

Walker Chandio & Co LLP
Chartered Accountants
21st Floor, DLF Square,
Jacaranda Marg, DLF Phase II,
Gurugram 122002, India

K. S. Rao & Co.
Chartered Accountants
2nd Floor, 10/2 Khivraj
Mansion, Kasturba Road
Bengaluru – 560001, India

Independent Auditor's Review Report on Standalone Unaudited Condensed Interim Financial Statements of Delhi International Airport Limited for the period ended 30 September 2023

To the Board of Directors of Delhi International Airport Limited

Introduction

1. We have reviewed the accompanying Standalone Unaudited Condensed Interim Financial Statements of Delhi International Airport Limited ('the Company'), which comprise the Standalone Unaudited Condensed Interim Balance Sheet as at 30 September 2023, the Standalone Unaudited Condensed Interim Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Unaudited Condensed Interim Cash Flow Statement and the Standalone Unaudited Condensed Interim Statement of Changes in Equity for the six-month period then ended, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as the "Standalone Unaudited Condensed Interim Financial Statements"). The management is responsible for the preparation and presentation of these Standalone Unaudited Condensed Interim Financial Statements in accordance with the requirements of Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34') prescribed under section 133 of the Companies Act, 2013 ('the Act') and other accounting principles generally accepted in India. These Standalone Unaudited Condensed Interim Financial Statements have been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on these Standalone Unaudited Condensed Interim Financial Statements based on our review.

Scope of Review

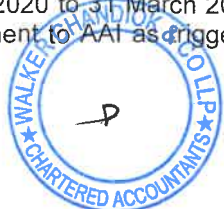
2. We conducted our review of the Standalone Unaudited Condensed Interim Financial Statements in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Standalone Unaudited Condensed Interim Financial Statements are not prepared, in all material aspects, in accordance with the requirements of Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India.

Emphasis of Matter

4. We draw attention to note 5(I)(g) to the accompanying Standalone Unaudited Condensed Interim Financial Statements in relation to ongoing litigation / arbitration proceedings between the Company and Airport Authority of India (AAI) in respect of Monthly Annual Fee (MAF) for the period 1 April 2020 to 31 March 2022 for which the Company has sought to be excused from making payment to AAI as triggered from a force majeure event, which could have a



Walker Chandiok & Co LLP
Chartered Accountants
21st Floor, DLF Square,
Jacaranda Marg, DLF Phase II,
Gurugram 122002, India

K. S. Rao & Co.
Chartered Accountants
2nd Floor, 10/2 Khivraj
Mansion, Kasturba Road
Bengaluru – 560001, India

significant impact on the accompanying Standalone Unaudited Condensed Interim Financial Statements, if the potential exposure were to materialize. The outcome of such litigation/ arbitration proceedings is currently uncertain and basis internal assessment and legal opinion, pending final outcome of the litigation, the management is of the view that no further adjustments are required to be made to the accompanying Standalone Unaudited Condensed Interim Financial Statements for the aforesaid matter. Our conclusion is not modified in respect of this matter.

Restriction on distribution or use

5. The Standalone Unaudited Condensed Interim Financial Statements has been prepared by the Company's Management solely to assist the management with the submission to the trustees and bond holders of 6.125% Senior Secured Notes (2026) and 6.45% Senior Secured Notes (2029) and trustees and debenture trustees of 10.964% Non- Convertible Debentures (2025) issued by the Company; to assist the Management of the GMR Airports Limited ('GAL') in the preparation of their respective consolidated unaudited condensed interim financial statements as at and for the six-month period ended 30 September 2023 to be used for proposed fund raising by GAL ; and for internal use by management of the Company and therefore, it may not be suitable for other purpose. This review report is issued solely for the aforementioned purpose, and accordingly should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this review report is shown or into whose hands it may come without our prior consent in writing.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013



Danish Ahmed
Partner
Membership No.: 522144
UDIN: 23522144BGZHOV2783



Place: New Delhi
Date: 30 October 2023

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



Sudarshana Gupta M S
Partner
Membership No: 223060
UDIN: 23223060BGXIVI4745



Place: New Delhi
Date: 30 October 2023

Delhi International Airport Limited
CIN. U63033DL2006PLC146936
Standalone Unaudited Condensed Interim Balance Sheet as at September 30, 2023
(All amounts in Rupees Crore, except otherwise stated)

ASSETS

Non-current assets

Property, plant and equipment
Capital work in progress
Intangible assets
Right-of-use assets
Financial assets
(i) Investments
(ii) Other financial assets
Other non-current assets
Non-current tax assets

Current assets

Inventories
Financial assets
(i) Investments
(ii) Trade receivables
(iii) Cash and cash equivalents
(iv) Bank balance other than cash and cash equivalents
(v) Other financial assets
Other current assets

Total Assets

EQUITY AND LIABILITIES

Equity

Equity share capital
Other equity
(i) Retained earnings
(ii) Cash flow hedge reserve

Non-current liabilities

Financial liabilities
(i) Borrowings
(ii) Lease liabilities
(iii) Other financial liabilities
Deferred revenue
Provisions
Other non-current liabilities

Current liabilities

Financial liabilities
(i) Lease liabilities
(ii) Trade payables
-Total outstanding dues of micro enterprises and small enterprises
-Total outstanding dues of creditors other than micro enterprises and small enterprises
(iii) Other financial liabilities
Deferred revenue
Other current liabilities
Provisions

