

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants
3rd & 6th Floor, Worldmark 1
IGI Airport Hospitality District, Aerocity
New Delhi 110 037. India

Brahmayya & Co.

Chartered Accountants
10/2, Khivraj Mansion
Kasturba Road
Bengaluru 560 001. 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, 2017, 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 Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance 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 Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016. 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.

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.



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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, 2017, 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 Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016;
 - (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, 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;
 - (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.



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- iv. The Company has provided requisite disclosures in the standalone Ind AS financial statements as to the holding and dealings in Specified Bank Notes during the period from November 8, 2016 and December 30, 2016. However, as stated in Note 42 (e) to the standalone Ind AS financial statements amounts aggregating to Rs. 203,000 as represented to us by the management have been received from the transactions which are not permitted.

For S.R. BATLIBOI & ASSOCIATES LLP

ICAI Firm registration number: 101049W/E300004
Chartered Accountants



per Yogesh Midha
Partner
Membership No.: 094941

Place: *Manila*
Date : May 11, 2017



For Brahmayya & Co.,

Firm registration number: 000515S
Chartered Accountants



per G Srinivas
Partner
Membership No.: 86761

Place: New Delhi
Date : May 11, 2017



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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 (Formerly known as Delhi International Airport Private Limited) ("the Company")

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) During the year Management has conducted physical verification of fixed Assets. The discrepancies identified during such physical verification between physical inventory and books records; have been properly dealt with in the books of accounts.
- (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 and hence not commented upon.
- (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) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, custom duty, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there have been slight delays in case of payment of service tax, advance income tax and provident fund in few cases.
- (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, service tax, 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.
- (c) According to the information and explanations given to us, the dues of income tax, sales-tax, service tax, customs duty, value added tax and cess which have not been deposited on account of any dispute, are as follows*:



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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), 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.	3.66	Assessment Year: 2008-09	Commissioner of Income Tax (CIT) Appeals.
Finance Act 1994	Service tax on Development Fees (DF) receipt.	263.78	March 2009 to September 2013.	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)
Finance Act 1994	i) Non payment of Service tax under reverse charge mechanism for the alleged 'Management or Business Consultants'. ii) Wrong and Excess Utilization of CENVAT credit iii) Non Payment of Service Tax on License Fees / lease rentals.	35.44	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.	7.74	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.	Commissioner of Service Tax (Appeal), New Delhi.
Finance Act 1994	i) Service tax on the supply of electricity and water ii) Denial of CENVAT on Central Industrial Security Force (CISF) related expenses.	25.22	Financial year: 2009 -10 to 2012-13	Commissioner of Service tax
Finance Act 1994	Non-payment of service tax on Advance Development Costs ('ADC').	108.62	Financial year: 2010-11 to 2011-12	CESTAT

* 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. 50.17 crores.

- (viii) 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, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution and bank. The Company did not have any outstanding dues in respect of debenture holders during the year.



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- (ix) Based on our 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 and on an overall examination of the balance sheet, we report that monies raised by way of debt instruments in the nature of secured notes were applied for the purposes for which they were raised. The Company has not raised any funds 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) Based on our 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 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) Based on our 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, 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. (Refer note 35 of the financial statements)
- (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) Based on our 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, 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: 94941
Place: *Manila*
Date: May 11, 2017



For Brahmayya & Co.,
Firm Registration Number: 000515S
Chartered Accountants



per G Srinivas
Partner
Membership Number: 86761
Place: New Delhi
Date : May 11, 2017



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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 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")**

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

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, 2017 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, 2017 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: 94941
Place: *Mawla*
Date: May 11, 2017

**For Brahmayya & Co.,**

Firm Registration Number: 000515S
Chartered Accountants



per G Srinivas
Partner

Membership Number: 86761
Place: New Delhi
Date : May 11, 2017




Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)
 CIN. U63033DL2006PLC146936
 Standalone Balance Sheet as at March 31, 2017
 (All amounts in Rupees Crore, except otherwise stated)

	Notes	March 31, 2017	March 31, 2016	April 1, 2015
ASSETS				
(1) Non-current assets				
Property, plant and equipment	4	7,381.27	8,039.80	8,592.39
Capital work in progress	4	123.94	63.87	50.65
Intangible Assets	5	404.07	412.94	433.50
Investment in subsidiaries, associates & joint ventures	6.1	181.05	138.01	138.01
Financial Assets				
(i) Loans	7	1.25	2.25	1.84
(ii) Other financial assets	8	-	-	106.35
Other non-current assets	9	91.29	97.36	88.90
Deferred tax assets (net)	10	-	11.27	-
		8,182.87	8,765.50	9,411.64
(2) Current assets				
Inventories	11	7.42	7.19	7.73
Financial Assets				
(i) Investments	6.2	2,184.38	956.66	247.14
(ii) Trade Receivables	12	898.88	791.46	654.65
(iii) Cash and cash equivalents	13	554.12	407.67	119.59
(iv) Bank balance other than cash and cash equivalents	14	46.22	76.14	200.57
(v) Loans	7	18.87	14.96	13.57
(v) Other Financial assets	8	37.25	133.48	541.84
Other current assets	9	36.99	50.32	49.63
		3,784.13	2,437.88	1,834.72
Assets classified as held for sale	6.2	-	40.64	40.64
		3,784.13	2,478.52	1,875.36
Total Assets		11,967.00	11,244.02	11,287.00
EQUITY AND LIABILITIES				
(1) Equity				
Equity Share Capital	15	2,450.00	2,450.00	2,450.00
Other Equity				
(i) Retained earnings	16	576.22	(9.83)	(514.09)
(ii) Cash flow hedge reserve	16	(16.84)	-	-
(iii) Re-measurement gains on defined benefit plans	16	(0.73)	0.09	-
		3,008.65	2,440.26	1,935.91
(2) Non-current liabilities				
Financial Liabilities				
(i) Borrowings	17	5,261.97	5,393.16	5,542.90
(ii) Other financial liabilities	18	298.31	309.26	326.18
Deferred revenue	19	1,781.31	1,752.77	1,785.43
Deferred tax liabilities (net)	10	292.04	-	-
Other non-current liabilities	20	112.95	146.62	208.20
		7,746.58	7,601.81	7,862.71
(3) Current liabilities				
Financial Liabilities				
(i) Trade Payables	21	431.40	390.38	425.64
(ii) Other financial liabilities	18	381.38	507.21	748.59
Deferred revenue	19	86.18	82.05	82.44
Other current liabilities	20	226.29	182.33	207.54
Provisions	22	19.34	15.44	14.90
Liabilities for current tax (net)		67.18	24.54	9.27
		1,211.77	1,201.95	1,488.38
Total Liabilities		8,958.35	8,803.76	9,351.09
Total Equity and Liabilities		11,967.00	11,244.02	11,287.00
Summary of significant accounting policies	3			

The accompanying notes are an integral part of the standalone financial statements.


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. 94941
 Place: Manila
 Date: May 11, 2017



As per our report of even date
 For Brahmaya & Co.
 ICAI Firm Registration No. : 0005155
 Chartered Accountants

per G. Srinivas
 Partner
 Membership no. 86761
 Place: NEW DELHI
 Date: MAY 11, 2017



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

Srinivas Bommidala
 Managing Director
 DIN-00061464

K. Narayana Rao
 Whole Time Director
 DIN-00016262

Radhakrishnababu G.
 Chief Financial Officer
 Place: New Delhi
 Date: May 11, 2017

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, 2017
 (All amounts in Rupees Crore, except otherwise stated)

	Notes	For the year ended March 31, 2017	For the year ended March 31, 2016
I REVENUE			
Revenue From Operations	23	5,624.23	5,152.00
Other Income	24	306.99	161.44
Total Income (I)		5,931.22	5,313.44
II EXPENSES			
Annual fee to Airports Authority of India (AAI)		2,634.84	2,304.15
Employee Benefits Expense	25	129.47	125.48
Other Expenses	26	834.37	923.06
Total expenses (II)		3,598.68	3,352.69
III Earnings before interest, tax, depreciation and amortisation and exceptional items (EBIDTA) (I-II)		2,332.54	1,960.75
Finance Costs	27	527.25	632.24
Depreciation and amortization expense	28	638.03	703.57
Profit before tax and exceptional items		1,167.26	624.94
IV Exceptional Items [refer note 42 (o)]	29	40.80	-
V Profit before tax (III-IV)		1,126.46	624.94
Tax expense:			
(1) Current Tax		238.69	129.07
(2) Adjustment of tax relating to earlier years		(1.88)	-
(3) MAT credit entitlement for earlier years written off		-	2.93
(4) Deferred Tax charge		303.69	(11.32)
VI Total Tax expense		540.50	120.68
VII Profit for the year (V-VI)		585.96	504.26
Other Comprehensive Income			
A Items that will not be reclassified to profit or loss in subsequent years	30		
Re-measurement gains (losses) on defined benefit plans		(1.11)	0.14
Income tax effect		0.38	(0.05)
B Items that will be reclassified to profit or loss in subsequent years			
Net movement of cash flow hedges		(16.84)	-
Income tax effect			
VIII Total Other Comprehensive Income for the year (net of tax)		(17.57)	0.09
IX Total Comprehensive Income for the year (net of tax) (VII+VIII)		568.39	504.35
X Earnings per equity share:			
(1) Basic	31	2.32	2.06
(2) Diluted	31	2.32	2.06
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the standalone financial statements.

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: 94941
 Place: Manila
 Date: May 11, 2017



As per our report of even date
 For Brahmayya & Co.
 ICAI Firm Registration No. : 0005155
 Chartered Accountants

[Signature]

per G. Srinivas
 Partner
 Membership no: 86761
 Place: NEW DELHI
 Date: MAY 11, 2017



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

[Signature]

Srinivas Bommidala
 Managing Director
 DIN-00061464

K. Narayana Rao
 Whole Time Director
 DIN-00016262

[Signature]

Radhakrishnababu G.
 Chief Financial Officer

[Signature]
 Saurabh Jain
 Company Secretary

Place : New Delhi
 Date : May 11, 2017



Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)
 CIN. U63033DL2006PLC146936
 Standalone Statement of Change in Equity
 (All amounts in Rupees Crore, except otherwise stated)

	Equity share capital	Items of OCI			Total	Total equity
	Retained earnings	Cash flow hedge reserve (net of tax)	Remeasurement of Net Defined benefit plan (net of tax)	Total		
Balance as at April 1, 2015	2,450.00	(514.09)	-	-	(514.09)	1,935.91
Profit for the year	-	504.26	-	-	504.26	504.26
Other comprehensive income	-	-	-	0.09	0.09	0.09
Balance as at March 31, 2016	2,450.00	(9.83)	-	0.09	(9.74)	2,440.26
Profit for the year	-	585.96	-	-	585.96	585.96
Other comprehensive income	-	-	(16.84)	(0.73)	(17.57)	(17.57)
Balance as at March 31, 2017	2,450.00	576.13	(16.84)	(0.64)	558.65	3,008.65


The accompanying notes are an integral part of the standalone financial statements.

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: 94941
 Place: Manila
 Date: May 11, 2017



As per our report of even date
 For Brahmayya & Co.
 ICAI Firm Registration No. : 0005155
 Chartered Accountants


 per G. Srinivas
 Partner
 Membership no: 86761
 Place: NEW DELHI
 Date: MAY 11, 2017



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



Srinivas Bommidala
 Managing Director
 DIN-00061464



K. Narayana Rao
 Whole Time Director
 DIN-00016262


 Radhakrishna Babu G.
 Chief Financial Officer

Place: New Delhi
 Date: May 11, 2017


 Saurabh Jain
 Company Secretary



Notes	March 31, 2017	March 31, 2016
Cash flow from operating activities		
Profit before tax	1,126.46	624.94
<i>Adjustment to reconcile profit before tax to net cash flows</i>		
Depreciation and amortization expenses	638.03	703.57
Provision for Bad debts / Bad Debts Written off	1.73	0.03
Provision for Doubtful advances / Advances Written off	-	0.43
Interest income on deposits/current investment	(43.29)	(27.10)
Exchange differences unrealised (net)	(96.34)	138.18
Net gain on sale of current investments-Mutual fund	(97.43)	(47.99)
Reversal of finance charges on Cancellation of finance lease (refer note 32.1)	(7.01)	-
Profit on Sale of property plant and equipments	-	-
Loss on discard of property plant and equipments	1.59	0.13
Dividend Income on non current investments carried at cost	(51.38)	(35.52)
Interest on Borrowings	426.57	511.28
Interest on prepayment of Borrowing [refer note 42 (o)]	40.80	-
Call spread option premium	40.70	-
Other borrowing costs	7.13	7.83
Deferred income on financial liabilities carried at amortized cost	(63.80)	(83.13)
Interest expenses on financial liability carried at amortised cost	49.87	45.03
Rent expenses on financial assets carried at amortised cost	0.21	0.31
Other interest	9.99	68.10
Fair valuation gain on Investments	(2.50)	(6.94)
Fair value gain on financial instruments (IRS) at fair value through profit or loss	(6.17)	4.24
	1,975.16	1,903.39
Working capital adjustment:		
Increase / (Decrease) in trade payables	40.66	(35.71)
(Decrease) in other non current liabilities	(33.67)	(61.58)
Increase in other current liabilities	48.10	11.81
Increase in non current deferred revenue	92.34	50.47
Increase / (Decrease) in current deferred revenue	4.13	(0.39)
Increase in non current financial liabilities	9.17	3.48
(Decrease) in current financial liabilities	(6.21)	(3.52)
(Increase) in trade receivables	(109.15)	(137.13)
(Increase) / Decrease in inventories	(0.24)	0.54
Decrease in other non current assets	0.44	0.50
Decrease / (Increase) in other current assets	13.33	(0.89)
Decrease in other current financial assets	17.59	39.05
Decrease / (Increase) in non current loans	1.01	(0.41)
Increase in current loans	(3.91)	(1.39)
Decrease in current provisions	2.79	0.54
Cash generated from operations	2,051.53	1,768.76
Direct taxes paid (net)	(195.00)	(117.02)
Net cash flow from operating activities (A)	1,856.53	1,651.74
Cash flows from investing activities		
Purchase of property plant and equipments, including CWIP and capital advances	(213.94)	(209.66)
Development fee (DF) realised	83.99	413.37
Proceeds from sale of property plant and equipments	-	-
Purchase of investment in associate	(2.40)	-
Purchase of current investments	(14,212.84)	(12,145.62)
Sale of current investments	13,085.06	11,491.01
Dividend Income	51.38	35.52
Interest received	37.73	23.89
Redemption / (investment) of Margin Money Deposit	42.07	(11.45)
Deposits with original maturity of more than three months	(12.15)	135.88
Net cash flow used in investing activities (B)	(1,141.10)	(267.06)
Cash flows from financing activities		
Proceeds from borrowings	3,493.92	-
Repayment of borrowings	(3,633.44)	(578.38)
Option premium paid	(14.96)	-
Derivative IRS- Mark to market-Breakage Cost	(8.17)	-
Other borrowing costs paid	(7.13)	(7.83)
Collection of interest on DF loans from airlines	0.87	39.15
Interest paid	(400.08)	(549.54)
Net cash flow used in financing activities (C)	(568.99)	(1,096.60)
Net increase in cash and cash equivalents (A + B + C)	146.45	288.08
Cash and cash equivalents at the beginning of the period	407.67	119.59
Cash and cash equivalents at the end of the period	554.12	407.67
Components of cash and cash equivalents		
Cash on hand	0.03	0.04
Cheques/ drafts on hand	4.73	15.78
With banks		
- on current account	44.36	41.85
- on deposit account	505.00	350.00
Total cash and cash equivalents (Note 13)	554.12	407.67

Summary of significant accounting policies

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Explanatory notes annexed

1. Cash and cash equivalents includes balance on current account with banks for Rs. 2.34 Crore (March 31, 2016: Nil; April 1, 2015: Nil) in respect of Marketing Fund.

2. 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 11, 2017.

