on construction of ATC tower incurred till March 31, 2018.

The total expenditure incurred on construction of ATC tower is Rs. 398.62 crore till March 31, 2018 which exceeds the earmarked DF of Rs. 350 crore, as the construction got delayed due to security reasons and additional requirements from time to time.

As per the approval in DIAL Board Meeting held on May 11, 2017, the Company has written a letter to AAI for reimbursement of additional expense. However, pending acceptance by AAI, additional amount of Rs. 48.62 crore is shown under Capital Work in Progress (CWIP) as at March 31, 2018 (March 31, 2017: Rs. 43.07 crores).





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- (ii). The Airport Economic Regulatory Authority of India (AERA) had passed an order vide Order No 30/2012-13 dated December 28, 2012 in respect of levy of Development fee at Delhi Airport. As per the said order, the rate of Airport Development Fee (ADF) has been reduced from Rs. 200 to Rs. 100 and from Rs. 1,300 to Rs. 600 per embarking domestic and international passenger respectively. Further, as per the said order, such revised rates have come into force with effect from January 1, 2013 and estimated DF collection period has been extended up to April 2016. Further, AERA has issued order No.47/2015-16 dated January 25, 2016, restricting cutoff date for collection of ADF upto April 30, 2016. As per the order, AERA has granted AAI, six months' time after cutoff date i.e April 30, 2016 to reconcile and close the account, and to arrive at the over recovery / under recovery of ADF. However, the same has not yet been finalized. This over / under recovery will be accounted for on final reconciliation of ADF pending with AAI. However, DIAL has collected the DF receivable in full and settled the DF loan on May 28, 2016.
- b) The Company has a receivable of Rs.262.36 crore as at March 31, 2018 (March 31, 2017: Rs. 567.47 crores) (including unbilled revenue ) from Air India Limited and its subsidiaries namely Indian Airlines Limited, Airline Allied Services Limited and Air India Express Limited collectively referred as 'Air India'. During the year, Air India Limited has made a bullet payment of Rs. 173 crores; in addition to payment received through Airport Enhancement and Financing Service Agreement ('Financing Service Agreement') with International Air Transport Association ('IATA'). In view of latest payment received, continuing Financing Service Agreement with IATA for recovery of dues from Air India and considering the fact that Air India being a government enterprise/ undertaking, the Company considers its dues from Air India as good and fully recoverable.
- c). Particulars of un-hedged and un-discounted foreign currency exposure as at the Balance sheet date are as under:

Particulars	March 31, 2018			March 31, 2017		
	Amount (Rs. In Crore)	Currency	Foreign Currency in Crore	Amount (Rs. In Crore)	Currency	Foreign Currency in Crore
Other current Financial Liabilities	33.36	USD	0.51	107.02	USD	1.62
Trade Payable	2.66	EUR	0.03	2.64	EUR	0.04
	3.15	GBP	0.03	0.17	GBP	0.00
	0.04	SGD	0.00	0.03	SGD	0.00
	-	MYR	-	0.01	MYR	0.00
	116.51	USD	1.78	15.70	USD	0.25
Borrowings	-	USD	-	1,369.40	USD	20.88
Trade Receivable	16.37	USD	0.25	13.17	USD	0.20
Non-Trade Receivables	1.19	USD	0.02	1.06	USD	0.02
Advance to suppliers	1.44	USD	0.02	1.46	USD	0.02

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(All amounts in Rupees Crore, except otherwise stated)

**Closing exchange rates in Rs:**

Currency	March 31, 2018	March 31, 2017
EUR	80.81	69.29
GBP	92.28	80.90
SGD	49.82	46.41
MYR	-	14.65
USD	65.34	65.60

**d) Additional information :****i) Earnings in foreign currency (On accrual basis, excluding service tax/GST)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Non-Aeronautical Services (Revenue from concessionaires)	356.51	325.10
Aeronautical Services (Revenue from airlines)	192.18	782.02
<b>Total</b>	<b>548.69</b>	<b>1,107.12</b>

**ii) CIF value of imports (On accrual basis)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Import of capital goods	12.83	13.27
Import of stores and spares	2.65	4.05
<b>Total</b>	<b>15.48</b>	<b>17.32</b>

**iii) Expenditure in foreign currency (On accrual basis)**

	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest on borrowings (including exceptional items)	336.43	253.89
Professional and consultancy expenses	9.63	1.44
Finance costs	4.12	26.63
Other expenses	17.27	13.27
Travelling and Conveyance	0.02	1.27
<b>Total</b>	<b>367.47</b>	<b>296.50</b>