Total Liabilities

Total Equity and Liabilities

	September 30, 2023 (Unaudited)	March 31, 2023 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	11,177.81	6,453.31
Capital work in progress	4,284.27	8,082.88
Intangible assets	350.61	355.25
Right-of-use assets	12.69	10.80
Financial assets		
(i) Investments	249.45	249.45
(ii) Other financial assets	1,177.67	1,257.41
Other non-current assets	2,197.80	2,163.65
Non-current tax assets	31.94	10.48
	19,482.24	18,583.23
Current assets		
Inventories	5.90	5.53
Financial assets		
(i) Investments	1,588.70	914.25
(ii) Trade receivables	104.10	76.80
(iii) Cash and cash equivalents	390.98	279.09
(iv) Bank balance other than cash and cash equivalents	357.33	47.27
(v) Other financial assets	322.75	590.16
Other current assets	141.46	177.06
	2,911.22	2,090.16
Total Assets	22,393.46	20,673.39
EQUITY AND LIABILITIES		
Equity		
Equity share capital	2,450.00	2,450.00
Other equity		
(i) Retained earnings	(399.08)	(291.59)
(ii) Cash flow hedge reserve	(555.17)	(382.89)
	1,495.75	1,775.52
Non-current liabilities		
Financial liabilities		
(i) Borrowings	13,904.81	12,614.18
(ii) Lease liabilities	9.90	8.59
(iii) Other financial liabilities	1,266.04	1,305.09
Deferred revenue	2,562.73	2,130.44
Provisions	-	3.06
Other non-current liabilities	263.52	185.45
	18,007.00	16,246.81
Current liabilities		
Financial liabilities		
(i) Lease liabilities	4.43	3.99
(ii) Trade payables		
-Total outstanding dues of micro enterprises and small enterprises	45.29	36.02
-Total outstanding dues of creditors other than micro enterprises and small enterprises	400.67	410.02
(iii) Other financial liabilities	1,384.63	1,561.10
Deferred revenue	612.95	190.70
Other current liabilities	287.68	296.65
Provisions	155.06	152.58
	2,890.71	2,651.06
Total Liabilities	20,897.71	18,897.87
Total Equity and Liabilities	22,393.46	20,673.39

The accompanying notes are an integral part of these standalone unaudited condensed interim financials statements.

As per our report of even date
For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No. : 001076NN500013

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

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

Danish Ahmed
Danish Ahmed
Partner
Membership no: 522144
Place: New Delhi
Date : October 30, 2023



M.S. Gupta
Sudarshana Gupta M S
Partner
Membership no: 223060
Place: New Delhi
Date : October 30, 2023



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

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

Videh Kumar Jaipuria
Videh Kumar Jaipuria
Chief Executive Officer

Hari Nagrani
Hari Nagrani
Chief Financial Officer

Abhishek Chawla
Abhishek Chawla
Company Secretary
Place: New Delhi
Date : October 30, 2023



Delhi International Airport Limited
CIN. U63033DL2006PLC146936
Standalone Unaudited Condensed Interim Statement of Profit and Loss for the six months period ended September 30, 2023
(All amounts in Rupees Crore, except otherwise stated)

	For the period ended September 30, 2023 (Unaudited)	For the period ended September 30, 2022 (Unaudited)
I Revenue		
Revenue from operations [refer note 10]:		
- Sale of Services	1,914.60	1,565.13
- Other operating revenue	402.14	282.16
Other income	135.62	132.38
Total revenue	2,452.36	1,979.67
II Expenses		
Annual fee to Airports Authority of India (AAI)	1,087.46	850.21
Employee benefits expense	131.96	127.24
Other expenses	454.11	424.88
Total expenses	1,673.53	1,402.33
III Earnings before finance cost, tax, depreciation and amortisation expenses (EBITDA) III = [(I)-(II)]	778.83	577.34
IV Depreciation and amortisation expense	347.92	319.80
V Finance costs	507.25	394.54
VI Loss before exceptional items	(76.34)	(137.00)
VII Exceptional items (Refer Note 5 I (a))	30.00	-
VIII Loss before tax expenses [(III)-(IV)-(V)]	(106.34)	(137.00)
Current tax expense	-	-
Deferred tax	-	-
Total tax expense	-	-
Loss for the period	(106.34)	(137.00)
IX Other comprehensive income		
A Items that will not be reclassified to profit or loss in subsequent periods		
Re-measurement gain on defined benefit plans	(1.15)	(0.72)
Income tax effect	-	-
B Items that will be reclassified to profit or loss in subsequent periods		
Net movement of cash flow hedges	(172.28)	(473.37)
Income tax effect	-	-
Total other comprehensive income for the period (net of tax) (A+B)	(173.43)	(474.09)
Total comprehensive income for the period (net of tax)	(279.77)	(611.09)
Earnings per equity share: [nominal value of share Rs. 10 (September 30, 2022 : Rs. 10)]		
(1) Basic	(0.43)	(0.56)
(2) Diluted	(0.43)	(0.56)

The accompanying notes are an integral part of these standalone unaudited condensed interim financials statements.