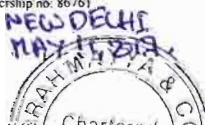
As per our report of even date
 For S.R. BATLIBOI & ASSOCIATES LLP
 ICAI Firm Registration No. : 101049W/E300004
 Chartered Accountants

per Yogesh Midha
 Partner
 Membership no: 94941
 Place: Mohita
 Date: May 17, 2017



As per our report of even date
 For Brahmanji & Co.
 ICAI Firm Registration No. : 0005155
 Chartered Accountants

per G. Srinivas
 Partner
 Membership no: 86761
 Place: New Delhi
 Date: May 17, 2017



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

Srinivas Bommidala
 Managing Director
 DIN-00061464

K. Narayana Rao
 Whole Time Director
 DIN-00016262

Rathinam Anababu G.

Saurabh Jain



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January 22, 2015 ordered that the tariff determined by AERA for the First Control Period vide Tariff Order No.03/2012-13 issued on April 24, 2012, shall continue till the disposal of the appeals pending against the said Tariff Order, by AERAAT.

Subsequently AERA 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, which as per AERA order would be implemented upon the final outcome of the legal proceedings pending before AERAAT. As per AERA order for second control period, tariff for aeronautical revenue will be reduced by 89.40% of the existing tariff (i.e. tariff as per the first control period).

DIAL has also filed an appeal with AERAAT against the AERA order No. 40/2015-16 dated December 08, 2015 (issued on December 10, 2015) for second control period on January 11, 2016. In view of above petitions pending on the implementation of AERA order for Second Control Period, the said order could not be implemented till the disposal of all legal issues associated with the order. The revenue so collected by DIAL during this interim period shall be adjusted from the aggregate revenue requirement.

Earlier, AERA has also filed a Special Leave Petition (SLP) dated April 24, 2015 in Hon'ble Supreme Court of India, seeking interim relief from the final order of Hon'ble Delhi High Court dated January 22, 2015. AERA has also filed an application before Hon'ble Supreme Court seeking directions for the implementation of its tariff order for second control period. The pleadings of the parties are complete and Hon'ble Supreme Court has disposed off SLP on May 12, 2016 with directions to AERAAT to dispose of the Tariff Appeals within three months from receipt of this order. The tariff matters were listed for hearing by AERAAT on October 17, 2016; however, as extension for members of AERAAT was not approved till date, the matter was further adjourned till the next communication by AERAAT.

Tribunal has now been reconstituted. In February, 2017, Air India filed an SLP with Hon'ble Supreme Court for implementation of tariff order issued by AERA and Hon'ble Supreme Court only has given direction to AERAAT to dispose off the Tariff appeals within 2 months i.e. by April 2017. In compliance of the aforesaid Supreme Court order Tribunal has decided to hear Tariff appeals on priority. The Tariff appeal filed against the AERA order no 03/2012-13 are being heard and would be concluded in due course.

Basis the profit earned over the last five financial years and the Company's business plans and cash projections prepared by the management for the next one year considering the appropriate reduction in the existing tariff, 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 financial results continue to be prepared on a going concern basis.

3. Significant Accounting Policies

Change in accounting estimate

The Company amortized upfront fee and other costs paid to Airport Authority of India ('AAI') over the initial period of OMDA i.e. 30 years.

However, the concession period can be extended for additional term of 30 years, on satisfaction of certain conditions attached to such renewal as contained in OMDA. The Company has accordingly taken the view that it shall avail full concession period i.e. 60 years as provided in OMDA. Accordingly, the Company has revisited and revised the estimate for amortizing the upfront fees and other cost paid to AAI over the initial and extended period of OMDA i.e 60 years, prospectively.

Had the Company continued to use the earlier estimate of amortizing the intangible assets, its standalone financial statements for the year would have been impacted as below:



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Amortization for the current period would have been higher by Rs. 12.01 crores. Profit before tax for the current period would have been lower by Rs. 12.01 crores and intangible assets would have been lower by Rs. 12.01 crores.

a. Use of estimates

The preparation of the standalone financial statements in conformity 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 financial 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
- 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 subsidiaries at cost.



Investments in subsidiaries, associates and joint ventures held for sale is measured at the lower of its carrying amount and fair value less costs to sell.

d. Non-current assets held for sale:

The Company classifies non-current assets held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset.
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale to owners are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

e. 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.

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.

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.



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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.

f. Depreciation on Property, Plant and Equipment

Depreciation is calculated on a straight line basis using the useful lives prescribed under Schedule II to the Companies Act, 2013 except for assets individually costing less than Rs. 5,000/-, which are fully depreciated in the year of acquisition and 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 assets 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 assets 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
Internal Approach Roads – Other than RCC	10 years	5 years
Transformers/Power Sub-Stations	15 years	10 years
Electric Panels	15 years	10 years

The useful life of the assets 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, inter alia, 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, for such assets 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. The Authority has initiated the process to enable it to issue a notification as appropriate, pursuant to the provisions of Part B of Schedule II of the Companies Act, 2013 for this purpose. Pending issuance of final notification by AERA of the useful lives of airport specific assets i.e. Runways, Taxiways and Apron, the Company, in the absence of any specific mention of useful lives of these assets in Schedule II to the Companies Act, 2013, continues to depreciate these assets over their estimated useful lives of 30 years as determined by the management based on an internal technical evaluation. The impact, if any, based on the useful lives as may be notified by the Authority will be adjusted as and when notified.

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.



g. 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.

h. Amortisation of intangible assets

Intangible assets with finite lives 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.

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.

For arrangement entered into prior to April 1, 2015, the Company has determined whether the arrangement contains lease on the basis of facts and circumstances existing on the date of transition.



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Notes to the standalone financial statements for the year ended March 31, 2017

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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).

Contingent rentals are recognised as expenses in the periods in which they are incurred.

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



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.

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 not 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



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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 departure 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:

The date of the plan amendment or curtailment, and date that the Company recognises related restructuring costs.

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

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.

D) 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.

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.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.



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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.



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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.

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.



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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.



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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, collection charges 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. Non-aeronautical operations include granting rights to use land and space primarily for catering to the needs 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.

Management Fee

Revenue from Management fees for support services rendered is recognized on accrual basis as per the terms of the agreement.



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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.



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

- 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
- In respect of taxable temporary differences associated with investments in subsidiaries, 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:

- 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.
- In respect of deductible temporary differences associated with investments in subsidiaries, 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.



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Taxes, cess, duties such as sales tax/ value added tax/ 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.

za. Measurement of Earnings before interest, tax, depreciation and amortisation (EBITDA)

The company presents EBITDA as a separate line item on the face of statement of Profit and Loss, but including other income as separate line item on the face of statement of Profit and Loss.

The Company measures EBITDA on the basis of profit from the continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

zb. Recent accounting pronouncements

1 Standards issued but not yet effective

In March 2017, the ministry of corporate affairs issued the Companies (Indian Accounting Standards) (amendments) rules, 2017, notifying amendments to Ind AS 7, 'Statement of Cash flows'. These amendments are in accordance with recent amendments made by international accounting standard board (IASB) to IAS 7, 'Statement of Cash Flows'. The amendments are applicable to the Company from April 1, 2017.



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Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosure that enable user of standalone financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The company is evaluating the requirements of amendments and the effect of the standalone financial statement is being evaluated.

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5 Intangible assets

	Airport concessionaire rights	Computer software	Total
Cost			
At April 1, 2015	490.52	39.57	530.09
Additions	-	1.06	1.06
At March 31, 2016	490.52	40.63	531.15
Additions	-	0.53	0.53
At March 31, 2017	490.52	41.16	531.68
Amortisation			
At April 1, 2015	60.05	36.54	96.59
Charge for the year	20.50	1.12	21.62
At March 31, 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
Net Block			
At April 1, 2015*	430.47	3.03	433.50
At March 31, 2016	409.97	2.97	412.94
At March 31, 2017	401.77	2.30	404.07

* Considered as deemed cost as per para D7AA of Ind AS 101 (Refer note 41.1).

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6.1 Investment in subsidiaries, associates & joint ventures

	Non current		
	March 31, 2017	March 31, 2016	April 1, 2015
Investments carried at cost			
Unquoted equity shares fully paid up			
Investment in subsidiary			
Delhi Aerotropolis Private Limited			
100,000 shares of Rs 10 each (March 31, 2016: 100,000 shares of Rs 10 each; April 1, 2015: 100,000 shares of Rs 10 each)	0.10	0.10	0.10
Investment in associates			
East Delhi Waste Processing Company Private Limited			
7,839 shares of Rs 10 each (March 31, 2016: 7,839 shares of Rs 10 each; April 1, 2015: 7,839 shares of Rs 10 each)	0.01	0.01	0.01
Celebs Delhi Cargo Terminal Management India Private Limited			
2,91,20,000 shares of Rs 10 each (March 31, 2016: 29,120,000 shares of Rs 10 each; April 1, 2015: 2,91,20,000 shares of Rs 10 each)	29.12	29.12	29.12
Delhi Duty Free Services Private Limited			
39,920,000 shares of Rs 10 each (March 31, 2016: 39,920,000 shares of Rs 10 each; April 1, 2015: 39,920,000 shares of Rs 10 each)	39.92	39.92	39.92
Delhi Airport Parking Services Private Limited (refer note 6.2)			
40,638,560 shares of Rs 10 each (March 31, 2016: Nil; April 1, 2015: Nil)	40.64	-	-
Travel Food services (Delhi Terminal 3) Private Limited			
5,600,000 shares of Rs 10 each (March 31, 2016: 3,200,000 shares of Rs 10 each; April 1, 2015: 3,200,000 shares of Rs 10 each)	5.60	3.20	3.20
TDM Delhi Airport Advertising Private Limited			
9,222,505 shares of Rs 10 each (March 31, 2016: 9,222,505 shares of Rs 10 each; April 1, 2015: 9,222,505 shares of Rs 10 each)	9.22	9.22	9.22
Investment in joint ventures			
Delhi Aviation Services Private Limited			
12,500,000 shares of Rs 10 each (March 31, 2016: 12,500,000 shares of Rs 10 each; April 1, 2015: 12,500,000 shares of Rs 10 each)	12.50	12.50	12.50
Delhi Aviation Fuel Facility Private Limited			
42,640,000 shares of Rs 10 each (March 31, 2016: 42,640,000 shares of Rs 10 each; April 1, 2015: 42,640,000 shares of Rs 10 each)	42.64	42.64	42.64
Wipro Airport IT Services Limited			
1,300,000 shares of Rs 10 each (March 31, 2016: 1,300,000 shares of Rs 10 each; April 1, 2015: 1,300,000 shares of Rs 10 each)	1.30	1.30	1.30
	181.05	138.01	138.01
Aggregate book value of unquoted non-current investment	181.05	138.01	138.01

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6.2 Current Investments

	Current		
	March 31, 2017	March 31, 2016	April 1, 2015
Investments carried at fair value through profit or loss			
Investment in mutual fund			
Unquoted investments			
ICICI Prudential Liquid Regular Plan Growth [1,36,56,817.68 units (March 31, 2016: 10,534,675.60, April 1, 2015: [1,230,627.04] of Rs 100 each]	327.98	235.82	25.46
Bank of Baroda Mutual Fund [4,02,921.06 units (March 31, 2016: Nil, April 1, 2015: 250,204.70) of Rs. 1000 each]	75.05	-	40.09
Axis Liquid Fund Growth [9,73,867.89 units (March 31, 2016: 797,658.28, April 1, 2015: 578,845.39) of Rs. 1000 each]	175.10	133.67	89.65
Birla Sunlife Cash Plus- Inst.- Growth [1,38,74,600.55 units (March 31, 2016: 2,359,115.02, April 1, 2015 Nil) of Rs 100 each]	408.63	57.28	-
IDFC Cash Fund Growth Regular Plan [7,61,522.75 units (March 31, 2016: 54,713.55, April 1, 2015: 259,782.04) of Rs. 1000 each]	150.09	10.06	44.14
HDFC Liquid Fund [6,25,480.62 units (March 31, 2016: 381,494.63, April 1, 2015 Nil) of Rs. 1000 each]	200.13	113.86	-
Kotak Liquid Scheme [5,77,802.97 units (March 31, 2016: 204,511.87, April 1, 2015 Nil) of Rs 1000 each]	190.13	62.77	-
Reliance Mutual Fund [77,28,843.10 units (March 31, 2016: Nil, April 1, 2015 Nil) of Rs 1000 each]	105.31	-	-
Sundaram Money Fund Regular - Growth [2,92,64,666.72 units (March 31, 2016: 12,525,663.49, April 1, 2015 3,974,724.83) of Rs. 1000 each]	100.06	39.91	11.71
SBI Premier Liquid Fund - REGULAR PLAN -Growth [4,71,677.90 units (March 31, 2016: 823,193.45, April 1, 2015: 91,131.37) of Rs 1000 each]	120.07	195.60	20.01
DSP Mutual Fund [8,20,156.48 units (March 31, 2016: 155,806.74, April 1, 2015 Nil) of Rs. 1000 each]	190.12	33.68	-
LIC Nomura Liquid Fund [1,70,270.79 units (March 31, 2016: Nil, April 1, 2015 Nil) of Rs. 1000 each]	50.03	-	-
Tata Liquid Fund Plan A - Growth [Nil units (March 31, 2016: Nil, April 1, 2015 62,345.08) of Rs. 1000 each]	-	-	16.08
Commercial Papers			
SREI Infrastructure Finance Limited [2000 units (March 31, 2016: 1500, April 1, 2015 Nil) of Rs. 500000 each]	91.68	74.01	-
	2,184.38	956.66	247.14
Assets held for sale (at lower of carrying amount and fair value less costs to sell) (Refer Note 37, 38)			
Delhi Airport Parking Services Private Limited* [Nil shares (March 31, 2016: 40,638,560 shares of 10 each, April 1, 2015: 40,638,560) of 10 each]	-	40.64	40.64
Total Assets classified as held for sale	-	40.64	40.64
Aggregate book value of unquoted investments	2,174.44	949.22	246.64
Aggregate book value of unquoted current investments	-	40.64	40.64
Aggregate market value of unquoted current investments in mutual funds	2,184.38	956.66	247.14

* As at March 31, 2017, management has assessed that the investment does not meet the criteria for classification as held for sale as per Ind AS 105 as sales is not highly probable i.e. it is not expected to qualify for recognition as a completed sale within one year from the reporting date. Such change in classification does not have any impact for the period including the prior period presented.