**iv) Consumption of stores and spares during the year:**

	For the year ended March 31, 2018		For the year ended March 31, 2017	
	%	Amount	%	Amount
Imported	10.39	2.41	15.99	4.15
Indigenous	89.61	20.79	84.01	21.79
<b>Total</b>	<b>100</b>	<b>23.20</b>	<b>100</b>	<b>25.94</b>



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**CIN. U63033DL2006PLC146936**

**Notes to the standalone financial statements for the year ended March 31, 2018**

**(All amounts in Rupees Crore, except otherwise stated)**

e) These financial statements of the Company do not include Accounts for Passenger Service Fee - Security Component [PSF- (SC)] as the same are maintained separately in the fiduciary capacity by the Company on behalf of Government of India and are governed by Standard Operating Procedure issued vide letter number AV/13024/047/2003-SS/AD dated January 19, 2009 issued by Ministry of Civil Aviation, Government of India.

f) These financial statements of the Company do not include billing to airlines for DF by the Company. As per the Management, DIAL's responsibility is restricted only to the billing on behalf of Airports Authority of India (AAI) in accordance with provisions of AAI (Major Airports) Development Fee Rules, 2011 and DF SOP.

g) The Company has received advance development costs of Rs. 660.06 crore (March 31, 2017: Rs. 660.06 crore) from various Developers at Commercial Property District towards facilitating the development of common infrastructure there in. As per the term of the agreement, the Company will facilitate the development of common infrastructure upon receipt of advance towards development cost in accordance with the instructions and specifications in the agreement. Further, the Company has no right to escalate the development cost and in case any portion of the advance development cost is not utilized by the Company towards development of any infrastructure facility, the same shall be returned to the Developers upon earlier of the expiry of the initial term of agreement or upon termination of the development agreement. As at March 31, 2018, the Company has incurred development expenditure of Rs. 519.19 crore (March 31, 2017: Rs. 469.72 crore) which has been adjusted against the aforesaid advance and balance amount of Rs. 140.87 crore (March 31, 2017: Rs. 190.34 crore) is disclosed under other liabilities.

h) The Company is collecting "Marketing Fund" at a specified percentage from various concessionaires as per the agreement with respective concessionaires and to be utilized towards sales promotional activities as defined in such agreements in accordance with the Marketing Fund policy adopted by the Company. As at March 31, 2018, the Company has billed Rs 116.62 crore (March 31, 2017: Rs. 92.48 crore) towards such Marketing Fund and has incurred expenditure amounting to Rs. 65.11 crore (March 31, 2017: Rs. 39.05 crore) (net of income on temporary investments) till March 31, 2018 from the amount so collected. The balance amount of Rs. 51.51 crore pending utilization as at March 31, 2018 (March 31, 2017: Rs. 53.43 crore); as marketing fund billing and utilization was not forming part of marketing fund) against such sales promotion activities is included under "Other current liabilities" as specific fund to be used for the purposes to be approved by the Marketing fund committee constituted for this purpose.

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**Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)****CIN. U63033DL2006PLC146936****Notes to the standalone financial statements for the year ended March 31, 2018****(All amounts in Rupees Crore, except otherwise stated)**

i) The Company is of the view that certain income/ credits arising on adoption of Ind-AS were not in contemplation of parties in April 2006 when this Concession Agreement was signed / entered. Further, these income/credits in Statement of Profit and Loss do not represent receipts from business operations from any external sources and therefore, these incomes/credits should not form part of "Revenue" as defined in OMDA for the purpose of calculating monthly annual fee (MAF) payable to AAI. Accordingly, the Company, based on legal opinion and discussions with consultants, has provided the MAF to AAI based on Revenue as per the Ind AS financial statements after adjusting such incomes/credits. Detail of such incomes / credits are as under:

Description	Incomes forming part of	For the year ended March 31, 2018	For the year ended March 31, 2017
Construction income from commercial property developers	Other operating income	49.47	43.13
Discounting on fair valuation of deposits taken from commercial property developers	Other operating income	26.67	25.91
Discounting on fair valuation of deposits taken from concessionaires	Sale of services – Non Aeronautical	52.54	37.75
Discounting on fair valuation of deposits given	Other income	0.39	0.14
Unrealised foreign exchange difference on borrowings	Other income	53.26	96.34
Reversal of Fair value of financial instruments Interest Rate Swap on actual settlement	Other income	-	6.17

j) The Comptroller and Auditor General of India (CAG) had conducted the performance audit of PPP (Public Private Partnership) project of AAI at Delhi Airport for the period 2006 to 2012. CAG has presented its report before Rajya Sabha on August 17, 2012 wherein they have made certain observations on the Company. The Public Accounts Committee (PAC), constituted by the Parliament of India, has examined the CAG report and submitted its observations and recommendations to Loksabha vide its Ninety fourth report in February 2014.