As per our report of even date

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No. : 001076/N/NS00013


Danish Ahmed

Partner

Membership no: 522144

Place: New Delhi

Date : October 30, 2023



As per our report of even date

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

Chartered Accountants

Firm Registration No. : 003109S


Sudarshana Gupta M S

Partner

Membership no: 223060

Place: New Delhi

Date : October 30, 2023


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

G.B.S. Raju

Managing Director

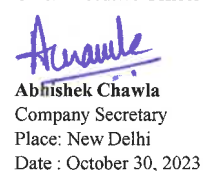
DIN-00061686


K. Narayana Rao

Whole Time Director

DIN-00016262


Videh Kumar Jaipurani
Chief Executive Officer


Abhishek Chawla

Company Secretary

Place: New Delhi

Date : October 30, 2023


Hari Nagrani
Chief Financial Officer


Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Standalone Unaudited Condensed Interim Statement of Change in Equity for the six months period ended September 30, 2023

(All amounts in Rupees Crore, except otherwise stated)

A. Equity Share Capital

(1) As at September 30, 2023

Balance as at April 1, 2023	Changes during the current period	Balance as at September 30, 2023
2,450.00	-	2,450.00

(2) As at September 30, 2022

Balance as at April 1, 2022	Changes during the current period	Balance as at September 30, 2022
2,450.00	-	2,450.00

B. Other Equity

(1) As at September 30, 2023

Particulars	Reserves and Surplus	Effective portion of Cash Flow Hedges*	Total
	Retained Earnings		
Balance as at April 1, 2023	(291.59)	(382.89)	(674.48)
Loss for the period	(106.34)	-	(106.34)
Other comprehensive income (net of tax)	(1.15)	(172.28)	(173.43)
Balance as at September 30, 2023	(399.08)	(555.17)	(954.25)

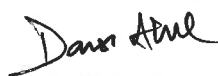
(2) As at September 30, 2022

Particulars	Reserves and Surplus	Effective portion of Cash Flow Hedges*	Total
	Retained Earnings		
Balance as at April 1, 2022	(4.91)	(72.98)	(77.89)
Loss for the period	(137.00)	-	(137.00)
Other comprehensive income (net of tax)	(0.72)	(473.37)	(474.09)
Balance as at September 30, 2022	(142.63)	(546.35)	(688.98)

* The Company had entered into "call spread option" with various banks for hedging the repayment of 6.125% Senior secured notes (2026) of USD 522.60 million and 6.45% Senior secured notes (2029) of USD 500 million which are repayable in October 2026 and June 2029 respectively. The Company has adopted Cash flow hedge accounting for Call spread options as per Ind AS 109. Accordingly, the effective portion of gain or loss on the hedging instruments is recognised in Other Comprehensive Income in the Cash flow hedge reserve, while any ineffective portion is recognised immediately in the Statement of profit and loss.

The accompanying notes are an integral part of these standalone unaudited condensed interim financial statements.

As per our report of even date
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. : 001076N/N500013



Danish Ahmed
Partner
Membership no: 522144
Place: New Delhi
Date : October 30, 2023



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



Sudarshana Gupta M S
Partner
Membership no: 223060
Place: New Delhi
Date : October 30, 2023



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


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


K. Narayana Rao
Whole Time Director
DIN-00016262


Videh Kumar Jaipuria
Chief Executive Officer


Har Nagrani
Chief Financial Officer


Abhishek Chawla
Company Secretary
Place: New Delhi
Date : October 30, 2023



	For the period ended September 30, 2023 (Unaudited)	For the period ended September 30, 2022 (Unaudited)
Cash flow from operating activities		
Loss before tax	(106.34)	(137.00)
Adjustment to reconcile loss before tax to net cash flows		
Depreciation and amortisation expenses	347.92	319.80
Provision for doubtful debts / bad debts written off	-	0.05
Provision against the property tax (Refer note 5 (I) (a))	30.00	-
Interest income on deposits/current investment	(39.72)	(27.96)
Exchange differences unrealised (net)	0.22	0.39
Gain on sale of current investments-Mutual fund	(12.85)	(8.11)
Loss on discard of capital work in progress and property, plant and equipments	0.06	-
Dividend income on non-current investments carried at cost	(74.63)	(31.75)
Interest on borrowings	365.14	281.21
Call spread option premium	76.36	76.36
Other borrowing costs	21.57	0.51
Rent expenses on financial assets carried at amortised cost	0.19	0.31
Interest expenses on financial liability carried at amortised cost	43.00	36.16
Deferred income on financial liabilities carried at amortised cost	(65.29)	2.60
Fair value gain on financial instruments at fair value through profit or loss	(4.41)	(0.85)
Interest income on financial asset carried at amortised cost	(3.51)	-
Operating profit before working capital changes	577.71	511.72
Working capital adjustment:		
Change in non-current financial liabilities	416.40	39.03
Change in non-current deferred revenue	(1.21)	(21.93)
Change in other non-current liabilities	78.07	67.79
Change in non-current provisions	(3.06)	(5.62)
Change in trade payables	(5.24)	0.64
Change in current financial liabilities	75.84	11.38
Change in deferred revenue	414.70	275.88
Change in other current liabilities	(8.98)	38.94
Change in current provisions	2.47	3.54
Change in other non-current financial assets	1.00	(118.98)
Change in other non-current assets	(139.17)	(244.58)
Change in inventories	(0.37)	0.04
Change in trade receivables	(57.29)	19.00
Change in other current financial assets	234.40	29.65
Change in other current assets	33.67	49.93
Cash generated from operations	1,618.94	656.43
Direct taxes paid	(21.46)	(6.75)
Net cash flow from operating activities (A)	1,597.48	649.68
Cash flows from investing activities		
Purchase of property plant and equipments, including capital work in progress and capital advances	(1,134.55)	(1,002.06)
Purchase of current investments	(6,038.04)	(3,998.04)
Sale/maturity of current investments	5,380.86	3,773.92
Dividend received	103.75	31.75
Interest received	89.17	62.44
Investment of margin money deposit	(0.02)	(0.01)
(Investments in)/ redemption of fixed deposits with original maturity of more than three months (net)	(310.06)	124.68
Net cash used in investing activities (B)	(1,908.89)	(1,007.32)