7. Loans

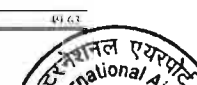
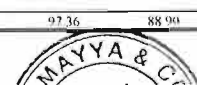
	Non current			Current		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Carried at amortised cost						
Security deposits						
Unsecured, considered good to others	1.25	2.25	1.84	2.16	0.24	0.38
	1.25	2.25	1.84	2.16	0.24	0.38
Advances						
Unsecured, considered good to related parties (refer note 35)	-	-	-	16.71	14.72	13.19
Doubtful, to related parties	2.82	2.82	2.82	-	-	-
Less: provision for doubtful advances	(2.82)	(2.82)	(2.82)	-	-	-
	-	-	-	16.71	14.72	13.19
Total	1.25	2.25	1.84	18.87	14.96	13.57

8. Other Financial assets

	Non current			Current		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Carried at amortised cost						
Development fund receivable [refer note 42 (a) (ii)]	-	-	106.35	-	83.99	456.20
Interest accrued on fixed deposits and others	-	-	-	15.19	9.63	6.42
Non-trade receivable [Net of Provision of Doubtful Debts Rs. 1.57 Crore (March 31, 2016: Rs. 1.23 Crore and April 1, 2015: Rs. 3.40 crore)]	-	-	-	16.40	14.14	24.67
Unbilled revenue	-	-	-	5.66	25.72	54.55
Total other financial assets	-	-	106.35	37.25	133.48	541.84

9. Other assets

	Non current			Current		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Capital advances						
(A)	4.47	10.93	2.26	-	-	-
	4.47	10.93	2.26	-	-	-
Advances other than capital advance						
Advance to suppliers	-	-	-	23.70	12.81	9.65
Advance to employees	-	-	-	0.09	0.07	0.11
Other advances	-	-	-	0.45	0.45	0.65
Less: provision for doubtful advances	-	-	-	(0.45)	(0.45)	(0.65)
(B)	-	-	-	23.79	12.88	9.76
Others						
Prepaid expenses	5.87	6.31	6.81	5.02	5.16	5.75
Deposit with government authorities including paid under protest [refer note 34 II (a)]	-	-	-	0.03	30.66	30.66
MAT credit entitlement	-	-	2.93	-	-	-
Service Tax Refund Receivable	-	-	-	0.73	-	-
CENVAT Receivable (Net)	-	-	-	7.42	1.26	3.46
Gratuity fund balance (net) [refer note 33]	-	-	-	-	0.56	-
Advance Tax [net of provision for taxation Rs. 155.78 Crore (March 31, 2016: Rs. 93.80 Crore, April 1, 2015: Nil)]	80.95	80.12	76.90	-	-	-
(C)	86.82	86.43	86.64	13.20	37.44	39.87
Total other assets (A+B+C)	91.29	97.36	88.90	36.99	50.32	49.63



10. Income tax

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2016 and March 31, 2017:

	March 31, 2017	March 31, 2016
Accounting profit before tax	1,126.46	624.94
Tax at the applicable tax rate of 34.61% (March 31, 2016: 34.61%)	389.85	216.28
<u>Tax effect of income that are not taxable in determining taxable profit:</u>		
Exempt income not included in calculation of tax	(17.78)	(12.29)
<u>Tax effect of expenses that are not deductible in determining taxable profit:</u>		
Donation paid disallowed	3.60	1.60
Interest on delayed payment of Income Tax	1.60	0.28
Utilisation of previously unrecognised tax losses	-	(197.84)
MAT adjustment	238.69	129.07
Other adjustments	2.09	(0.61)
Previously unrecognised tax losses used to reduce deferred tax expense	-	(40.12)
Interest on delayed payment by customers (Unrealized)	(23.86)	-
Adjustments on which deferred tax is not created	(52.19)	21.43
Adjustment of tax relating to earlier years	(1.88)	-
MAT credit entitlement for earlier years written off	-	2.93
Tax effects on re-measurement gains (losses) on defined benefit plans	0.38	(0.05)
At the effective income tax rate of 48% (March 31, 2016: 19%)	540.50	120.68
Total tax expense reported in the statement of profit and loss	540.50	120.68

Deferred tax:

	Balance sheet			Statement of profit or loss	
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016
Deferred tax liability					
Accelerated depreciation for tax purposes	(1,015.37)	(1,017.66)	(1,001.27)	2.29	(16.39)
Marketing Fund Liability	-	(13.68)	-	13.68	(13.68)
Derivative liability-mark to market loss on IRS	(4.96)	-	-	(4.96)	-
On account of upfront fees being amortized using EIR method	(20.93)	(18.19)	-	(2.74)	(18.19)
Fair value of investment in mutual fund	(3.44)	(2.57)	-	(0.87)	(2.57)
	(1,044.70)	(1,052.10)	(1,001.27)	7.40	(50.83)

Deferred tax asset

Unabsorbed depreciation	597.75	867.84	890.85	(270.09)	(23.01)
Others Disallowances	34.37	9.03	8.37	25.39	0.66
Unrealised forex loss on borrowings	17.26	-	-	17.26	-
Intangibles (Airport Concession rights)	69.96	73.84	77.73	(3.88)	(3.89)
Carry Forward Losses	-	85.73	24.32	(85.73)	61.41
Derivative liability-mark to market loss on IRS	-	4.96	-	(4.96)	4.96
Other borrowing cost to the extent not amortised	19.26	22.02	-	(2.76)	22.02
Marketing Fund Liability	13.68	-	-	13.68	-
	752.28	1,063.42	1,001.27	(311.09)	62.15

Net deferred tax assets/(liabilities)

	(292.42)	11.32	-	303.69	(11.32)
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Reconciliations of net deferred tax liabilities / (assets)

	March 31, 2017	March 31, 2016
Opening balance as at beginning of the year	(11.27)	-
Tax income/(expense) during the period recognised in profit or loss	303.69	(11.32)
Tax income/(expense) during the period recognised in OCI	(0.38)	0.05
Closing balance as at March 31, 2017	292.04	(11.27)

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.

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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, 2017

(All amounts in Rupees Crore, except otherwise stated)

11. Inventories

	March 31, 2017	March 31, 2016	April 1, 2015
(valued at lower of cost or net realizable value)			
Stores and spares	7.42	7.19	7.73
	<u>7.42</u>	<u>7.19</u>	<u>7.73</u>

12. Trade receivables

	Current		
	March 31, 2017	March 31, 2016	April 1, 2015
Trade receivables			
Related parties	66.01	56.82	31.83
Others	<u>832.87</u>	<u>734.64</u>	<u>622.82</u>
	<u>898.88</u>	<u>791.46</u>	<u>654.65</u>
Break up for security details:			
Trade receivables			
Secured, considered good**	313.09	268.78	248.56
Unsecured, considered good	585.79	522.68	406.09
Unsecured, considered doubtful	<u>2.66</u>	<u>1.38</u>	<u>8.03</u>
	901.54	792.84	662.68
Less: Allowances for doubtful receivables	<u>(2.66)</u>	<u>(1.38)</u>	<u>(8.03)</u>
	<u>898.88</u>	<u>791.46</u>	<u>654.65</u>

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

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

13 Cash and Cash Equivalent

	March 31, 2017	March 31, 2016	April 1, 2015
-Balances with Banks			
-On current accounts#	44.36	41.85	76.17
-Deposits with original maturity of less than three months*	<u>505.00</u>	<u>350.00</u>	<u>38.11</u>
Cheques / drafts on hand	4.73	15.78	5.28
Cash on hand	<u>0.03</u>	<u>0.04</u>	<u>0.03</u>
	<u>554.12</u>	<u>407.67</u>	<u>119.59</u>

Cash and cash equivalents includes balance on current account with banks for Rs. 2.34 Crore (March 31, 2016: Nil; April 1, 2015: Nil) 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, 2017, the Company has available Rs. 221.54 crore (March 31, 2016: Rs. 297.96 crore, April 1, 2015: Rs. 300.39 crore) of undrawn borrowing facilities for future operating activities.

14. Bank balances other than cash and cash equivalents

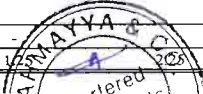
	March 31, 2017	March 31, 2016	April 1, 2015
Balances with banks:			
- Margin money deposit*	0.22	42.29	30.84
- Deposits with original maturity of more than three months but less than 12 months#	<u>46.00</u>	<u>33.85</u>	<u>169.73</u>
	<u>46.22</u>	<u>76.14</u>	<u>200.57</u>

* Rs. Nil (March 31, 2016 Rs. 42.09 Crore and April 1, 2015: Rs. 30.62 Crore) against Debt Service Reserve Account (DSRA) as per financing agreement.
Rs. 0.22 Crore (March 31, 2016: Rs. 0.20 Crore and April 1, 2015: Rs. 0.22 Crore) against License fee to South Delhi Municipal Corporation.

Deposits with bank includes Rs. 46.00 Crore (March 31, 2016: Nil and April 1, 2015: Nil) in respect of Marketing Fund.

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

	Non current			Current		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Financial assets carried at amortised cost						
Loans	1.25	2.25	1.84	18.87	14.96	13.57
Trade Receivable (refer note 12)	-	-	-	898.88	791.46	654.65
Other financial assets	-	-	106.35	37.25	133.48	541.84
Cash and cash equivalents (refer note 13)	-	-	-	554.12	407.67	119.59
Bank balance other than Cash and cash equivalents (refer note 14)	-	-	-	46.22	76.14	200.57
(A)	1.25	2.25	108.19	1,555.34	1,423.71	1,530.22
Financial assets carried at Fair value through profit or loss						
Investment in mutual funds	-	-	-	2,184.38	956.66	2,371.4
(B)	-	-	-	2,184.38	956.66	2,371.4
Total financial assets (A+B)			108.19	3,739.72	2,380.37	4,901.62



15 Equity Share Capital

	March 31, 2017	March 31, 2016	April 1, 2015
Authorised shares (No. in Crores)			
300 (March 31, 2016: 300, April 1, 2015: 300) equity shares of Rs. 10 each	3,000	3,000	3,000
	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>

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

245 (March 31, 2016: 245, April 1, 2015: 245) equity shares of Rs.10 each fully paid up	2,450	2,450	2,450
	<u>2,450</u>	<u>2,450</u>	<u>2,450</u>

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

	March 31, 2017		March 31, 2016	
	No. Crore	(Rs. In Crores)	No. Crore	(Rs. In Crores)
At the beginning of the year	245	2,450	245	2,450
Issued during the year	-	-	-	-
Outstanding at the end of the year	<u>245</u>	<u>2,450</u>	<u>245</u>	<u>2,450</u>

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 company declares and pays dividends in Indian rupees. 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

c. Shares held by holding/ intermediate holding company and its subsidiaries

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

Name of Shareholder	March 31, 2017	March 31, 2016
GMR Infrastructure Limited, the intermediate holding company		
100 (March 31, 2016: 100) equity shares of Rs.10 each fully paid up	0.00	0.00
GMR Energy Limited, Subsidiary of the intermediate holding company		
100 (March 31, 2016: 100) equity shares of Rs.10 each fully paid up	0.00	0.00
GMR Airports Limited along with Mr. Srinivas Bommidala	0.00	-
1 (March 31, 2016: Nil) equity share of Rs.10 each fully paid up		
GMR Airports Limited along with Mr Grandhi Kiran Kumar	0.00	-
1 (March 31, 2016: Nil) equity share of Rs.10 each fully paid up		
GMR Airports Limited, the holding company		
156.80 Crore (March 31, 2016: 156.80 Crore) equity shares of Rs.10 each fully paid up	1,568	1,568

d. Details of Shareholders holding more than 5% of equity shares in the Company

	March 31, 2017		March 31, 2016	
	Numbers	% holding in Class	Numbers	% Holding in Class
Equity shares of Rs. 10 each fully paid				
Airports Authority of India	637,000,000	26%	637,000,000	26%
GMR Airports Limited	1,567,999,798	64%	1,567,999,800	64%
Fraport AG Frankfurt Airport Services Worldwide	245,000,000	10%	245,000,000	10%
	<u>2,449,999,798</u>	<u>100%</u>	<u>2,449,999,800</u>	<u>100%</u>

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 ownership of shares as at the balance sheet date.

16 Other Equity

	March 31, 2017	March 31, 2016
Retained earnings		
Balance as per last financial statements	(9.74)	(514.09)
Add: Net profit for the year	585.96	504.26
Closing balance	<u>576.22</u>	<u>(9.83)</u>
Other items of Comprehensive Income		
Cash flow hedge reserve [refer note 42 (p)]	(16.84)	-
Re-measurement gains on defined benefit plans	(0.73)	0.09
	<u>(17.57)</u>	<u>0.09</u>
	<u>558.65</u>	<u>(9.74)</u>

16.1 Proposed dividends on Equity shares: [refer note: 42 (q)]

	March 31, 2017	March 31, 2016
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The board proposed dividend on equity shares 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

159.25

32.41

191.66



17 Borrowings

	Non - Current			Current		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Secured loan						
Rupee term loans from: [refer note 42 (a)]						
Banks	-	2,117.38	1,106.42	-	49.96	2.48
Banks (against development fee)	-	-	89.06	-	84.00	456.20
Financial Institution	-	771.83	1,854.74	-	21.98	4.71
Foreign currency term loans:						
Banks	-	536.73	537.60	-	32.49	28.95
6.125% (2022) senior secured foreign currency notes	1,859.25	1,886.63	1,776.73	-	-	-
6.125% (2026) senior secured foreign currency notes	3,402.72	-	-	-	-	-
Finance lease Obligation :						
Obligation under finance leases (Refer note 34 i)	-	80.59	178.35	-	97.76	87.67
	5,261.97	5,393.16	5,542.90	-	286.19	580.01
Amount disclosed under the head "other current financial liabilities" (refer note 18)					(286.19)	(580.01)
Net amount	5,261.97	5,393.16	5,542.90	-	-	-

a. Rupee Term Loan (RTL) of Rs Nil (March 31, 2016: Rs 2,167.34 Crore, April 1, 2015: Rs 1,108.90 Crore), principal outstanding of Rs Nil (March 31, 2016 Rs. 2,170.37 Crore, April 1, 2015: Rs.1,112.30 Crore) from Banks carries interest at Base rate plus agreed spread, which is subject to reset at the end of agreed interval. The interest rate during the period ranging from 10.65% to 11.00% p.a. (March 31, 2016: 10.65% to 11.75% per annum, April 1, 2015: 11.50% to 11.75% per annum).

b. Rupee Term Loan (RTL) of Rs Nil (March 31, 2016: Rs.793.81 Crore, April 1, 2015: Rs 1859.45 Crore), principal outstanding of Rs Nil (March 31, 2016 Rs. 794 Crore, April 1, 2015: Rs.1,859.67 Crore) from financial institutions carries interest at Base rate plus agreed spread, which is subject to reset at the end of agreed interval. The interest rate during the period ranging from 10.10% to 10.50% p.a. (March 31, 2016: 10.50% to 10.70% p.a, April 1, 2015: 10.70% to 11.50% p.a).

c. Foreign currency term loan of USD Nil (March 31, 2016 : USD 85.25 million, April 1, 2015 : USD 89.84 million) , principal outstanding of Rs Nil (March 31, 2016 : USD 86.45 million, April 1, 2015 : USD 91.24 million) carries interest at 6 months LIBOR plus agreed spread of 480 bps.

d. Rupee Term Loan (RTL) for principal outstanding of Rs.2,928.20 Crore and foreign currency term loan for outstanding of USD 83.92 Million as on October, 2016 have been refinanced in November 2016 with the proceeds of 6.125% (2026) Senior Secured Foreign Currency Notes (Notes) of USD 522.60 million (March 31, 2016: Nil, April 1, 2015: Nil) from International capital market carrying a fixed interest rate of 6.125% p.a. plus applicable withholding tax. The Notes 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.

e. 6.125% Senior Secured Foreign Currency Notes (Notes) of USD 283.42 million (March 31, 2016: USD 282.56 million, April 1, 2015: USD 281.75 million) , principal outstanding of USD 288.75 million (March 31, 2016: USD 288.75 million, April 1, 2015: USD 288.75 million) from International capital market carrying a fixed interest rate of 6.125% p.a. plus applicable withholding tax. The Notes are due for repayment in February, 2022. 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.

f. Rupee Term Loan against Development Fees ("DF") receipts from banks carries interest at fixed rate of Interest of 11.50% p.a. (March 31, 2016: 11.95% per annum). The loan is repayable from collection of DF receipts and repayment commitments are as per the loan agreement. The aforesaid loan was secured by pari passu first charge on DF receipts by the company. The loan has been fully repaid during the year ended March 31, 2017.

g. "Finance lease obligation" on account of IT and other assets is secured by hypothecation of these assets. The interest rate implicit in the lease is 10.11% to 10.55%. The finance lease obligation has been settled in full.

h. Financing Documents entered into with respect to Rupee Term Loan, Foreign Currency Loan from bank require certain financial covenants such as Debt Service Coverage Ratio, Debt to Equity Ratio etc. to be complied with. In respect of Rupee Term Loan and Foreign Currency Loan from bank, any failure to comply with any of the said financial covenants could lead to Event of Default under the Financing Documents. The Rupee Term loan and the Foreign Currency Loan from bank have been entirely refinanced with Foreign currency Notes, 2026 in October, 2016. With respect to Foreign Currency Notes 2022/2026, 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

	Non Current			Current		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Financial liabilities carried at fair value through OCI						
Cash flow hedge: Call spread option	-	-	-	42.58	-	-
	-	-	-	42.58	-	-
Financial liabilities carried at fair value through profit and loss						
Derivative not designated as hedge: Interest rate swap (refer note 37)	-	-	-	-	14.34	10.10
Total financial liabilities at Fair value through Profit and Loss	-	-	-	-	14.34	10.10
Other financial liabilities at amortised cost						
Security Deposits from trade concessionaires- related parties	148.75	132.01	115.97	1.37	0.73	0.46
Security Deposits from trade concessionaires- others	121.61	130.38	143.60	124.85	82.43	41.57
Security Deposits from commercial property developers	7.59	6.39	5.73	-	-	-
Earnest money deposits	-	-	-	4.50	3.90	3.53
Capital Creditors	0.00	6.73	12.77	49.25	36.91	36.25
Retention money - Non-trade	3.51	2.46	3.38	37.36	40.39	38.95
Liability for Voluntary retirement scheme	16.85	31.29	44.73	14.45	13.46	12.65
Current maturities of long term borrowings (refer note 17)	-	-	-	-	188.43	492.34
Current maturities of finance lease obligation (refer note 17)	-	-	-	-	97.76	87.67
Interest accrued but not due on borrowings	-	-	-	107.02	28.86	25.07
Total other financial liabilities at amortised cost	298.31	309.26	326.18	338.80	492.87	738.49
Total other financial liabilities	298.31	309.26	326.18	381.38	507.21	748.59

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 602.6 million (Rs. 3,953.06 Crore) on senior secured foreign currency notes

Financial liabilities at fair value through profit and loss

Interest rate swap of USD Nil (March 31, 2016: USD 86.45 million) [1.94% p.a. on notional amount payable semiannually and receive USD 6 months LIBOR, semi-annually] were effective from June 30, 2015.