The Management of the Company is of the view that the observations in the CAG report and the PAC report do not have any financial impact on the Company.

k) As per the transfer pricing rules prescribed under the Income tax act, 1961, the Company is examining the domestic and international transactions and documentation in respect thereof to ensure compliance with the said rules. The management does not anticipate any material adjustment with regard to the transactions during year ended March 31, 2018.

l) During the previous year ended March 31, 2017, the Company had refinanced its existing external commercial borrowings of USD 83.92 million and rupee term loans of Rs. 2,928.20 crore outstanding as at October 20, 2016; by issuance of 6.125% senior secured notes (2026) of USD 522.60 million. As a result of such refinancing, the Company had incurred the following costs:

The prepayment charges of Rs. 40.80 crore had been paid to various erstwhile lenders on prepayment of existing external commercial borrowings and rupee term loans outstanding as on the date of repayment / prepayment.

The above amount of Rs. 40.80 crore had been disclosed as "Exceptional Items" in the Statement of profit and loss.



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In addition to above, Interest Rate Swap (IRS) which was outstanding on the existing external commercial borrowings was cancelled, resulting in breakage cost of Rs. 8.17 crore, had been adjusted from fair valuation loss of IRS provided in earlier years and had been disclosed under 'other income' in the Statement of profit and loss.

m) The Company had entered into 'Development Agreement' and the 'Infrastructure Development and Service Agreement' with Silver Resort Hotel India Private Limited (hereinafter referred as 'Developer') on February 26, 2010 for development and operation of commercial property area located in Aerocity for a period of 30 years; further extendable to another 30 years. As per term of agreements, Developer was required to pay the License fee and other charges to the Company on annual basis. On July 16, 2015, the Company has issued termination notice on account of failure by the Developer to pay the License Fees and other charges, required to be paid under the agreements executed between the Company and the Developer. Consequently, the Developer has invoked the arbitration process as per Infrastructure Development and Service Agreement.

The Arbitral Award was passed by the Hon'ble Arbitral Tribunal which was received by the Company on September 08, 2017. The favorable award passed in majority by Tribunal granting Rs. 115.89 crores award to DIAL and directing it to settle the award against security deposits of Rs. 192.88 crores lying with the Company and pay the balance Rs. 76.99 crores to the Developer. However, one of the arbitrators has passed the dissenting order granting award in favor of Developer amounting to Rs. 416.86 crores. Dissenting award granted by one of the arbitrators is not enforceable / binding on the parties, being the minority order /dissenting opinion.

Accordingly, DIAL has deposited payment of Rs.76.13 crore (net of recovery of arbitration cost of Rs. 0.86 crore) in the Hon'ble High Court of Delhi as per arbitration award.

Further, both the parties have their respective rights to challenge the Arbitral Award before the Hon'ble High court of Delhi as per Section 34 of the Arbitration and Conciliation Act, 1996 ("Arbitration Act"), within 90 days from the date of receipt of award order. Consequently, Silver resort has filed an appeal against the arbitration award before the Hon'ble High court. The matter was heard for arguments on April 26, 2018 and the judgment is reserved.

n) A survey under section 133A of the Income Tax Act, 1961 was carried out at the premises of the Company by the Income Tax authorities on June 22 -23, 2016. The Income Tax department has sought information vide its letter dated July 18, 2016. The management has provided all the information as asked by the department. The management of the Company believes that it has complied with all the applicable provisions of the Income Tax Act, 1961 and does not expect any additional tax liability on account of survey operations.

o) The Government of India announced Services Export from India Scheme (SEIS) under Foreign Trade Policy (FTP) 2015-20 under which the service provider of notified services is entitled to Duty Credit Scrips as a percentage of net foreign exchange earned. These Scrips either can be used for payment of basic custom duty on imports or can be transferred/traded in the market.

Pursuant to above, during the year ended March 31, 2018, the Company has received SEIS scrips of Rs. 31.14 crore, having validity till September 30, 2019. The Company has so far utilized Rs 0.44 crore out of these scrips. Considering the major expansion plans at the IGI airport, the Company is evaluating various options for utilization of these Scrips. The Company has accounted the amount utilized and remaining scrips of Rs. 30.70 crore at fair value of Rs. 29.83 crore (97% of face value of the scrips) as "Other Incomes" in the Statement of Profit and Loss.

The Scrips received under SEIS are in nature of Government Grant and is similar to the Scrips received earlier under Served from India Scheme (SFIS) of Foreign Trade Policy 2010-15; which is presently under litigation with respect to Annual Fee payable towards AAI/ on the same.