(The space has been intentionally left blank)

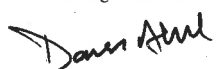


Standalone Unaudited Condensed Interim Cash Flow Statement for the six months period ended September 30, 2023
(All amounts in Rupees Crore, except otherwise stated)

	For the period ended September 30, 2023 (Unaudited)	For the period ended September 30, 2022 (Unaudited)
Cash flows from financing activities		
Principal payment of lease liabilities	(2.16)	(3.18)
Interest payment of lease liabilities	(0.61)	0.67
Repayment of long term loan from banks	(744.00)	(22.00)
Proceeds from non-current borrowings	1,943.95	1,000.00
Option premium paid	(129.68)	(129.98)
Borrowing cost paid	(51.20)	(11.81)
Interest paid	(593.00)	(502.92)
Net cash flow from financing activities (C)	423.30	330.78
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	111.89	(26.86)
Cash and cash equivalents at the beginning of the period	279.09	1,282.94
Cash and cash equivalents at the end of the period	390.98	1,256.08
Components of cash and cash equivalents		
Cash on hand	0.06	0.05
Cheques/ drafts on hand	-	-
With banks		
- on current account	68.82	36.06
- on deposit account	322.10	1,219.97
Total cash and cash equivalents	390.98	1,256.08

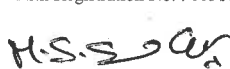
- The above cash flow statement has been compiled from and is based on the standalone unaudited condensed interim balance sheet as at September 30, 2023 and the related standalone unaudited condensed interim statement of profit and loss for the period ended on that date.
- Cash and cash equivalents include Rs. 3.16 crore (September 30, 2022: Rs. 0.57 crore), pertaining to Marketing Fund to be used for sales promotional activities.
- The accompanying notes are an integral part of these standalone unaudited condensed interim financials statements.

As per our report of even date
For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration No. : 001076/N/300013


Danish Ahmed
Partner
Membership no: 522144
Place: New Delhi
Date : October 30, 2023



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


Sudarshana Gupta M S
Partner
Membership no: 223060
Place: New Delhi
Date : October 30, 2023



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


G.B.S Raju
Managing Director
DIN-00061686


K. Marayana Rao
Whole Time Director
DIN-00016262


Videh Kumar Jaipuria
Chief Executive Officer


Hari Nagrani
Chief Financial Officer


Abhishek Chawla
Company Secretary
Place: New Delhi
Date : October 30, 2023



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees crore, unless otherwise stated)

1. Corporate information

Delhi International Airport Limited ('DIAL' or 'the Company') is a Public Limited Company domiciled in India. It was incorporated as a Private Limited Company on March 1, 2006 under the provisions of the erstwhile Companies Act, 1956, (replaced with Companies Act 2013 with effect from April 1, 2014) and was converted into a Public Limited Company with effect from April 10, 2017. The registered office of the Company is New Udaan Bhawan, Opposite Terminal-III, IGI Airport, New Delhi-110037. DIAL is into the business of managing the operations and modernization of the Indira Gandhi International Airport ('Delhi Airport'). GMR Airports Limited ('GAL') a subsidiary of GMR Airports Infrastructure Limited ('GIL') (formerly known as GMR Infrastructure Limited ('GIL')), holds majority shareholding in the Company. DIAL had entered into Operation, Management and Development Agreement ('OMDA') with Airports Authority of India ('AAI'), which gives DIAL an exclusive right to operate, maintain, develop, modernize and manage the Delhi Airport on a revenue sharing model for an initial term of 30 years, which can be extended by another 30 years on satisfaction of certain terms and conditions pursuant to the provisions of the OMDA.

The Standalone Unaudited Condensed Interim Financial Statements ('Financial Statements') are approved by Company's Audit Committee and Board of Directors in their meeting on October 26, 2023 and October 30, 2023 respectively.

2. (A) Basis of preparation

These Standalone Unaudited Condensed Interim Financial Statements comprises of the Standalone Unaudited Condensed Interim Balance Sheet as at September 30, 2023, the Standalone Unaudited Condensed Interim Statement of Profit and Loss (including other comprehensive income), the Standalone Unaudited Condensed Interim Statement of Cash Flows, the Standalone Unaudited Condensed Interim Statement of Changes in Equity for the six months period then ended and a summary of Significant Accounting Policies and other explanatory notes (collectively the "Standalone Unaudited Condensed Interim Financial Statements") and do not include all the information and disclosures that would otherwise be required in a full set of financial statements. The Standalone Unaudited Condensed Interim Financial Statements have been prepared by the Company:

- (i) for submission to the trustees and bond holders of 6.125% Senior Secured Notes (2026) and 6.45% Senior Secured Notes (2029) and trustees and debenture holders of 10.964% Non-Convertible Debentures (2025) issued by the Company;
- (ii) to assist the management of its holding company i.e. GMR Airports Limited ('GAL') in the preparation of their respective consolidated unaudited condensed interim financial statements as at and for the six months period ended September 30, 2023 to be used for proposed fund raising by GAL; and
- (iii) for internal use by management of the Company.

The Standalone Unaudited Condensed Interim Financial Statements of the Company have been prepared as per the recognition and measurement principles of Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The accounting policies followed in preparation of the Standalone Unaudited Condensed Interim Financial Information are consistent with those followed in the preparation of the annual statutory financial statements for the year ended March 31, 2023.