19. Deferred Revenue

	Non Current			Current		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Deferred income on financial liabilities carried at amortized cost	1,780.83	1,752.21	1,784.02	74.73	73.57	73.19
Unearned revenue	0.48	0.56	1.41	11.45	8.48	9.25
	<u>1,781.31</u>	<u>1,752.77</u>	<u>1,785.43</u>	<u>86.18</u>	<u>82.05</u>	<u>82.44</u>
Deferred income on financial liabilities carried at amortized cost						
At April 1				1,825.78	1,857.21	1,887.21
Deferred during the year				93.45	51.50	-
Released to the statement of profit and loss				(63.66)	(82.93)	-
				<u>1,855.57</u>	<u>1,825.78</u>	<u>1,857.21</u>
Unearned revenue						
At April 1				9.04	10.66	10.66
Deferred during the year				246.90	213.51	-
Released to the statement of profit and loss				(244.01)	(215.13)	-
				<u>11.93</u>	<u>9.04</u>	<u>10.66</u>

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 amortized cost under Ind AS. 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, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Advances						
Advances from commercial property developers	95.60	121.77	175.85	94.74	104.75	95.66
Advance from customer	17.35	24.85	32.35	5.91	7.01	15.81
Others						
Development Fee Accrued (to the extent of not utilized) [refer note 42 (a) (ii)]	-	-	-	-	4.15	41.17
Other liabilities	-	-	-	13.52	19.21	16.22
Marketing fund liability [refer note 42 (i)]	-	-	-	53.43	-	-
Tax deducted at source/Tax Collected at source payable	-	-	-	55.90	43.25	33.85
Other statutory dues	-	-	-	2.79	3.96	4.83
	<u>112.95</u>	<u>146.62</u>	<u>208.20</u>	<u>226.29</u>	<u>182.77</u>	<u>207.54</u>

21 Trade payables

	31 March 2017	31 March 2016	1 April 2015
Trade Payable			
- Micro, Small and Medium Enterprises	1.19	0.67	1.02
- Related parties	214.44	151.45	117.67
- Others	215.77	238.28	306.95
	<u>431.40</u>	<u>390.38</u>	<u>425.64</u>

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

	March 31, 2017	March 31, 2016	April 1, 2015
The principal amount and the interest due thereon remaining unpaid to any supplier			
- Principal amount	1.19	0.67	1.02
- 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

	Current		
	March 31, 2017	March 31, 2016	April 1, 2015
Provision for employee benefits (refer note 33)			
Provision for leave benefits	17.84	15.17	14.29
Provision for Gratuities	1.21	-	0.61
Provision for superannuation	0.29	0.27	-
	<u>19.34</u>	<u>15.44</u>	<u>14.90</u>

Break up of financial liabilities

	Non Current			Current		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Financial liability carried at amortised cost						
Borrowings (refer note 17)	5,261.97	5,393.16	5,542.90	-	-	-
Trade Payables (refer note 21)	-	-	-	431.40	390.38	425.64
Other financial liabilities	298.31	309.26	326.18	338.80	492.87	738.49
Financial liabilities carried at fair value through profit and loss (refer note 37)	-	-	-	-	14.34	10.10
Financial liabilities carried at fair value through OCI (refer note 37)	-	-	-	42.58	-	-
	<u>5,560.28</u>	<u>5,702.42</u>	<u>5,869.08</u>	<u>812.78</u>	<u>897.59</u>	<u>1,174.23</u>

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23. Revenue From Operations

	For the year ended March 31, 2017	For the year ended March 31, 2016
Sale of services		
Aeronautical	3,931.53	3,407.58
Non - Aeronautical (refer note 42 j)	1,528.47	1,579.52
Other operating revenue		
Revenue from commercial property development (refer note 42 j)	164.23	164.90
	5,624.23	5,152.00

24. Other income

	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest income on financial asset carried at amortised cost		
Bank deposits and others	52.21	70.57
Security deposits given (refer note 42 j)	0.14	0.20
Dividend Income on non-current investments carried at cost	51.38	35.52
Other non-operating income		
Gain on sale of financial asset carried at Fair value through profit and loss		
Current investments-Mutual fund	97.43	47.99
Exchange difference (net) [refer note 42 j]	96.34	-
Fair value gain on financial instruments (IRS) at fair value through profit or loss (refer note 42 i)	6.17	-
Fair value gain on financial instruments at fair value through profit and loss*	2.50	6.94
Miscellaneous income	0.82	0.22
	306.99	161.44

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

25. Employee Benefits Expense

	For the year ended March 31, 2017	For the year ended March 31, 2016
Salaries, wages and bonus	115.88	111.32
Contribution to provident and other funds (refer note 33)	8.75	8.39
Gratuity expenses [refer note 33 (b)]	1.24	1.36
Staff welfare expenses	3.60	4.41
	129.47	125.48

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26. Other expenses

	For the year ended March 31, 2017	For the year ended March 31, 2016
Utility expenses	106.54	121.66
Repairs and maintenance		
Plant and machinery	95.20	83.82
Buildings	27.00	32.78
IT Systems	32.08	28.95
Others	9.14	6.00
Manpower hire charges	95.79	85.58
Airport Operator fees	151.05	128.68
Security expenses	13.61	9.89
Information technology and related expenses	2.75	46.27
Insurance	7.16	9.15
Consumables	11.30	8.85
Professional and consultancy expenses	47.19	48.76
Travelling and conveyance	16.51	14.15
Office maintenance and other expenses	6.40	4.33
Rates and taxes	8.28	8.32
Rent (including lease rentals)	9.65	9.99
Advertising and sales promotion	11.01	8.09
Communication costs	1.70	1.62
Printing and stationery	0.98	1.33
Directors' sitting fees	0.32	0.26
Payment to auditors (refer note A below)	1.89	2.16
Fair value loss on financial instruments (IRS) at fair value through profit or loss	-	4.24
Provision for Bad debts / Bad Debts Written off	1.73	0.03
Provision for Doubtful advances / Advances Written off	-	0.43
Exchange difference (net)	-	138.19
Corporate cost allocation	75.92	54.20
Loss on discard of Property, Plant and Equipment	1.59	0.13
Donations	2.89	1.51
CSR expenditure (refer note B below)	7.51	4.21
Marketing expenses	39.55	7.96
Expenses of commercial property development	43.13	44.99
Miscellaneous expenses	6.50	6.53
	834.37	923.06

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

	For the year ended March 31, 2017	For the year ended March 31, 2016
As Auditor		
Audit fee	0.78	0.51
Tax audit fee	0.07	0.07
Other services		
- Other services (including certification fees)*	0.95	1.35
-Reimbursement of expenses	0.09	0.23
	1.89	2.16

* Professional fees of Rs 0.62 Crore (March 31, 2016: Rs. Nil) in connection with 6.125% of senior secured foreign currency notes (2026) are amortised over the period of secured notes.

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B. Details of CSR expenditure:

	For the year ended March 31, 2017		For the year ended March 31, 2016
a) Gross amount required to be spent by the Company during the year		8.38	4.63
(b) Amount spent during the year ending on 31st March, 2017:	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	7.01	0.50	7.51
b) Amount spent during the year ending on 31st March, 2016:	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	0.44	-	0.44
ii) On purposes other than (i) above	3.62	0.15	3.77

27. Finance Costs

	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest on borrowings*	419.56	511.28
Call spread option premium	40.70	-
Other interest	9.99	68.10
Other borrowing costs		
-Bank charges	3.91	2.42
-Other cost	3.22	5.41
-Interest expenses on financial liability carried at amortised cost	49.87	45.03
	<u>527.25</u>	<u>632.24</u>

*Includes reversal of finance charges under finance lease obligation of Rs 7.01 crore (March 31, 2016 expenses of: Rs 24.73 crore) [refer note 34 I]

28. Depreciation and amortization expense

	For the year ended March 31, 2017	For the year ended March 31, 2016
Depreciation on Property, Plant and Equipment	628.63	681.95
Amortization of intangible assets	9.40	21.62
	<u>638.03</u>	<u>703.57</u>

29. Exceptional items

	For the year ended March 31, 2017	For the year ended March 31, 2016
Loan prepayment charges [refer note 42 (o)]	40.80	-
	<u>40.80</u>	<u>-</u>

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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, 2017

	For the year ended March 31, 2017
Re-measurement gains (losses) on defined benefit plans	(0.73)
Cash Flow Hedge Reserve	(16.84)
	<u>(17.57)</u>

During the year ended March 31, 2016

	For the year ended March 31, 2016
Re-measurement gains (losses) on defined benefit plans	0.09
	<u>0.09</u>

31. Earnings Per Share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

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

	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit attributable to equity holders of the company	568.39	504.35
Profit attributable to equity holders of the parent for basic earnings	568.39	504.35
Weighted average number of equity shares used for computing Earning Per Share (Basic) & Diluted	245.00	245.00
	<u>245.00</u>	<u>245.00</u>
Earning Per Share (Basic) (Rs)	2.32	2.06
Earning Per Share (Diluted) (Rs)	2.32	2.06
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.



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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 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 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.



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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.



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33. Retirement and other employee Benefit:-

Employee Benefit:-

a) Defined benefit plans

During the year ended March 31, 2017, the Company has recognised Rs. 9.03 crore (March 31, 2016: Rs. 8.61 crore) as an expenses and included in Employee benefits expense as under the following defined contribution plans.

	For the year ended March 31, 2017	For the year ended March 31, 2016
benefits (Employer's contribution to):		
Provident and other fund#	5.73	5.51
Superannuation fund*	3.20	3.10
Total	8.93	8.61

#Transfer to CWIP & CPD Rs. 0.11 Crore (March 31, 2016: Rs. 0.14 Crore)

*Transfer to Capital work-in-progress ('CWIP') & CPD Rs. 0.07 Crore (March 31, 2016: Rs.0.09 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	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Plan assets at the year end, at fair value	94.27	82.23	76.41
Present value of benefit obligation at year end	94.27	82.23	76.41
Net (liability) recognized in the balance sheet	-	-	-

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

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Discount rate	7.10%	7.80%	7.80%
Fund rate	9.50%	9.30%	9.30%
PFO rate	8.60% for the next one year	8.75% for the next one year and 8.60% thereafter	8.75% for the next one year and 8.60% thereafter
Withdrawal rate	5%	5%	5%
Mortality	Indian Assured Lives Mortality (2006-08) (modified)Ult *	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.

(b) Gratuity expense

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 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, 2017:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Current Service Cost	1.31	1.41
Net Interest Cost	(0.07)	(0.04)

Amount recognised in Other Comprehensive Income for the year ended March 31, 2017:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Actuarial (gain)/loss due to DBO experience	0.39	(0.09)
Actuarial (gain)/loss due to DBO assumption changes	0.69	-
Actuarial (gain)/loss arising during period	1.08	(0.09)
Return on plan assets (greater)/less than discount rate	0.03	(0.05)
Actuarial (gains)/ losses recognized in OCI	1.11	(0.14)



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Balance Sheet

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Defined benefit obligation	(12.78)	(10.66)	(9.92)
Fair value of plan assets	11.57	11.02	9.31
Plan asset / (liability)	(1.21)	0.36	(0.61)

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

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Opening defined benefit obligation	10.66	9.92	7.23
Interest cost	0.78	0.72	0.64
Current service cost	1.31	1.41	1.25
Acquisition cost	0.24	0.05	0.05
Benefits paid (including transfer)	(1.29)	(1.36)	(0.70)
Actuarial losses/ (gain) on obligation-experience	1.08	(0.08)	1.45
Closing defined benefit obligation	12.78	10.66	9.92

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

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Opening fair value of plan assets	11.02	9.31	7.94
Acquisition Adjustment	-	(0.02)	-
Interest income on plan assets	0.86	0.77	0.79
Contributions by employer	1.01	2.28	1.62
Benefits paid (including transfer)	(1.29)	(1.37)	(0.70)
Return on plan assets greater/ (lesser) than discount rate	(0.03)	0.05	(0.34)
Closing fair value of plan assets	11.57	11.02	9.31

The Company expects to contribute Rs. 1.01 crore to gratuity fund during the year ended on March 31, 2018 (March 31, 2017: Rs. 2.28 crore March 31, 2016: Rs. 1.62 crore).

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

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
	(%)	(%)	(%)
Investments with insurer managed funds	100	100	100

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

Particulars	As at March 31, 2017	As at March 31, 2016
Defined benefit obligation	(12.78)	(10.66)
Plan assets	11.57	11.02
Funded status	(1.21)	0.36
Experience (loss) adjustment on plan liabilities	(1.08)	0.08
Experience gain/ (loss) adjustment on plan assets	(0.03)	(0.10)
Actuarial gain due to change in assumptions	-	-

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

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Discount rate (in %)	7.10%	7.80%	7.80%
Salary Escalation (in %)	6.00%	6.00%	6.00%
Expected rate of return on assets	7.80%	7.80%	9.25%
Attrition rate (in %)	5.00%	5.00%	5.00%

A quantitative sensitivity analysis for significant assumption as at March 31, 2017 is as shown below:

	March 31, 2017	March 31, 2016
Assumptions	Discount rate	
Sensitivity Level	1%	1%
Impact on defined benefit obligation due to increase	(0.97)	(0.79)
Impact on defined benefit obligation due to decrease	1.12	0.91

Assumptions	Future Salary Increase	
Sensitivity Level	1%	1%
Impact on defined benefit obligation due to increase	0.91	0.78
Impact on defined benefit obligation due to decrease	(0.85)	(0.72)

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



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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, 2016:10 years).

34. Commitments and Contingencies

I. Leases

Finance lease: Company as lessee

Particulars	March 31, 2017		March 31, 2016	
	Minimum payments	Present value of MLP	Minimum payments	Present value of MLP
Within one year	-	-	112.40	97.76
After one year but not more than five years	-	-	84.30	80.59
Total minimum lease payments	-	-	196.70	178.35
Less: amounts representing finance charges	-	-	(18.35)	-
Present value of minimum lease payments	-	-	178.35	-

During financial year ended March 31, 2017, there is a modification in the terms of arrangement and as per the modified terms, arrangement no longer contains an embedded lease. Accordingly Company has derecognised the assets and liabilities recognised under finance lease (Refer note 32.1).