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Further, based on the legal opinion obtained, the Government Grants are not part of "Revenue" under OMDA. Accordingly, Management believes that, no Annual Fee is payable as per the provisions of OMDA, and has not been provided in the standalone financial statements.

p) As per notification number G.S.R.308(E) dated March 30, 2017, the Ministry of Corporate Affairs the central government have made amendment to schedule III of Companies Act 2013, requiring every company to disclose the details of Specified Bank Notes (SBN) held and transacted during the period November 08, 2016 to December 30, 2016.

The required details for the company are provided in the table below:

*(Amount in Rupees)*

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	1,289,000	16,460	1,305,460
(+) Permitted receipts#	1,262,000	1,487,519	2,749,519
(-) Permitted payments	-	(340,287)	(340,287)
(-) Amount deposited in Banks	(2,546,000)	(1,071,576)	(3,617,576)
Closing cash in hand as on 30.12.2016*	5,000	92,116	97,116

# includes SBNs of Rs. 518,500 received by the Company through Lost and Found section at airport terminals.

# includes SBNs of Rs. 203,000 received by the Company through non-scheduled airlines.

\*Rs. 5000 of SBN's as on 30.12.2016 were stale which could not be deposited in bank and accordingly written off later during the previous year.

**q) Standards issued but not yet effective**

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

**Ind AS 115- Revenue from Contracts with Customers**

Ind AS 115 'Revenue from Contracts with Customers' was notified on March 28, 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

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The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This new standard requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. Adoption of the new rules could affect the timing of revenue recognition for certain transactions of the Company. Ind AS 115 is effective for the Company for the annual period beginning on or after April 1, 2018 and permits two possible methods of transition:

- (i) retrospectively to each prior reporting period presented in accordance with Ind AS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, with the option to elect certain practical expedients as defined within Ind AS 115 (the full retrospective method); or
- (ii) retrospectively with the cumulative effect of initially applying Ind AS 115 recognized at the date of initial application (April 1, 2018) and providing certain additional disclosures as defined in Ind AS 115 (the modified retrospective method).

The Company continues to evaluate the available transition methods and its contractual arrangements. The ultimate impact on revenue resulting from the application of Ind AS 115 will be subject to assessments that are dependent on many variables, including, but not limited to, the terms of the contractual arrangements and the mix of business. The Company's considerations also include, but are not limited to, the comparability of its financial statements and the comparability within its industry from application of the new standard to its contractual arrangements. The Company has established an implementation team to implement Ind AS 115 related to the recognition of revenue from contracts with customers and it continues to evaluate the changes to accounting system and processes, and additional disclosure requirements that may be necessary.

#### **Amendments to Ind AS 12 - Recognition of Deferred Tax Assets for Unrealised Losses**

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

These amendments are effective for annual periods beginning on or after April 1, 2018. These amendments are not expected to have any major impact on the company as the company has no major deductible temporary differences or assets that are in the scope of the amendments.

#### **Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Consideration**

The Appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration.



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Entities may apply the Appendix requirements on a fully retrospective basis. Alternatively, an entity may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognised on or after:

- (i) The beginning of the reporting period in which the entity first applies the Appendix, or
- (ii) The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the Appendix.

The Appendix is effective for annual periods beginning on or after April 1, 2018. However, since the Company's current practice is in line with the Interpretation, the Company does not expect any effect on its financial statements.

r) Audited figures as at and for the year ended March 31, 2017 were audited by another firm along with M/s S.R. Batliboi & Associates LLP.

s) Certain amounts (currency value or percentages) shown in the various tables and paragraphs included in these financial statements have been rounded off or truncated as deemed appropriate by the management of the Company.

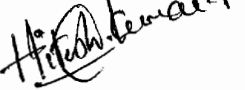
**For S.R. Batliboi & Associates LLP**  
ICAI Firm Reg. No.: 101049W/E300004  
Chartered Accountants



**Per Yogesh Midha**  
Partner  
Membership No. 094941  
Place: New Delhi  
Date: May 2, 2018



**For K.S. Rao & Co.,**  
ICAI Firm Reg. No.: 003109S  
Chartered Accountants



**Per Hitesh Kumar P**  
Partner  
Membership No. 233734  
Place : New Delhi  
Date: May 2, 2018



**For and on behalf of the Board of  
Directors of Delhi International Airport  
Limited**



**G.B.S. Raju**  
Managing Director  
DIN-00061686




**K. Narayana Rao**  
Whole Time Director  
DIN-00016262



**G Radha Krishna Babu**  
Chief Financial Officer

Place : New Delhi  
Date: May 2, 2018



**Saurabh Jain**  
Company Secretary