The Standalone Unaudited Condensed Interim Financial Statements have been prepared on historical cost convention on an accrual basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees crore, unless otherwise stated)

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

3. Material Accounting Policies

a. Use of estimates

The preparation of the 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 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 4. 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 financial statements in the year in which changes are made and, if material, their effects are disclosed in the notes to the 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.



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees crore, unless otherwise stated)

c. 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 amount of the transaction price, excluding the estimates of variable consideration that is allocated to that performance obligation, considering contractually defined terms of payment, and excluding taxes or duties collected on behalf of the government.

Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the services before transferring them to the customer.

Revenue from Operations

Significant financing component

Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised service to the customer and when the customer pays for that service will be one year or less.

The Company also receives long-term advances from customers for rendering services. The transaction price for such contracts are discounted, using the rate that would be reflected in a separate financing transaction between the Company and its customers at contract inception, to take into consideration the significant financing component.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for services transferred to the customer (which consist of unbilled revenue). If the Company performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in financial instruments –subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees crore, unless otherwise stated)

Income from services

Revenue from airport operations i.e. Aeronautical and Non-Aeronautical operations are recognised on accrual basis, net of Goods and Service Tax (GST), and applicable discounts when services are rendered. Aeronautical operations include user development fees (UDF), Passenger Service Fee (Facilitation Component) [PSF (FC)], Baggage X-ray Charges, Landing and Parking of aircraft and into plane charges. The main streams of non –aeronautical revenue includes duty free, retail, advertisement, food & beverages, cargo, ground handling, car parking and land & space-rentals.

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

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

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 Standalone Unaudited Condensed Interim 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.

d. Investments in associates and joint ventures

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

e. 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.



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees crore, unless otherwise stated)

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 Standalone Unaudited Condensed Interim 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 Standalone Unaudited Condensed Interim Statement of Profit and Loss.

f. Property, Plant and Equipment

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

Assets under installation or under construction as at the balance sheet date are shown as "Capital work-in-progress (CWIP)". Expenditure including finance charges directly relating to construction activity is capitalised.

Capital work in progress is stated at cost, net of accumulated impairment loss if any. 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 Standalone Unaudited Condensed Interim Statement of 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 Standalone Unaudited Condensed Interim 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.



Delhi International Airport Limited**CIN. U63033DL2006PLC146936****Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023****(All amounts in Rupees crore, unless otherwise stated)**

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.

g. Depreciation on Property, Plant and Equipment

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

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

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

On June 12, 2014, the Airport Economic Regulatory Authority (“the Authority” or “AERA”) 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, that have not been clearly mentioned in the Schedule II of the Companies Act, 2013 or may have a useful life justifiably different than that indicated in the Companies Act, 2013 in the specific context to the airport sector. Pursuant to above, the Authority had issued order no. 35/2017-18 on January 12, 2018 which was further amended on April 09, 2018, in the matter of Determination of Useful life of Airport Assets, which was effective from April 01, 2018.

Accordingly, the management was of the view that useful lives considered by the Company for most of the assets except passenger related Furniture and Fixtures were in line with the useful life proposed by AERA in its order dated January 12, 2018, which is further amended on April 09, 2018.

In order to align the useful life of passenger related Furniture and Fixtures as per AERA order, the Company has revised the useful life during the financial year ended March 31, 2019.

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.



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees crore, unless otherwise stated)

h. 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.

i. Amortisation of intangible assets

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at 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 these financial statements.

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 period of 30 years and extended period of 30 years of OMDA i.e. 60 years. Other intangible assets are amortised over the useful life of asset or six years whichever is lower.

j. Government Grant and subsidies

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

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

When the grant/ subsidy relates to revenue, it is recognized under other income in the Standalone Unaudited Condensed Interim Statement of Profit and Loss in the period of receipts of such grant/ subsidy, at the amount expected to be realized.

k. Borrowing cost

Borrowing costs net of income on surplus investments 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 on effective interest rate (EIR) basis in the period in which they occur.

Borrowing costs consist of interest, call spread premium 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.

l. Leases

The Company assesses a contract at inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees crore, unless otherwise stated)

Company as a lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets: The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

The right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

(ii) Lease liabilities: At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

The lease payments included in the measurement of the lease liability include fixed payments (including in substance fixed payments), variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

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 Standalone Unaudited Condensed Interim Statement of Profit and Loss.

(iii) Short-term leases and leases of low-value assets

In case of a short-term lease contract and lease contracts for which the underlying asset is of low value, lease payments are charged to Standalone Unaudited Condensed Interim Statement of Profit and Loss.

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 of the relevant lease.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned. Leases are classified as finance leases when substantially all of the risks and rewards of ownership 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.



m. Inventories

Inventories are valued at the lower of cost or 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.

n. 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 Standalone Unaudited Condensed Interim Statement of Profit and Loss net of any reimbursement.

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

Contingent liability is disclosed in the case of:

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

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

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

o. 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 realization 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.

p. Retirement and other Employee Benefits

Defined benefit plan

Retirement benefit in the form of Provident Fund, Superannuation Fund and Employee State Insurance are defined contribution schemes and the contributions are charged to the Standalone Unaudited Condensed Interim Statement of



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees crore, unless otherwise stated)

Profit and Loss of the year when the contributions to the respective funds/trust are due. The Company has no obligation, other than the contribution payable to the respective funds/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 Standalone Unaudited Condensed Interim Statement of Profit and Loss in the period in which the employee renders the related service.

The Company recognizes contribution payable as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the reporting date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

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

The Company treats accumulated leave including sick leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences including sick leave are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains / losses are immediately taken to the Standalone Unaudited Condensed Interim Statement of Profit and Loss and are not deferred.