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, 2017	March 31, 2016	April 1, 2015
Minimum Lease payment for the year (excluding taxes)	9.65	9.99	7.41
Minimum Lease Payments:			
Within one year	2.78	3.43	5.28
After one year but not more than five years	4.73	6.62	8.41
More than five years	-	-	-
Total future payments	7.51	10.05	13.69

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II. Contingent liabilities not provided for:

	Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(i)	In respect of Income tax matters *	67.95	68.41	91.47
(ii)	In respect of Indirect tax matters [refer note (f) & (g) below and other matters]*	190.68	3.99	3.98
(iii)	Claim against the Company not acknowledged as debt [refer (e) below and other matters]*	41.47	41.47	41.47
(iv)	In respect of other matters [refer (h) below]	7.86	Nil	Nil

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

*pertaining to various cases not included below

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

- a) As at March 31, 2014, the South Delhi Municipal Corporation (SDMC) [earlier known as Municipal Corporation of Delhi (MCD)] had demanded property tax of Rs. 105.18 crore on the land and properties at IGI Airport. DIAL filed a writ petition in the Hon'ble High Court of Delhi challenging the applicability of the Delhi Municipal Corporation (Amendment) Act, 1957 on the land and properties at the Indra Gandhi International Airport, New Delhi ('Delhi Airport') and deposited an amount of Rs. 30.66 crore under protest till March 31, 2017 (March 31, 2016 & April 1, 2015: Rs. 30.66 crore). SDMC has brought the "Airports & Airports properties" within the purview of property tax with effect from the financial year 2013-14. Accordingly, from 2013-14 the Company has started paying property tax and the same has been charged to Statement of profit and loss of respective years/ periods.

The Hon'ble High Court of Delhi vide its order dated September 13, 2013, directed DIAL to make a proposal to the SDMC for settlement of property tax dispute. Consequently, SDMC vide its order dated February 10, 2015, revised its demand of property tax to Rs. 60.96 crore and also levied interest of Rs. 24.99 crore for assessment years 2006-07 to 2012-13.

The Company had provided Rs. 60.96 crore till March 31, 2017 (March 31, 2016: Rs. 60.96 crore). Further, interest of Rs 24.99 crore had also been provided till March 31, 2017 (March 31, 2016: Rs. 24.99 crore), making the total provision of Rs 81.87 crore (March 31, 2016: Rs. 81.87 crore) [net of self-assessment tax paid of Rs. 4.08 crore in earlier years].

However, the Company has paid the balance amount of tax of Rs. 25.14 crores (after considering the amount of Rs. 30.66 crore paid under protest and Rs. 4.08 crore paid as self-assessment tax) on February 27, 2017 to SDMC as per demand letter no. Tax/ HQ/SDMC/2016/ D-1886 dated December 2, 2016 issued by SDMC under "Amnesty Scheme 2016-17" introduced by SDMC for waiver of full interest and penalty charges on payment of complete tax dues payable upto March 31, 2017. However, the matter is still pending with the Hon'ble High Court of Delhi and is now listed for hearing on July 07, 2017 for final settlement of the case.



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- b) The Airports Authority of India (AAI) had claimed service tax on the monthly annual fee (MAF) payable to them considering the same as rental from immovable property w.e.f. June 1, 2007. The Company has disputed the grounds of the levy under relevant provisions of the OMDA and based on a legal opinion obtained in this regard, is of the view that transaction between AAI and DIAL is neither a franchisee agreement nor a Renting of Immovable Property, which are specified taxable services under Section 65(105) of Service Tax Act. The Company has filed a writ petition with Hon'ble High Court of Delhi and was heard on November 17, 2015 and favourable judgment has been received vide High Court order dated February 14, 2017.
- c) 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 23, 2017. Based on an internal assessment and aforesaid order of the Hon'ble 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.

- d) 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, 2017 (March 31, 2016 and April 1, 2015: 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 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 May 23, 2017.

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. 58.41 crore from April 1, 2014 till March 31, 2017 (March 31, 2016: Rs. 35.62 crore; April 1, 2015: Rs. 14.98 crore) towards the expenditure incurred on repair and maintenance of security equipment to the Statement of profit and loss which includes Rs. 22.79 crore during the year ended March 31, 2017 (March 31, 2016: Rs 20.64 crore; April 1, 2015: Rs. 14.98 crore).



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- e) 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.

DIAL has already filed statement of claim before the tribunal and statement of defence on behalf of AAI is awaited. The next effective date of hearing before the tribunal is on July 13, 2017.

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.

- f) The Director General of Central Excise Intelligence, New Delhi has 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.



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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 against the order dated May 02, 2016; and 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.

- g) The Commissioner of Service Tax, New Delhi had issued three Show Cause Notices 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.

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

- h) 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 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. The Company has disclosed remaining Rs. 7.86 crore as contingent liability in these financial statements related to pending demand of financial year 2016-17.



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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 FY 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 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:

(a) Capital Commitments:

At March 31, 2017, the Company has estimated amount of contracts remaining to be executed on capital account not provided for [net of advances of Rs. 4.96 crore (March 31, 2016: Rs. 15.44 crore; April 1, 2015: Rs. 2.26 crore)] Rs. 138.92 crore (March 31, 2016: Rs. 94.63 crore; April 1, 2015: Rs. 77.29 crore).

(b) 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. 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.
- iii. During the year ended March 31, 2017, the Company has 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. 14.96 crore towards premium till March 31, 2017 and remaining balance of Rs. 1,226.34 crore is payable as at March 31, 2017.
- iv. During the year ended March 31, 2017, the Company has entered into "Call spread Option" with various banks for hedging the repayment of part of 6.125% Senior secured notes (2022) 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 mn at a strike price of Rs. 68.00/USD and written a call option for USD 80 mn 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.

With respect to Subsidiary, Joint ventures and associates:

- v. DIAL entered into a tripartite Master Service Agreement (MSA) with Wipro Airport IT Services Limited (WAISL) and WIPRO Limited by which DIAL is committed to pay annually, premium fees to WAISL, determined and mutually agreed on the basis of estimated receivable and subsistence level



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(as defined in the said MSA further amended vide addendum number 14 , dated January 20, 2017). During the year ended March 31, 2017, the Company accounted for Rs. 2.75 crore towards such premium paid to WAISL and this is disclosed as “Information technology and related expenses” in Note 26 – Other expenses.

Also in case of delay in payment of dues from customers to WAISL, the Company would fund the deficit on a temporary basis till the time WAISL collects the dues from such customers. As at March 31, 2017, the Company has funded Rs. 11.09 Crore (March 31, 2016: Rs. 10.03 crore and April 1, 2015: Rs. 9.62 crore) towards shortfall in collection from customers.

- vi. 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.
- vii. 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.
- viii. 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.
- ix. The following investments have been pledged by the Company towards borrowings by these companies:

Company Name	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of Shares	Amount (Rs.)	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	11,976,000	119,760,000
Delhi Airport Parking Services Private Limited	18,853,703	188,537,030	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	960,000	9,600,000	960,000	9,600,000

- x. 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.
- xi. 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 is not yet commissioned.



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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 (formerly known as GMR Holdings Private Limited) ¹
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
	East Delhi Waste Processing Company 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 (formerly known as Kakinada SEZ Private Limited)
	GMR Warora Energy Limited
	GMR Pochanpalli Expressways Limited
	GMR Corporate Affairs Private Limited
	GMR Bajoli Holi Hydropower Private Limited
	GMR Tambaram Tindivanam Expressways Limited
	GMR Consulting Services Limited
	GMR Aerospace Engineering Limited
	GMR Infrastructure (Singapore) Pte Limited
	GMR Energy Trading Limited
	GMR Vemagiri Power Generation Limited
	GMR Goa International Airport Limited
GMR Power Corporation Limited	
GMR Sports Private 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



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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
Joint venture/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 - Managing Director
	Mr. Grandhi Kiran Kumar - Executive Director
	Mr. K. Narayana Rao - Whole Time Director
	Mr. R.S.S.L.N. Bhaskarudu - Non- Executive Director
	Ms.Kameswari Vissa - Non- Executive Director
	Mr. KP Rao - Non- Executive Director
	Mr. NC Sarabeswaran - Non- Executive Director
	Mr. G. Subba Rao - Non - Executive Director
	Mr. GBS Raju - Non - Executive Director
	Mr. V. Somasundaram - Non - Executive Director
	Mr. Matthias Engler - Non - Executive Director
	Mr. Christoph H. Nanke - Non - Executive Director
	Mr. S. Suresh - Non - Executive Director
	Mr. A.K. Dutta - Non - Executive Director
Mr. M. Ramachandran - Non - Executive Director	
Ms. Denitza Weizmantel - Non - Executive Director	
Key Management personnel of holding company	Mr. G.M. Rao

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.

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

Balances as at Date	As At March 31, 2017	As At March 31, 2016	As At March 31, 2015
<u>Investments in subsidiary, associates and Joint Ventures</u>			
Investments in Unquoted Equity Share			
<u>Subsidiary Company</u>			
Delhi Aerotropolis Private Limited	0.10	0.10	0.10
<u>Associate Companies</u>			
East Delhi Waste Processing Company Limited	0.01	0.01	0.01
Celebi Delhi Cargo Terminal Management India Private Limited	29.12	29.12	29.12
Delhi Duty Free Services Private Limited	39.92	39.92	39.92
Travel Food services (Delhi Terminal 3) Private Limited	5.60	3.20	3.20
TIM Delhi Airport Advertising Private Limited	9.22	9.22	9.22
Delhi Airport Parking Services Private Limited	40.64	-	-
<u>Joint ventures</u>			
Delhi Aviation Services Private Limited	12.50	12.50	12.50
Delhi Aviation Fuel Facility Private Limited	42.64	42.64	42.64
Wipro Airport IT Services Limited	1.30	1.30	1.30
<u>Assets held for sale</u>			
Investments in Unquoted Equity Share			
<u>Associate Companies</u>			
Delhi Airport Parking Services Private Limited	-	40.64	40.64
<u>Trade Receivables (including marketing fund)</u>			
Intermediate holding company			
GMR Infrastructure Limited	0.47	1.28	-
<u>Enterprises in respect of which the company is a joint venture</u>			
Airports Authority of India	0.04	-	0.04
<u>Associate Companies</u>			
Delhi Duty Free Services Private Limited	13.17	13.88	12.31
TIM Delhi Airport Advertising Private Limited	30.35	21.76	0.04
Delhi Airport Parking Services Private Limited	2.30	1.94	1.02
Travel Food Services (Delhi Terminal 3) Private Limited	1.02	4.92	6.64
Celebi Delhi Cargo Terminal Management India Private Limited	14.35	11.92	9.71
<u>Joint ventures</u>			
Delhi Aviation Services Private Limited	-	-	0.41
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>			
GMR Aviation Private Limited	0.18	0.14	



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Balances as at Date	As At March 31, 2017	As At March 31, 2016	As At March 31, 2015
GMR Energy Limited	-	-	1.02
GMR Badrinath Hydro Power Generation Private limited	-	-	0.61
GMR Consulting Services Limited	1.26	1.30	-
GMR Chhattisgarh Energy Limited	1.21	-	-
GMR Warora Energy Limited (formerly Known as EMCO Energy Limited)	0.11	0.37	-
GMR Vemagiri Power Generation Limited	0.90	-	-
GMR Kamalanga Energy Limited	0.35	-	-
GMR Bajoli Holi Hydropower Private Limited	0.30	-	-
<u>Other Financial Assets – Current</u>			
<u>Unbilled revenue including Utility recovery not billed</u>			
<u>Enterprises in respect of which the company is a joint venture</u>			
Airports Authority of India	1.09	1.02	0.66
<u>Associate Companies</u>			
Delhi Airport Parking Services Private Limited	-	-	0.04
TIM Delhi Airport Advertising Private Limited	-	-	18.18
Delhi Duty Free Services Private Limited	-	-	2.17
Celebi Delhi Cargo Terminal Management India Private Limited	-	-	0.08
<u>Joint ventures</u>			
Delhi Aviation Services Private Limited	-	-	0.01
<u>Reversal of Unbilled Revenue</u>			
<u>Associate Companies</u>			
Travel Food Services (Delhi Terminal 3) Private Limited	0.29	-	0.84
Delhi Airport Parking Services Private Limited	0.59	-	-
<u>Other Financial Assets – Current</u>			
<u>Non- Trade Receivables (including marketing fund)</u>			
<u>Intermediate holding company</u>			
GMR Infrastructure Limited	0.05	0.03	-
<u>Enterprises in respect of which the company is a joint venture</u>			
Airports Authority of India	0.71	1.37	2.03
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>			
GMR Consulting Services Limited	0.78	0.41	-
GMR Chhattisgarh Energy Limited	0.24	0.02	-
GMR Tambaram Tinidivanam Expressways Limited	0.03	0.02	-
GMR Warora Energy Limited (formerly Known as EMCO Energy Limited)	0.10	0.03	-
GMR Energy Limited	-	-	0.65
GMR Kamalanga Energy Limited	0.02	-	-
GMR Aviation Private Limited	0.02	-	-



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Balances as at Date	As At March 31, 2017	As At March 31, 2016	As At March 31, 2015
GMR Bajoli Holi Hydropower Private Limited	0.03	-	-
GMR Vemagiri Power Generation Limited	0.18	-	-
<u>Associate Companies</u>			
Travel Food Services (Delhi Terminal 3) Private Limited	0.37	0.40	0.33
Celebi Delhi Cargo Terminal Management India Private Limited	0.58	1.26	0.98
Delhi Airport Parking Services Private Limited	0.16	0.17	0.16
TIM Delhi Airport Advertising Private Limited	0.23	0.21	2.14
Delhi Duty Free Services Private Limited	1.20	0.23	4.87
<u>Joint ventures</u>			
Delhi Aviation Services Private Limited	0.74	1.66	0.47
<u>Loans and Advances- Current</u>			
<u>Subsidiary Company</u>			
Delhi Aerotropolis Private Limited	0.14	0.07	0.07
<u>Joint ventures</u>			
Delhi Aviation Services Private Limited	0.13	0.13	0.07
Delhi Aviation Fuel Facility Private Limited	0.15	0.15	0.15
Wipro Airport IT Services Limited	6.27	4.62	0.70
<u>Associate Companies</u>			
Delhi Airport Parking Services Private Limited	0.08	0.35	0.17
Travel Food Services (Delhi Terminal 3) Private Limited	0.17	0.12	0.06
Celebi Delhi Cargo Terminal Management India Private Limited	0.19	0.08	0.06
Delhi Duty Free Services Private Limited	0.05	0.09	0.05
TIM Delhi Airport Advertising Private Limited	0.32	0.26	0.09
<u>Enterprises in respect of which the company is a joint venture</u>			
Airports Authority of India	7.03	6.80	7.80
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>			
GMR Kamalanga Energy Limited	-	0.05	0.01
Kakinada SEZ Limited	0.17	0.07	0.07
GMR Hyderabad International Airport Limited	0.23	0.12	-
GMR Male International Airport Private Limited	1.40	1.40	1.14
GMR Aerospace Engineering Limited	-	0.11	0.16
GMR Energy Limited	0.01	-	-
GMR Power Corporation Limited	-	-	0.01
GMR Airport Developers Limited	-	0.07	-
GMR Infrastructure (Singapore) Pte Limited	-	0.21	2.33



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Balances as at Date	As At March 31, 2017	As At March 31, 2016	As At March 31, 2015
GMR Bajoli Holi Hydropower Private Limited	0.01	-	-
GMR GOA International Airport Limited	0.25	-	-
GMR Power Corporation Limited	-	-	0.01
<u>Joint Venture/Associate of member of a Group of which DIAL is a member</u>			
GMR Megawide Cebu Airport Corporation	0.08	0.01	0.25
<u>Loans and Advances- Non-Current</u>			
<u>Joint ventures</u>			
Wipro Airport IT Services Limited	2.82	2.82	2.82
<u>Trade payable (including marketing fund)</u>			
<u>Intermediate holding company</u>			
GMR Infrastructure Limited	11.88	7.71	3.98
<u>Holding company</u>			
GMR Airports Limited (formerly GMR Airports Holding Private Limited)	8.93	10.23	7.20
<u>Enterprises in respect of which the company is a joint venture</u>			
Fraport AG Frankfurt Airport Services Worldwide	79.99	68.35	55.01
Airports Authority of India-	113.31	63.46	50.42
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>			
Raxa Security Services Limited	2.77	0.57	0.47
GMR Aviation Private limited	-	-	0.45
GMR Energy Trading Limited	2.33	-	-
GMR Airport Developer Limited	-	-	0.12
GMR Hyderabad International Airport Limited	-	-	0.02
<u>Associate Companies</u>			
TIM Delhi Airport Advertising Private Limited	-	0.14	0.29
Delhi Duty Free Services Private Limited	-	0.97	-
<u>Other Financial Liabilities amortised at cost- Non-current</u>			
<u>Liability for voluntary retirement scheme</u>			
<u>Enterprises in respect of which the company is a joint venture</u>			
Airports Authority of India	16.85	31.29	44.73
<u>Provision for Doubtful Advances</u>			
<u>Joint ventures</u>			
Wipro Airport IT Services Limited	2.82	2.82	-