The entire amount of the provision for leave encashment is presented as current in financial statements, since the Company does not have an unconditional right to defer settlement of the obligation.

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

- i) The date of the plan amendment or curtailment, and
- ii) The 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 Standalone Unaudited Condensed Interim 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



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees crore, unless otherwise stated)

q. Financial Instruments

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

I) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (c), Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

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

- a) Financial assets at amortised cost
- b) Financial assets at fair value through profit or loss (FVTPL)
- c) Financial assets at fair value through other comprehensive income (FVTOCI)

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 Standalone Unaudited Condensed Interim Statement of Profit and Loss. The losses arising from impairment are recognised in the Standalone Unaudited Condensed Interim Statement of Profit and Loss. This category generally applies to trade and other receivables.



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees crore, unless otherwise stated)

Financial assets at FVTOCI : A financial asset is measured at the FVTOCI if both of the following criteria are met:

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

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

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 at Fair Value through OCI (FVTOCI), is classified as at FVTPL.

In addition, the Company may elect to designate a Financial asset's 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 Standalone Unaudited Condensed Interim Statement of 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.



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees crore, unless otherwise stated)

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

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

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

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

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

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

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

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

II) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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.



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/ losses are not subsequently transferred to Standalone Unaudited Condensed Interim Statement of Profit and Loss. 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

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 Standalone Unaudited Condensed Interim Statement of Profit and Loss.

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 Standalone Unaudited Condensed Interim 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.

r. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

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

s. 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.



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees crore, unless otherwise stated)

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 Standalone Unaudited Condensed Interim Statement of Profit and Loss.

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

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

Presentation of derivative contracts in the financial statement

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



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees crore, unless otherwise stated)

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 these financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the 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.

- Disclosures for valuation methods, significant estimates and assumptions (note 7)
- Quantitative disclosures of fair value measurement hierarchy (note 8)
- Financial instruments (including those carried at amortised cost)



u. Taxes

Tax expense comprises current tax and deferred tax.

Current income tax

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

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

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

Deferred tax

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

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

- i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- ii) In respect of taxable temporary differences associated with investments in associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- ii) In respect of deductible temporary differences associated with investments in 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.



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees crore, unless otherwise stated)

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 Standalone Unaudited Condensed Interim 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 Standalone Unaudited Condensed Interim Statement of Profit and Loss and shown as 'MAT credit entitlement'. The Company reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

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

v. Foreign currencies

Functional Currency

The 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 Standalone Unaudited Condensed Interim Statement of Profit and 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.



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees crore, unless otherwise stated)

w. 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 financial statements. The liability to pay dividend is recognised when the declaration of dividend is approved by the shareholders.

x. 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.

y. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

z. EBIDTA

The Company has presented profit/ (loss) before finance costs, taxes, depreciation, amortisation expense and exceptional items as EBIDTA.

4. Significant accounting judgements, estimates and assumptions

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

4.1 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 these 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. The incremental borrowing rate have been revised for period starting from April 1, 2023 for all the deposits taken/received post March 31, 2023. The impact has accordingly, been duly accounted in the financial statements.

Consideration of significant financing component in a contract

The Company sells pouring rights at airport for which contract period is for more than one year. The Company concluded that there is a significant financing component for those contracts where the customer elects to pay in advance considering the length of time between the customer's payment and rendering services, as well as the prevailing interest rates in the market.



Delhi International Airport Limited**CIN. U63033DL2006PLC146936****Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023****(All amounts in Rupees crore, unless otherwise stated)**

In determining the interest to be applied to the amount of consideration, the Company concluded that the interest rate implicit in the contract (i.e., the interest rate that discounts the cash selling price of the equipment to the amount paid in advance) is appropriate because this is commensurate with the rate that would be reflected in a separate financing transaction between the entity and its customer at contract inception.

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 D of Ind AS 115 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.

Annual Fee to AAI

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

Management of the Company is of the view that the certain income / credits arising on adoption of Ind-AS was not in contemplation of parties in April 2006 when this Concession Agreement was signed / entered. Further, these income/credits in Standalone Unaudited Condensed Interim 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, has provided the monthly annual fee to AAI based on Revenue as per the Ind AS financial statements after adjusting such incomes/credits [refer note 5(I)(g) and 5(h) & 11 (e)].

4.2 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 financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees crore, unless otherwise stated)

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.

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

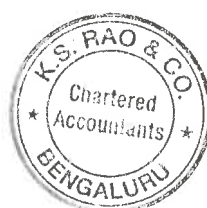
Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, 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. 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 (Refer Note 7, 8, 9).

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.



5. Commitments and Contingencies**I. Contingent Liabilities: - claims against the company not acknowledged as debts:**

	Particulars	As at September 30, 2023	As at March 31, 2023
(i)	In respect of Income tax matters (disallowances/ additions made by income tax department) *	64.29	64.29
(ii)	In respect of Indirect tax matters [refer note (e), (f) and (i) below]	58.53	58.53
(iii)	In respect of property tax matter [refer note (a) below]	30.43	38.41
(iv)	In respect of Annual fee payable to AAI [refer note (g) and (h) below]		

*Matters disputed under Income Tax Act 1961, wherein disallowances result in reduction in 'returned loss' as per the return of income have not been considered for above disclosure. Tax impact of reduction in loss amounts to Rs. 54.02 crores.