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Balances as at Date	As At March 31, 2017	As At March 31, 2016	As At March 31, 2015
Other Financial Liabilities amortised at cost- Current			
<u>Liability for voluntry retirement scheme</u>			
<u>Enterprises in respect of which the company is a joint venture</u>			
Airports Authority of India	14.45	13.46	12.65
<u>Other Financial Liabilities- Current</u>			
<u>Earnest Money Deposit</u>			
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>			
GMR Bajoli Holi Hydropower Private Limited	0.05	-	-
<u>Deferred Revenue</u>			
<u>Unearned Revenue</u>			
<u>Associate Companies</u>			
TIM Delhi Airport Advertising Private Limited	0.13	0.08	0.05
<u>Other Financial Liabilites- Current</u>			
<u>Security Deposits from trade concessionaires</u>			
<u>Associate Companies</u>			
Delhi Duty Free Services Private Limited	1.19	-	0.35
Delhi Airport Parking Services Private Limited	0.01	0.14	0.00
Celebi Delhi Cargo Terminal Management India Private Limited	-	0.11	0.11
Delhi Duty Free Services Private Limited	-	0.23	-
<u>Joint ventures</u>			
Delhi Aviation Services Private Limited	0.06	0.06	-
<u>Security Deposits from trade concessionaires- Non-Current</u>			
<u>Joint ventures</u>			
Delhi Aviation Fuel Facility Private Limited	20.48	17.11	15.24
Delhi Aviation Services Private Limited	10.24	9.12	8.12
<u>Associate Companies</u>			
Celebi Delhi Cargo Terminal Management India Private Limited	17.91	15.94	13.20
Delhi Airport Parking Services Private Limited	0.68	0.32	0.40
Delhi Duty Free Services Private Limited	89.73	80.47	71.87
TIM Delhi Airport Advertising Private Limited	7.91	7.05	6.28
Travel Food Services (Delhi Terminal 3) Private Limited	1.44	1.28	0.81
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>			
GMR Aviation Private Limited	-	-	0.06



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Balances as at Date	As At March 31, 2017	As At March 31, 2016	As At March 31, 2015
<u>Deferred Revenue</u>			
<u>Deferred Income on financial liabilities carried at amortised cost – Current</u>			
<u>Associate Companies</u>			
Delhi Airport Parking Services Private Limited	0.15	0.11	0.12
Delhi Duty Free Services Private Limited	12.70	12.73	12.75
Celebi Delhi Cargo Terminal Management India Private Limited	5.12	5.12	4.76
TIM Delhi Airport Advertising Private Limited	1.60	1.60	1.60
Travel Food Services (Delhi Terminal 3) Private Limited	0.15	0.15	0.10
<u>Joint ventures</u>			
Delhi Aviation Fuel Facility Private Limited	6.30	5.91	5.91
Delhi Aviation Services Private Limited	1.02	1.02	1.01
<u>Deferred Income on financial liabilities carried at amortised cost - Non-Current</u>			
<u>Associate Companies</u>			
Delhi Airport Parking Services Private Limited	2.01	2.08	2.19
Delhi Duty Free Services Private Limited	93.99	106.86	119.77
Celebi Delhi Cargo Terminal Management India Private Limited	86.60	91.72	90.13
TIM Delhi Airport Advertising Private Limited	19.49	21.11	22.73
Travel Food Services (Delhi Terminal 3) Private Limited	0.39	0.54	0.49
<u>Joint ventures</u>			
Delhi Aviation Fuel Facility Private Limited	110.62	109.67	115.67
Delhi Aviation Services Private Limited	2.41	3.44	4.47
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>			
GMR Aviation Private Limited	0.09	0.09	0.10
<u>Borrowings</u>			
<u>Secured loan (Financial Lease Obligation- Non Current)</u>			
<u>Joint ventures</u>			
Wipro Airport IT Services Limited	-	80.59	178.35
<u>Secured loan (Financial Lease Obligation- Current)</u>			
<u>Joint ventures</u>			
Wipro Airport IT Services Limited	-	97.76	87.67



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

Transactions During the period	For the Period ended March 31, 2017	For the Period ended March 31, 2016
<u>Non-current investments</u>		
Investment made in Equity Share		
<u>Associate Companies</u>		
Travel Food Services (Delhi Terminal 3) Private Limited	2.40	-
<u>Security Deposits from trade concessionaires</u>		
<u>Security Deposits Received</u>		
<u>Associate Companies</u>		
Delhi Airport Parking Services Private Limited	0.29	0.01
Celebi Delhi Cargo Terminal Management India Private Limited	-	9.63
Travel Food Services (Delhi Terminal 3) Private Limited	-	0.64
Delhi Duty Free Services Private Limited	0.67	-
<u>Joint ventures</u>		
Delhi Aviation Fuel Facility Private Limited	10.64	-
Delhi Aviation Services Private Limited	-	0.07
<u>Security Deposits from trade concessionaires</u>		
<u>Deposits Refunded</u>		
<u>Associate Companies</u>		
Delhi Duty Free Services Private Limited	0.30	0.30
<u>Key Managerial Remuneration paid/ payable</u>		
<u>Short-term employee benefits</u>		
Mr. Grandhi Kiran Kumar	2.72	2.47
Mr. Srinivas Bommidala	2.72	2.47
Mr. K. Narayana Rao	1.32	1.24
<u>Post employment benefits</u>		
Mr. Grandhi Kiran Kumar	0.94	0.91
Mr. Srinivas Bommidala	0.94	0.94
Mr. K. Narayana Rao	0.36	0.26
<u>Annual Fee to Airport Authority of India (AAI)</u>		
<u>Enterprises in respect of which the Company is a joint venture</u>		
Airports Authority of India	2,634.84	2,304.15
<u>Interest on Revenue share</u>		
<u>Enterprises in respect of which the Company is a joint venture</u>		
Airports Authority of India	4.87	2.10



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Transactions During the period	For the Period ended March 31, 2017	For the Period ended March 31, 2016
<u>Other Interest</u>		
<u>Enterprises in respect of which the Company is a joint venture</u>		
Airports Authority of India	0.16	-
<u>CSR activities/Donations</u>		
<u>Enterprises where significant influence of key Management personnel or their relative exists</u>		
GMR Varalakshmi Foundation	6.14	1.94
<u>Interest Income</u>		
<u>Joint ventures</u>		
Delhi Aviation Services Private Limited	0.19	2.76
<u>Associate Companies</u>		
Delhi Airport Parking Services Private Limited	-	1.26
Delhi Duty Free Services Private Limited	-	0.15
Celebi Delhi Cargo Terminal Management India Private Limited	-	0.81
Travel Food Services (Delhi Terminal 3) Private Limited	0.97	-
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
GMR Tambaram Tinidivanam Expressways Limited	0.01	-
<u>Consultancy fees paid</u>		
<u>Enterprises in respect of which the Company is a joint venture</u>		
Fraport AG Frankfurt Airport Services Worldwide	0.07	0.28
Airports Authority of India	0.12	-
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
GMR Corporate Affairs Private Limited	-	0.26
<u>Holding company</u>		
GMR Airports Limited	-	0.07
<u>Manpower hire charges</u>		
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
GMR Airport Developers Limited	40.20	36.37
<u>Airport Operator fees</u>		
<u>Enterprises in respect of which the Company is a joint venture</u>		
Fraport AG Frankfurt Airport Services Worldwide	151.05	128.68
<u>Expenses incurred by Company on behalf of related parties</u>		
<u>Intermediate Holding company</u>		
GMR Infrastructure Limited	0.01	0.02



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Transactions During the period	For the Period ended March 31, 2017	For the Period ended March 31, 2016
<u>Holding company</u>		
GMR Airports Limited	6.19	6.29
<u>Enterprises in respect of which the Company is a joint venture</u>		
Airports Authority of India	-	0.60
<u>Joint ventures</u>		
Delhi Aviation Services Private Limited	0.46	0.43
<u>Associate Companies</u>		
Celebi Delhi Cargo Terminal Management India Private Limited	0.43	0.41
TIM Delhi Airport Advertising Private Limited	0.61	0.58
Delhi Airport Parking Services Private Limited	0.54	0.68
Travel Food Services (Delhi Terminal 3) Private Limited	0.42	0.40
Delhi Duty Free Services Private Limited	0.31	0.30
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
GMR Airport Developers Limited	0.03	0.14
GMR Tuni Anakapalli Expressways Limited	0.01	-
GMR Pochanpalli Expressways Limited	0.01	-
GMR Hyderabad International Airport Limited	0.14	0.22
Raxa Security Services Limited	1.07	0.90
Kakinada SEZ Limited	0.10	0.18
GMR Bajoli Holi Hydropower Private Limited	0.01	-
GMR Kamalanga Energy Limited	-	0.04
GMR Energy Trading Limited	0.01	-
GMR Male International Airport Private Limited	-	0.06
<u>Joint Venture/Associate of member of a Group of which DIAL is a member</u>		
GMR Megawide Cebu Airport Corporation	0.07	-
<u>Expenses incurred by related parties on behalf of Company</u>		
<u>Holding company</u>		
GMR Airports Limited	0.47	0.84
<u>Associate Companies</u>		
Travel Food Services (Delhi Terminal 3) Private Limited	0.06	0.04
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
GMR Hyderabad International Airport Limited	0.04	-
GMR Sports Private Limited	0.01	0.01
<u>Joint Venture/Associate of member of a Group of which DIAL is a member</u>		
GMR Megawide Cebu Airport Corporation	-	0.03



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Transactions During the period	For the Period ended March 31, 2017	For the Period ended March 31, 2016
<u>Corporate Cost Allocation</u>		
<u>Intermediate Holding company</u>		
GMR Infrastructure Limited	37.90	33.55
<u>Holding company</u>		
GMR Airports Limited	38.03	20.65
<u>Services Received</u>		
<u>Travelling & Conveyance- Chartering Cost</u>		
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
GMR Aviation Private Limited	3.67	3.47
<u>Security related expenses</u>		
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
Raxa Security Services Limited	15.70	13.78
<u>Information technology and related expenses</u>		
<u>Joint ventures</u>		
Wipro Airport IT Services Limited	2.75	18.14
<u>Repair and Maintenance - IT System</u>		
<u>Joint ventures</u>		
Wipro Airport IT Services Limited	0.08	1.52
<u>Power</u>		
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
GMR Energy Trading Limited	3.32	-
<u>Rent (including lease rentals)</u>		
<u>Enterprises in respect of which the Company is a joint venture</u>		
Airports Authority of India	-	0.03
<u>Directors' sitting fees</u>		
<u>Key Management Personnel</u>		
Mr. R.S.S.L.N. Bhaskarudu	0.06	0.07
Ms. Kameswari Vissa	0.05	0.06
Mr. KP Rao	0.02	0.06
Mr. NC Sarabeswaran	0.05	0.06
Mr. G. Subba Rao	0.03	0.03
Mr. GBS Raju	0.01	-
Mr. V. Somasundaram	-	-
Mr. Matthias Engler	0.02	0.02



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Transactions During the period	For the Period ended March 31, 2017	For the Period ended March 31, 2016
Mr. Christoph H. Nanke	-	-
Mr. S. Suresh	0.02	0.01
Mr. A.K. Dutta	0.01	-
Mr. M. Ramachandran	0.02	-
Ms. Denitza Weizmantel	-	-
<u>Key management personnel of the holding company</u>		
Mr. G.M. Rao	0.01	0.01
<u>Electricity charges recovered</u>		
<u>Intermediate holding company</u>		
GMR Infrastructure Limited	0.12	0.07
<u>Joint ventures</u>		
Delhi Aviation Services Private Limited	12.10	10.02
<u>Associate Companies</u>		
Delhi Airport Parking Services Private Limited	1.76	1.64
Celebi Delhi Cargo Terminal Management India Private Limited	14.61	14.08
TIM Delhi Airport Advertising Private Limited	3.23	3.27
Travel Food Services (Delhi Terminal 3) Private Limited	3.15	3.56
Delhi Duty Free Services Private Limited	2.51	2.72
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
GMR Aviation Private Limited	0.01	0.01
GMR Energy Limited	-	0.21
GMR Chhattisgarh Energy Limited	0.18	0.22
GMR Warora Energy Limited (formerly Known as EMCO Energy Limited)	0.28	0.19
GMR Tambaram Tinidivanam Expressways Limited	0.12	0.07
GMR Consulting Services Limited	0.33	0.48
GMR Vemagiri Power Generation Limited	0.16	-
GMR Kamalanga Energy Limited	0.02	-
GMR Bajoli Holi Hydropower Private Limited	0.02	-
<u>Enterprises in respect of which the Company is a joint venture</u>		
Airports Authority of India	15.93	14.10
<u>Water charges recovered</u>		
<u>Joint ventures</u>		
Delhi Aviation Services Private Limited	0.11	0.10
<u>Associate Companies</u>		
Delhi Airport Parking Services Private Limited	0.43	0.40
Travel Food Services (Delhi Terminal 3) Private Limited	0.35	0.43



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Transactions During the period	For the Period ended March 31, 2017	For the Period ended March 31, 2016
Celebi Delhi Cargo Terminal Management India Private Limited	1.18	1.00
Delhi Duty Free Services Private Limited	0.02	0.01
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
GMR Bajoli Holi Hydropower Private Limited	0.01	-
GMR Energy Limited	-	0.01
GMR Chhattisgarh Energy Limited	0.01	0.01
GMR Warora Energy Limited (formerly Known as EMCO Energy Limited)	0.01	0.02
<u>Enterprises in respect of which the Company is a joint venture</u>		
Airports Authority of India	0.61	0.39
<u>Water charges recoverable written off</u>		
Airports Authority of India	0.99	-
<u>Space Rental & Land Licence fee.</u>		
<u>Intermediate holding company</u>		
GMR Infrastructure Limited	2.10	1.14
<u>Joint ventures</u>		
Delhi Aviation Fuel Facility Private Limited	17.15	15.98
Delhi Aviation Services Private Limited	0.16	0.09
<u>Associate Companies</u>		
TIM Delhi Airport Advertising Private Limited	1.49	1.39
Celebi Delhi Cargo Terminal Management India Private Limited	27.38	25.05
Delhi Duty Free Services Private Limited	1.75	1.56
<u>Fellow subsidiaries (including subsidiary companies of the ultimate Holding company)</u>		
GMR Energy Limited	-	0.88
GMR Aviation Private Limited	0.05	0.07
GMR Chhattisgarh Energy Limited	0.95	1.47
GMR Consulting Services Limited	0.95	1.47
GMR Tambaram Tinidivanam Expressways Limited	2.10	1.14
GMR Warora Energy Limited (formerly Known as EMCO Energy Limited)	1.66	1.47
GMR Vemagiri Power Generation Limited	0.71	-
GMR Kamalanga Energy Limited	0.71	-
GMR Bajoli Holi Hydropower Private Limited	0.71	-
<u>Concession fees received</u>		
<u>Joint ventures</u>		
Delhi Aviation Services Private Limited	6.61	6.38
<u>Associate Companies</u>		
Delhi Airport Parking Services Private Limited	18.48	16.10
TIM Delhi Airport Advertising Private Limited	140.59	118.26
Delhi Duty Free Services Private Limited	325.10	305.13



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Transactions During the period	For the Period ended March 31, 2017	For the Period ended March 31, 2016
Celebi Delhi Cargo Terminal Management India Private Limited	124.34	111.41
Travel Food Services (Delhi Terminal 3) Private Limited	14.72	15.01
<u>Airport Service, Common Area Maintenance , Screening & Other Charges</u>		
<u>Intermediate holding company</u>		
GMR Infrastructure Limited	0.33	0.18
<u>Joint ventures</u>		
Delhi Aviation Services Private Limited	0.01	0.01
<u>Associate Companies</u>		
Travel Food Services (Delhi Terminal 3) Private Limited	1.67	2.46
Celebi Delhi Cargo Terminal Management India Private Limited	-	0.78
TIM Delhi Airport Advertising Private Limited	0.16	0.15
Delhi Duty Free Services Private Limited	5.06	4.55
Delhi Airport Parking Services Private Limited	0.02	0.02
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
GMR Energy Limited	-	0.09
GMR Consulting Services Limited	0.10	0.16
GMR Chhattisgarh Energy Limited	0.10	0.16
GMR Tambaram Tinidivanam Expressways Limited	0.33	0.18
GMR Warora Energy Limited (formerly Known as EMCO Energy Limited)	0.18	0.16
GMR Vemagiri Power Generation Limited	0.08	-
GMR Kamalanga Energy Limited	0.08	-
GMR Bajoli Holi Hydropower Private Limited	0.08	-
<u>Aeronautical Revenue</u>		
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
GMR Aviation Private Limited	0.27	0.25
<u>Enterprises in respect of which the Company is a joint venture</u>		
Airports Authority of India	0.11	0.06
<u>Other Income</u>		
<u>Income from Long Term Investments-</u>		
<u>Dividend Income</u>		
<u>Joint ventures</u>		
Delhi Aviation Fuel Facility Private Limited	14.07	5.33
Delhi Aviation Services Private Limited	2.50	-
<u>Associate Companies</u>		
Delhi Duty Free Services Private Limited	23.55	22.36
TIM Delhi Airport Advertising Private Limited	9.22	7.84
Delhi Airport Parking Services Private Limited	2.03	-



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Transactions During the period	For the Period ended March 31, 2017	For the Period ended March 31, 2016
<u>Marketing Fund Billed</u>		
<u>Associate Companies</u>		
Delhi Duty Free Services Private Limited	10.35	9.83
Delhi Airport Parking Services Private Limited	0.01	0.01
Travel Food Services (Delhi Terminal 3) Private Limited	0.67	0.68
<u>Marketing Fund Utilised</u>		
<u>Associate Companies</u>		
Delhi Duty Free Services Private Limited	1.72	2.19
TIM Delhi Airport Advertising Private Limited	0.46	0.39
Travel Food Services (Delhi Terminal 3) Private Limited	0.03	-
<u>CPD Infra Deposit utilization</u>		
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
GMR Airport Developers Limited	1.76	1.60
Raxa Security Services Limited	1.15	2.12
<u>ATC Development Fund utilization</u>		
<u>Enterprises in respect of which the Company is a joint venture</u>		
Airports Authority of India	-	10.00
<u>Non-Aeronautical- Notional income on security deposits</u>		
<u>Associate Companies</u>		
Delhi Airport Parking Services Private Limited	0.21	0.13
TIM Delhi Airport Advertising Private Limited	1.62	1.62
Delhi Duty Free Services Private Limited	12.91	12.89
Celebi Delhi Cargo Terminal Management India Private Limited	5.22	7.15
Travel Food Services (Delhi Terminal 3) Private Limited	0.15	0.34
<u>Joint ventures</u>		
Delhi Aviation Fuel Facility Private Limited	8.69	6.01
Delhi Aviation Services Private Limited	1.03	1.03
<u>Finance Cost- Notional expense on security deposits</u>		
<u>Associate Companies</u>		
Delhi Airport Parking Services Private Limited	0.12	0.05
TIM Delhi Airport Advertising Private Limited	0.86	0.77
Delhi Duty Free Services Private Limited	9.85	8.75
Celebi Delhi Cargo Terminal Management India Private Limited	1.96	2.20
Travel Food Services (Delhi Terminal 3) Private Limited	0.16	0.27
<u>Joint ventures</u>		
Delhi Aviation Fuel Facility Private Limited	2.79	1.87
Delhi Aviation Services Private Limited	1.12	1.00



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Transactions During the period	For the Period ended March 31, 2017	For the Period ended March 31, 2016
<u>Enterprises in respect of which the company is a joint venture</u>		
Airports Authority of India	4.16	5.60
<u>Finance cost -Interest on borrowings</u>		
<u>Joint ventures</u>		
Wipro Airport IT Services Limited	-	24.73
<u>Reversal of finance cost -Interest on borrowings</u>		
<u>Joint ventures</u>		
Wipro Airport IT Services Limited	7.01	-
<u>Post-employment benefit plan of the entity</u>		
<u>Contribution to PF Trust</u>		
DIAL employee's provident fund trust	10.33	9.57

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

Name of Joint Venture	Relationship	Ownership interest	Date of incorporation	Country of incorporation
Delhi Aerotropolis Private Limited	Subsidiary	100.00%	22-May-07	India
East Delhi Waste Processing Company Private Limited	Associate	48.99%	20-Apr-05	India
Celebi Delhi Cargo Terminal Management India Private Limited	Associate	26.00%	18-Jun-09	India
Delhi Duty Free Services Private Limited	Associate	49.90%	7-Jul-09	India
Delhi Airport Parking Services Private Limited	Associate	49.90%	11-Feb-10	India
Travel Food Services (Delhi Terminal 3) Private Limited	Associate	40.00%	4-Dec-09	India
TIM Delhi Airport Advertising Private Limited	Associate	49.90%	1-Jun-10	India
Delhi Aviation Fuel Facility Private Limited	Joint Venture	26.00%	11-Aug-09	India
Delhi Aviation Services Private Limited	Joint Venture	50.00%	28-Jun-07	India
Wipro Airport IT Services Limited	Joint Venture	26.00%	22-Oct-09	India



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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, 2017, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2016: Nil, April 1, 2015: 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.

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 two customers of the Company is approximately Rs. 1,473.48 crore (March 31, 2016: Rs. 1,235.89 crore) of the Company's total revenues.

37. Fair Values

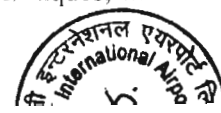
The carrying amount of all financial assets and liabilities (except for certain other financial assets/liabilities i.e. "Instruments carried at fair value") appearing in the financial statements is reasonable approximation of fair values. Such investments and those financial instruments carried at fair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

Particulars	Carrying value			Fair value		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Financial assets						
Investment in mutual fund	2,184.38	956.66	247.14	2,184.38	956.66	247.14
Total	2,184.38	956.66	247.14	2,184.38	956.66	247.14
Financial liabilities						
Interest rate swap	-	14.34	10.10	-	14.34	10.10
Derivative liability effective hedges	42.58	-	-	42.58	-	-
Total	42.58	14.34	10.10	42.58	14.34	10.10

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. Interest rate swaps are valued using valuation techniques, which



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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, 2017, the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk.

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, 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)
Assets measured at fair value					
Investment in mutual fund	March 31, 2017	2,184.38	2,184.38	-	-
Liabilities measured at fair value					
mark to market exchange gain/loss on derivatives	March 31, 2017	42.58	-	42.58	-
Total		2,226.96	2,184.38	42.58	-

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Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at March 31, 2016:

	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Financial assets at fair value					
Investment in mutual fund	March 31, 2016	956.66	956.66	-	-
Liabilities measured at fair value					
Derivative liability-mark to market loss on Interest rate swap	March 31, 2016	14.34	-	14.34	-
Total		971.00	956.66	14.34	-

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

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at April 1, 2015:

	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Financial assets at fair value					
Investment in mutual fund	April 1, 2015	247.14	247.14	-	-
Liabilities measured at fair value					
Derivative liability-mark to market loss on Interest rate swap	April 1, 2015	10.10	-	10.10	-
Total		257.24	247.14	10.10	-



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, 2017 and March 31, 2016:

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, 2017.

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, 2017 and March 31, 2016.
- 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, 2017 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's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.



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Interest rate sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in basis points*	Effect on profit before tax
March 31, 2016		
INR Term loan	+50/-50	14.68
INR ECB Loan	+50/-50	2.91

*All borrowings as on March 31, 2017 of Company are fixed interest rate borrowings, so no influence of interest rate change.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the 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, 2017		March 31, 2016		April 1, 2015	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Fair value of foreign currency call spread options designated as hedging instruments	-	(42.58)	-	-	-	-

As on March 31, 2017, the USD spot rate is below the USD call strike price and hence not covered in hedge relationship. However, prospective testing is done and concluded to be effective. As a result, no hedge ineffectiveness arise requiring recognition through profit or loss.

There is no re-classification to profit or loss during the year gains or losses included in OCI.

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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, 2017	March 31, 2016	April 1, 2015
	Impact on profit before tax		
USD Sensitivity			
INR/USD- Increase by 5%	(73.83)	(124.69)	(121.11)
INR/USD- decrease by 5%	73.83	124.69	121.11
EURO Sensitivity			
INR/EURO- Increase by 5%	(0.14)	(0.19)	(0.13)
INR/EURO- decrease by 5%	0.14	0.19	0.13
AUD Sensitivity			
INR/AUD Increase by 5%	-	(0.01)	-
INR/AUD- decrease by 5%	-	0.01	-
GBP Sensitivity			
INR/GBP Increase by 5%	-	(0.01)	(0.01)
INR/GBP- decrease by 5%	-	0.01	0.01

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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, 2017 (March 31, 2016: 5.26%) 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
As at March 31, 2017						
Borrowings (including current maturities)	-	-	-	1,894.20	3,428.26	5,322.46
Trade payables	-	431.40	-	-	-	431.40
Other financial liabilities	61.94	202.06	81.83	179.53	2,300.85	2,826.21
Total	61.94	633.46	81.83	2,073.73	5,729.11	8,580.07
As at March 31, 2016						
Borrowings (including current maturities)	-	142.46	145.46	1,529.59	3,914.45	5,731.96
Trade and other payables	-	390.34	-	-	-	390.34
Other financial liabilities	32.52	96.60	87.98	210.22	2,217.07	2,644.39
Total	32.52	629.40	233.44	1,739.81	6,131.52	8,766.69
As at April 1, 2015						
Borrowings (including current maturities)	-	143.39	420.82	1,299.63	4,315.66	6,179.50
Trade and other payables	-	425.65	-	-	-	425.65
Other financial liabilities	21.31	84.65	62.52	241.46	2,190.13	2,600.07
Total	21.31	653.69	483.34	1,541.09	6,505.79	9,205.22

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



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surplus funds are made only with approved counterparties and within credit limits assigned to each counter party. 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, 2017 and March 31, 2016 is the carrying amounts of Trade Receivables.

Collateral

As at March 31, 2017 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.

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, 2017	March 31, 2016	April 1, 2015
Borrowings (including current maturities)	5,261.97	5,679.35	6,122.92
Total debts (A)	5,261.97	5,679.35	6,122.92
Share Capital	2,450.00	2,450.00	2,450.00
Other Equity	558.65	(9.74)	(514.09)
Total Equity (B)	3,008.65	2,440.26	1,935.91
Total equity and total debt (C=A+B)	8,270.62	8,119.61	8,058.83
Gearing ratio (%) (A/C)	64%	70%	76%

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, 2017 and March 31, 2016.



41. First Time Adoption of Ind AS

These financial statements, for the year ended March 31, 2017 are the first financial statements, the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for year ending on March 31, 2017 together with the comparative period data as at and for the year ended March 31, 2016 as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2015 being the Company's date of transition to Ind AS. The principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 1, 2015 and the financial statements as at and for the year ended March 31, 2016.

41.1. Exemptions applied

IND AS- 101 allows First time adopters certain exemptions from the retrospective application of certain requirements under IND AS. The Company has applied the following exemptions.

Use of Estimates

The estimates at April 1, 2015 and at March 31, 2016 are consistent with those made for the same dates in accordance with Indian GAAP apart from the Impairment of financial assets based on Expected Credit Loss (ECL) model where application of Indian GAAP did not require estimation.

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 1, 2015 the date of transition to Ind AS, and as of March 31, 2016.

Impairment of financial assets

The Company has applied the exception related impairment of financial assets given in Ind AS 101. It has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial assets were initially recognised and compared that to the credit risk as at April 1, 2015.

De-recognition of financial assets and liabilities

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

Classification and measurement of financial assets

The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

Deemed cost-Previous GAAP carrying amount: (PPE and Intangible Assets)

Since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of its PPE and intangible assets as recognised in its Indian GAAP financial as deemed cost at the transition date except below:

As per Paragraph D13AA of Ind AS 101 a first-time adopter may continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the



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financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP (capitalizes the exchange differences to the cost of the asset).

The Company has decided not to avail the option available under paragraph D13AA of Ind AS 101. Accordingly, Company has adopted hedge accounting as per Ind AS 109 resulting in decapitalization of Assets and reversal of depreciation.

Arrangements containing a lease: (Arrangement in the nature of leases):

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Company has used Ind AS 101 exemption and assessed all arrangements based for embedded leases based on conditions in place as at the date of transition.

Investments in subsidiary, joint ventures and associates (Ind AS 101.D14-15)

In separate financial statements, a first-time adopter that subsequently measures an investment in a subsidiary, joint ventures or associate at cost, may measure such investment at cost (determined in accordance with Ind AS 27) or deemed cost (fair value or previous GAAP carrying amount) in its separate opening Ind AS balance sheet.

Selection of fair value or previous GAAP carrying amount for determining deemed cost can be done for each subsidiary, associate and joint venture.

The Company has elected to apply previous GAAP carrying amount of its investment in subsidiary, associates and joint venture as deemed cost on the date of transition to Ind AS.

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41.2 Reconciliations

The following reconciliations provide the effect of transition to Ind AS from Indian GAAP in accordance with Ind AS 101.

i. Equity as at April 1, 2015 and March 31, 2016

Reconciliation of equity		Balance Sheet as at April 1, 2015			Balance Sheet as at March 31, 2016		
		Foot notes	Indian GAAP	Ind AS adjustments	Ind AS	Indian IGAAP	Ind AS adjustments
ASSETS							
(1) Non-current assets							
Property, plant and equipment	7,11	8,355.69	236.70	8,592.39	7,999.58	40.22	8,039.80
Capital work in progress		50.65	-	50.65	63.87	-	63.87
Intangible assets		433.50	-	433.50	412.94	-	412.94
Investment in subsidiaries, associates & joint ventures		138.01	-	138.01	138.01	-	138.01
Financial assets							
(i) Loans	1	6.69	(4.85)	1.84	7.02	(4.77)	2.25
(ii) Other Financial Assets		106.35	-	106.35	-	-	-
Other non-current assets	1,2	146.50	(57.60)	88.90	146.21	(48.85)	97.36
Deferred tax assets (net)	8	-	-	-	-	11.27	11.27
		9,237.39	174.25	9,411.64	8,767.63	(2.13)	8,765.50
(2) Current assets							
Inventories	7	8.65	(0.92)	7.73	8.11	(0.92)	7.19
Financial assets							
(i) Investments	3	246.63	0.51	247.14	949.23	7.43	956.66
(ii) Trade Receivables		654.65	-	654.65	791.46	-	791.46
(iii) Cash and cash equivalents		119.59	-	119.59	407.67	-	407.67
(iv) Bank balance other than Cash and cash equivalents		200.57	-	200.57	76.14	-	76.14
(iv) Loans	1	15.10	(1.53)	13.57	16.45	(1.49)	14.96
(v) Other Financial assets		541.84	-	541.84	133.48	-	133.48
Other current assets	1,2	56.09	(6.46)	49.63	52.15	(1.83)	50.32
		1,843.12	(8.40)	1,834.72	2,434.69	3.19	2,437.88
Assets classified as held for sale							
		40.64	-	40.64	40.64	-	40.64
		1,883.76	(8.40)	1,875.36	2,475.33	3.19	2,478.52
TOTAL ASSETS							
		11,121.15	165.85	11,287.00	11,242.96	1.06	11,244.02



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ii. Statement of Profit and Loss for the year ended March 31, 2016

	Foot Notes	Indian GAAP	Ind AS adjustments	Ind AS
REVENUE				
Revenue from operations	1,9,10,11	4861.63	290.37	5,152.00
Other income	1,3	154.35	7.09	161.44
Total Income (I)		5,015.98	297.46	5,313.44
EXPENSES				
Annual fee to Airports Authority of India (AAI)		2,304.15	-	2,304.15
Employee benefit expenses	6	125.34	0.14	125.48
Other expenses	5,9,10,11	700.15	222.91	923.06
Total expenses (II)		3,129.64	223.05	3,352.69
Earnings before interest, tax, depreciation and amortisation and exceptional items (EBIDTA) [I-II]		1,886.34	74.41	1960.75
Finance costs	1,2,4,11	571.24	61.00	632.24
Depreciation and amortisation expenses	7,11	646.96	56.61	703.57
Profit before tax and exceptional items (III)		668.14	(43.20)	624.94
Exceptional items (IV)		-	-	-
Profit/(loss) before tax (III-IV)		668.14	(43.20)	624.94
(1) Current tax		129.07	-	129.07
(2) MAT credit entitlement for earlier years written off		2.93	-	2.93
(3) Deferred tax charge/ (credit)	8	27.28	(38.60)	(11.32)
Total Tax expense		159.28	(38.60)	120.68
Profit for the year (V-VI)		508.86	(4.60)	504.26
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit or loss in subsequent years				
Re-measurement loss (gain) on defined benefit plans	6,12	-	0.14	0.14
Income tax effect	8		(0.05)	(0.05)
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		-	0.09	0.09
Total Comprehensive Income for the year(net of tax) (VII+VIII)		508.86	(4.51)	504.35



Footnotes to the reconciliation of equity as at April 1, 2015 and March 31, 2016 and total comprehensive income for the year ended March 31, 2016:

1. Security deposit

Under the Indian GAAP, interest free security deposit received from concessionaire and commercial property developer and Interest free security deposit given for lease (that are refundable in cash on completion of its term) are recorded at their transaction value. The Company has fair valued these financial liabilities/assets i.e. security deposits taken/given under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as deferred revenue/ prepaid rent. The corresponding adjustments have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss.