- a) During the year ended March 31, 2017, the Delhi Cantonment Board (DCB) had raised provisional invoice demanding property tax of Rs. 9.01 crores in respect of vacant land at IGI Airport for the financial year ended March 31, 2017. However, based on same computation method as used for payment of property tax to South Delhi Municipal Corporation (SDMC), the Company had made payment towards property tax for financial year ended March 31, 2017 to the financial year ended March 31, 2022 along with request to DCB to withdraw its demand. DCB has raised provisional invoice on April 29, 2019 and Notice of demand dated November 1, 2019 demanding property tax of Rs. 10.73 crores for the financial year ended March 31, 2020 along with arrears of Rs. 28.78 crores.

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 has submitted its application for adopting the same computation method as considered by SDMC, while arriving at the demand for the financial year ended March 31, 2017, the amount of liability for earlier years is unascertainable, and therefore no provision has been considered.

The Company had filed a writ petition before the Hon'ble Delhi High court against DCB to set aside the impugned demand notices. The Hon'ble Delhi High court heard the matter on December 2, 2019 and directed to be kept in abeyance the impugned demand notices and directed DCB to grant a detailed hearing to the Company, upon the Company's filing a representation before the DCB, subject to deposit a sum of Rs. 8.00 crores. In compliance of High Court order, the Company had deposited a sum of Rs. 8.00 crores under protest on December 20, 2019.

However, despite many representations made by the Company and ignoring all contentions of the Company, DCB had passed an assessment order dated June 15, 2020 levying the property tax of Rs. 867.21 crores per annum against its earlier assessment of tax of Rs. 9.13 crores per annum and raised the total demand of Rs. 2,601.63 crores for three years i.e. 2016-17 to 2018-19 and the Company has been directed to pay Rs. 2,589.11 crores after making due adjustments of amount already deposited. The order was in violation of the earlier order dated December 2, 2019 passed by the Hon'ble High Court of Delhi and was in breach of the provisions of the Cantonments Act. Accordingly, the Company filed a Writ Petition on July 20, 2020 before the High Court of Delhi challenging the assessment order dated June 15, 2020. The writ petition was heard on various dates in which Honourable Delhi High Court directed DCB not to take any coercive action against the Company till next hearing. During the pendency of writ petition, DCB had assessed additional demand of property tax for Rs. 2,599.46 crores for the triennial financial years 2019-20 to 2021-22 after considering amount paid by the Company.



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees crore, unless otherwise stated)

The hearing in the matter was concluded on August 9, 2023 and order has been pronounced. To put a quietus to the issue and in the interest of justice as well as to achieve parity and uniformity to the property tax being levied by MCD, the Hon'ble Delhi High Court has set aside the previous assessments and ordered that fresh assessments shall be done and property tax shall be levied as per Section 73(b) of the Cantonments Act, 2006 by DCB on 1,438.2017 acres of land of the airport within 30 days of the order. As on date, the DCB has not issued any fresh assessment order.

Since assessment order has not been issued yet and period of 30 days has already passed, the Contingent Liability of Rs. 60.43 crores (March 31, 2023: Rs. 38.41 crores) has been estimated by the Company for the period financial year ended March 31, 2017 to financial year ended March 31, 2023 towards property tax, out of which Rs. 30 crores is provided and disclosed as exceptional item in the current quarter.

- b) The Ministry of Civil Aviation (MoCA) issued a Circular 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 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 crores 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 High Court of Delhi 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 on November 01, 2023.

Based on an internal assessment and aforesaid order of the Hon'ble High Court of Delhi, the management is confident that no liability in this regard would be payable and as such no provision has been made in these Financial Statements.

- c) MoCA had issued orders in the past requiring the Company to reverse the expenditure incurred, towards procurement and maintenance of security systems/equipment and on creation of fixed assets out of PSF (SC) escrow account opened and maintained by the Company in a fiduciary capacity. In the opinion of the management of the Company, the Company had incurred Rs. 297.25 crores towards capital expenditure (excluding related maintenance expense and interest thereon) till the date of order 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 and as such had challenged the said order before Hon'ble High court of Delhi.

MoCA in its order had stated that approximate amount of reversal to be made by the Company towards capital expenditure and interest thereon amounting to Rs. 295.58 crores and Rs. 368.19 crores respectively, subject to the order of the Hon'ble High court of Delhi. The Hon'ble High Court of Delhi, 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 February 8, 2024.

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.

However, pursuant to AERA order No. 30/ 2018-19 dated November 19, 2018 with respect to Company's entitlement to collect X-ray baggage charges from airlines, the Company has remitted Rs. 119.66 crores to PSF (SC) for transfer of screening assets from PSF (SC) to the Company with an undertaking to MoCA by the Company that in case the matter pending before the Hon'ble High Court is decided in its DIAL's favour, DIAL will not claim this amount back from MoCA.



- d) The Company was entitled to custom duty credit scrip under Served from India Scheme (SFIS) of Foreign Trade Policy issued by Government of India. Under the terms of SFIS, service providers are entitled to custom duty credit scrip as a percentage of foreign exchange earned by the Company that can be utilized for payment of import duty. Till March 31, 2014, the Company had cumulatively utilized custom duty credit scrip amounting to Rs. 89.60 crores, in lieu of payment of import duty in respect of import of fixed assets (including capital work in progress) and accounted the same as grant as per para 15 of erstwhile Accounting Standard 12 and adjusted the same against certain expenditure which in its view are related to obtaining such custom duty credit scrip entitlements. Basis the opinion of the Expert Advisory Committee ('EAC') of the Institute of Chartered Accountants of India.

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 annual fee on amount of Rs 89.60 crores is payable to AAI.