2. Borrowings

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in statement of profit or loss over the tenure of the borrowings as part of the interest expense by applying the effective interest method. The corresponding adjustments have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss.

Under the previous GAAP, these transactions cost were amortised on a straight line basis over the period of loan. Accordingly, unamortised prepaid upfront cost has been reversed with a corresponding adjustment to borrowings.

3. Fair valuation of investments in mutual fund

Under the previous GAAP, investments in mutual fund are classified as current investment based on the intended holding period and realisability. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss.

4. Capital creditors and liability for voluntary retirement scheme (VRS)

Ind AS 38 and Ind AS 16, requires that if payment for an intangible asset and property, plant and equipment is deferred beyond normal credit terms, its cost is the cash price equivalent. The difference between this amount and the total payments is recognised as interest expense over the period of credit unless such interest is capitalised in accordance with Ind AS 23. Under previous GAAP, the Company recorded liability for voluntary retirement scheme and capital creditor at transaction cost whose payments are based on deferred settlement terms.

Accordingly, the liability for Voluntary retirement scheme and capital creditor have been reduced with a corresponding adjustment to retained earnings as at the date of transition and subsequently increased by interest cost charged to the profit or loss.

5. Interest rate swap not designated as hedging instruments

Under the previous GAAP, the Company has considered both the critical terms of the Interest rate swap (IRS) and those of the principal term loan as same. Based on the internal assessment carried out by the management, the net impact of the marked to market valuation of the IRS, net of gain/loss on the underlying loan, is not expected to be material and accordingly no adjustment has been made in the financial statements.

Under Ind AS, derivatives which are not designated as hedging instruments are fair valued with resulting changes being recognised in profit or loss. Accordingly, the Company has accounted the fair valuation of IRS with an adjustment to retained earnings on transition and subsequently in the profit or loss.



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6. Re-measurements of post-employment benefit plans

Under Ind AS, re-measurements i.e. actuarial gain and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these measurements were forming part of the profit or loss for the year.

7. Capital spares

Under previous GAAP, spares are classified under Inventory and measured at lower of cost or net realisable value. Under Ind AS, spare parts which meet the definition of property, plant and equipment they are accounted for in accordance with Ind AS 16. Accordingly, the Company has capitalised the spares under property plant and equipment and charged the depreciation thereon.

8. Deferred tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.

Accordingly, under Ind AS, there are transitional adjustments leading to temporary differences. Deferred tax adjustments are recognised in correlation to the underlying transaction in retained earnings on transition and subsequently in statement of Profit and Loss or a separate component of equity depending on the recognition of the instrument.

9. Advance development cost from Commercial property developers

Under Indian GAAP, the advance development cost received from commercial property developers is recorded at transaction value. Further, per management, entire amount received or receivable for development of common infrastructure will be utilised and accordingly, no refund of unutilised advances is expected. Under Ind AS, the advance development cost received from commercial property developers and the related expense is considered as revenue to be recognized as per the terms of agreement and related expenses to be recorded in the books.

10. Marketing fund

Under Indian GAAP, Company was doing fund accounting for the marketing fees collected from concessionaires and maintains separate books of accounts for the fund balance. Under Ind AS, Marketing is considered as a specific service being provided by DIAL and accordingly, all the billing and utilisation forms part of the income and expenses of the Company. On the date of transition, the marketing fund liability existing on such date has been reversed with a corresponding adjustment to retained earnings and subsequently, the Company has recorded the marketing fund billing and utilisation as income and expenses in profit and loss during financial year 2015-16.

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11. Finance 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. Under Indian GAAP, as per the terms of the agreement, depending upon the actual billing of WAISL and subsistence level agreed, Company recorded the payments or receipts as an income or expense respectively. Under Ind AS, the Company concluded that the arrangement contains an embedded lease of the IT equipment and other assets (although the arrangement is not in the legal form of lease) and WAISL is providing services on behalf of the Company. The above lease is classified as a finance lease.

Accordingly, adjustments were made for the finance lease assets and corresponding liabilities at inception and the subsequent related adjustments in the profit and loss.

12. Other comprehensive income

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to Ind AS profit or loss. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

13. Statement of cash flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

42. 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, 2017. DF amounting to Rs. 350 crore (March 31, 2016: Rs. 345.85 crore and April 1, 2015: Rs. 308.83 crore) has been adjusted against the expenditure on construction of ATC tower incurred till March 31, 2017 and balance DF amounting to Rs. Nil (March 31, 2016: Rs. 4.15 crore and April 1, 2015: 41.17 crore), pending utilization, has been disclosed under other current liabilities.

The total expenditure incurred on construction of ATC tower is Rs. 393.07 crore till March 31, 2017 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.

Pending discussion with AAI for the excess amount, the Company has included the additional amount of Rs. 43.07 crore (March 31, 2016: Rs. Nil and April 1, 2015: Nil) under Capital Work in Progress (CWIP) as at March 31, 2017.

- (ii). While calculating such additional DF amount:

In accordance with the earlier Standard Operating Procedure (SOP) approved and issued by the AAI dated February 19, 2009 read with the MoCA order dated February 9, 2009, the Company was adjusting collection charges against DF receipts. However, AERA vide its subsequent order no. 28/2011-12 issued on November 14, 2011 has observed that in terms of Section 22A of the AAI Act, 1994 (amended from time to time) as well as Section 13(1)(b) of the AERA Act, 2008, the function of AERA is limited only to determining the rate/amount of DF and manner of collection and administration cost incurred thereupon is an issue, which had already been prescribed by way of rules by the Central Government. In view of the fact that DF rules notified by the MoCA dated August 2, 2011 do not prescribe adjustment



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collection charges from the DF receipts; the Company has capitalised DF collection charges aggregating to Rs. 28.37 crore till March 31, 2017 (March 2016 : Rs. 27.07 crore and April 1, 2015: Rs. 22.06 crore).

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. 564.47 crore as at March 31, 2017 (March 31, 2016: Rs. 516.37 crore and April 1, 2015: Rs. 405.57 crore) (including unbilled revenue) from Air India Limited and its subsidiaries namely Indian Airlines Limited, Airline Allied Services Limited and Air India Charters Limited collectively referred as 'Air India'. In view of continuing "Airport Enhancement and Financing Service Agreement" with the International Air Transport Association 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	As at March 31, 2017			As at March 31, 2016		
	Amount (Rs. In Crore)	Currency	Foreign Currency in Crore	Amount (Rs. In Crore)	Currency	Foreign Currency in Crore
Other current Financial Liabilities	107.02	USD	1.62	28.86	USD	0.43
Trade Payable	2.64	EUR	0.04	3.55	EUR	0.05
	0.17	GBP	0.00	0.12	GBP	0.00
	0.03	SGD	0.00	0.05	SGD	0.00
	-	AUD	-	0.14	AUD	0.00
	0.01	MYR	0.00	-	MYR	-
	15.70	USD	0.25	4.23	USD	0.07
Borrowings (including Current Maturity)	1,369.40	USD	20.88	2505.23	USD	37.52
Trade Receivable	13.17	USD	0.20	12.86	USD	0.19
Non-Trade Receivables	1.06	USD	0.02	1.01	USD	0.02
Advance to suppliers	1.46	USD	0.02	1.83	USD	0.03



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Closing exchange rates in Rs:

Currency	As at March 31, 2017	As at March 31, 2016
EUR	69.29	75.78
GBP	80.90	96.15
SGD	46.41	49.55
MYR	14.65	16.77
AUD	49.57	51.41
USD	65.60	66.77

d) Additional information :

i) Earnings in foreign currency (On accrual basis, excluding service tax)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Revenue from concessionaires	325.10	305.13
Revenue from airlines	782.02	673.44
Total	1,107.12	978.57

ii) CIF value of imports (On accrual basis)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Import of capital goods	13.27	6.79
Import of stores and spares	4.05	2.11
Total	17.32	8.90

iii) Expenditure in foreign currency (On accrual basis)

	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest on borrowings (including exceptional items)	253.89	162.29
Professional and consultancy expenses	1.44	8.40
Finance costs	26.63	-
Other expenses	13.27	12.59
Travelling and Conveyance	1.27	1.17
Total	296.50	184.45

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iv) Consumption of stores and spares during the year:

	For the year ended March 31, 2017		For the year ended March 31, 2017	
	%	Amount	%	Amount
Imported	15.99	4.15	4.44	1.04
Indigenous	84.01	21.79	95.56	22.31
Total	100	25.94	100	23.35

e) 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:

Particulars	SBNs	Other denomination notes	(Amount in INR)
			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 year.

f) 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.

g) 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.

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h) The Company has received advance development costs of Rs. 660.06 crore (March 31, 2016: Rs. 653.13 crore and April 1, 2015: Rs. 653.13 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, 2017, the Company has incurred development expenditure of Rs. 469.72 crore (March 31, 2016: Rs. 426.61 crore and April 1, 2015 Rs. 381.62 crore) which has been adjusted against the aforesaid advance and balance amount of Rs. 190.34 crore (March 31, 2016: Rs. 226.52 crore and April 1, 2015: Rs. 271.51 crore) is disclosed under other liabilities.

i) 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. The financial statements of such marketing fund are being audited by one of the Joint Statutory auditors. As at March 31, 2017, the Company has billed Rs 92.48 crore towards such Marketing Fund and has incurred expenditure amounting to Rs. 39.05 crore (net of income on temporary investments) till March 31, 2017 from the amount so collected. The balance amount of Rs. 53.43 crore pending utilization as at March 31, 2017 (March 31, 2016: Nil and April 1, 2015: Nil; 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.

j) 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 be 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, 2017
Construction income from Commercial property developers	Other operating income	43.13
Discounting on fair valuation of deposits taken from commercial property developers	Other operating income	25.91
Discounting on fair valuation of deposits taken from concessionaires	Sale of services – Non Aeronautical	37.75
Discounting on fair valuation of deposits given	Other income	0.14
Unrealised foreign exchange difference on borrowings	Other income	96.34
Reversal of Fair value of financial instruments Interest Rate Swap on actual settlement	Other income	6.17



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k) 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 Lok Sabha 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.

l) 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, 2017.

m) 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 majority of the information and is in the process of providing the rest of the information to 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.

n) Airport Economic Regulatory Authority ("AERA") had passed the tariff order No. 40/2015-16 dated December 8, 2015 (issued on December 10, 2015) wherein Authority had decided to adjust DF of Rs. 3,241.37 crore out of allowed DF of Rs. 3,415.35 crore based on the actual expenditure spent towards project. The authority had decided to adjust the balance amount of DF of Rs. 173.98 crore as on March 31, 2014 on utilization basis as and when it is incurred. However, the Company availed Rs. 3,415.35 crore of Loan based on the DF Orders and DF collected from passengers is used for payment of interest and principal till March 31, 2017. Accordingly, the differential interest i.e. paid by the Company on DF Loans and considered on actual spent amounting to Rs. 48.06 crore (March 31, 2016: Rs. 47.90 crore) is required to be absorbed by DIAL. Accordingly, during the year ended March 31, 2017 interest expense of Rs. 0.16 crore (March 31, 2016: Rs. 47.90 crore) has been provided in the books of accounts.

Further, the Company had incurred a sum of Rs. 17.29 crore towards interest from December 2011 to February 2012 which was not allowed by AERA and accordingly interest expense of Rs. 17.29 crore had also been provided in the books of accounts during previous year ended March 31, 2016.

o) During the year ended March 31, 2017, the Company 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 has incurred the following costs:

- i. The prepayment charges of Rs. 40.80 crore have 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 has been disclosed as "Exceptional Items" in the Statement of profit and loss.

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, has been adjusted from fair valuation loss of IRS' provided in earlier years and has been disclosed under 'other income' in the Statement of profit and loss.



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p) During the year ended March 31, 2017, the Company has entered into "Call spread Options" with various banks for hedging the risk of volatility in foreign exchange fluctuation on account of its liability:

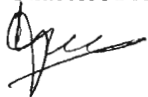
- i. Towards redemption of 6.125% Senior secured notes (2026) of USD 522.60 million, which is repayable in October 2026. Under this option, the Company has purchased a call option for USD 522.60 million at a strike price of Rs. 66.85/USD and written a call option for USD 522.60 million at a strike price 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), payable quarterly, the Company has paid Rs. 14.96 crore till March 31, 2017 and remaining balance of Rs. 1,226.34 crore is payable as at March 31, 2017.
- ii. Towards redemption of part of 6.125% Senior secured notes (2022) 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 mn at a strike price of Rs. 68.00/USD and written a call option for USD 80 mn 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 quarterly.

The Company has accounted the same as per Cash flow hedge accounting as provided in Ind AS 109. For details, please refer detailed accounting policies of the Company.

q) Board of Directors in its meeting held on May 11, 2017, proposed a dividend of 6.5% to its equity shareholders. (refer Note 16.1).

r) 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.

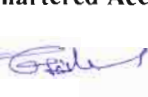
For S.R.Batliloi & Associates LLP
ICAI Firm Reg. No.: 101049W/E300004
Chartered Accountants



Per Yogesh Midha
Partner
Membership No. 94941
Place: Manila
Date: May 11, 2017



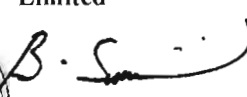
For Brahmayya & Co.,
ICAI Firm Reg. No.: 000515S
Chartered Accountants



Per G.Srinivas
Partner
Membership No. 86761
Place: NEW DELHI
Date: MAY 11, 2017.



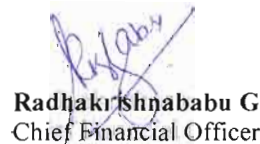
For and on behalf of the Board of
Directors of Delhi International Airport
Limited



Srinivas Bommidala
Managing Director
DIN-00061464



K. Narayana Rao
Whole Time Director
DIN-00016262



Radhakrishnababu G
Chief Financial Officer



Saurabh Jain
Company Secretary

Place : New Delhi
Date: May 11, 2017