The Company had filed a writ petition against the AAI's letter in Hon'ble High Court of Delhi on July 10, 2015 disputing the demand and prayed for quashing of demand by AAI. Hon'ble High Court has granted the interim relief and disposed the writ petition with a direction to Company to seek remedy under the provisions of Arbitration law.

The matter was contested in arbitration before Arbitral Tribunal and arbitration award was pronounced in favour of the Company on December 27, 2018, mentioning that the income earned by way of SFIS Scrip does not fall under the definition of Revenue as per OMDA as it is not related with any Aeronautical or Non-Aeronautical activities and it is of the nature of capital receipt. Accordingly, no annual fee is payable to AAI by the Company on SFIS revenue and demand of AAI for annual fee stands rejected. However, AAI has filed an appeal challenging the order of Arbitral Tribunal before the High Court of Delhi on April 25, 2019 for setting aside the arbitration award dated December 27, 2018. The matter is now listed on March 07, 2024 for arguments.

- e) The Director General of Central Excise Intelligence, New Delhi had issued a Show Cause Notice F. NO. 574/CE/41/2014/Inv./PT.II/11327 dated October 10, 2014 on the Company, proposing a demand of service tax of Rs. 59.91 crores (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 as referred to above with appropriate authority on April 17, 2015. Subsequently, Additional Director General (Adj.), Directorate General Central Excise Intelligence (DGCEI) has passed Order No. 10/2016-ST dated May 02, 2016 confirming demand of service tax of Rs. 54.31 crores and imposed equivalent penalty. However, based on an internal assessment 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 ADC amount 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. The matter was concluded and decided vide order dated February 8, 2019 in favour of DIAL setting aside the order of the DG (Adj.) raising a demand of service tax of Rs. 54.31 crores.

The department has filed SLP before Supreme Court, against the Order dated February 8, 2019 passed in favour of DIAL. DIAL has filed counter affidavit on September 9, 2020 and the matter is yet to heard.



Accordingly, the amount of Rs. 54.31 crores has been disclosed as contingent liability as at September 30, 2023. Further, the management of the Company is of the view that no adjustments are required to be made to these financial statements.

- f) In certain matters before Hon'ble Delhi High Court or Hon'ble Supreme Court yet to be decided, wherein DIAL has been made respondent and the petitions filed by the UOI, others/concessionaires which are relating to the applicability of service tax (under pre-GST regime) on services provided by DIAL and the issues under consideration are related to licensing of space in Airport, Service tax on supply of electricity, running of duty free shops to be regarded as Airport Services. DIAL initially charged service tax against the services provided, however levy and the applicability was contested by the such parties and accordingly they filed petitions before judicial authorities making DIAL as a party/respondent in the matters. The management is of the view that these matters will not result in any additional obligation on DIAL in case of adverse decisions and in case of any demand or liability arising on account of adjudication of the issues, the same are recoverable from the service recipients.
- g) The Company issued various communications to Airports Authority of India ("AAI") from the month of March 2020 onwards inter-alia under Article 16 (Force Majeure) and informed AAI that consequent to the outbreak of Covid-19 pandemic, the entire aviation industry, particularly the Indira Gandhi International ("IGI") Airport has been adversely affected. It was specifically communicated that the said crisis has materially and adversely affected the business of the Company which in turn has directly impacted the performance of the Company's obligations under the Operations Management and Development Agreement ("OMDA") (including obligation to pay Annual Fee/Monthly Annual Fee) while the Company is continuing to perform its obligation to operate, maintain and manage the IGI Airport. The Company thereby invoked Force Majeure post outbreak of COVID-19 "A Pandemic" as provided under Article 16 of OMDA and claimed that it would not be in a position to perform its obligation to prepare Business Plan and pay Annual Fee/ Monthly Annual fee to AAI. The said event(s) of Force Majeure had also been admitted by AAI in its communication to the Company. Consequently, the Company is entitled to suspend or excuse the performance of its said obligations to pay Annual Fee/Monthly Annual Fee as notified to AAI. However, AAI has not agreed to such entitlement of the Company under OMDA. This has resulted in dispute between the Company and AAI and for the settlement of which, the Company has invoked on September 18, 2020 dispute resolution mechanism in terms of Article 15 of OMDA. Further, on December 02, 2020, the Company again requested AAI to direct the ICICI Bank (Escrow Bank) to not to transfer the amounts from Proceeds Accounts to AAI Fee Account, seeking similar treatment as granted by Hon'ble High Court of Delhi to Mumbai International Airport Ltd.

In the absence of response from AAI, the Company approached Hon'ble High Court of Delhi seeking certain interim reliefs by filing a petition under section 9 of Arbitration & Conciliation Act on December 5, 2020 due to the occurrence of Force Majeure event post outbreak of COVID 19 and its consequential impact on business of the Company, against AAI and ICICI Bank. The Hon'ble High Court of Delhi vide its order dated January 5, 2021 has granted ad-interim reliefs with following directions:

- The ICICI Bank is directed to transfer back, into the Proceeds Account, any amount which may have been transferred from the Proceeds Account to the AAI Fee Account, after December 9, 2020,
- Transfer of moneys from the Proceeds Account to the AAI Fee Account, pending further orders, shall stand stayed and the Company can use money in Proceeds Account to meet its operational expenses.

Meanwhile with the nomination of arbitrators by the Company and AAI and appointment of presiding arbitrator, the arbitration tribunal had commenced from January 13, 2021. The final arguments before arbitration tribunal were closed in February and March 2023 and final order of Arbitration Tribunal is awaited.



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees crore, unless otherwise stated)

Before the Company's above referred Section 9 petition could be finally disposed off, AAI preferred an appeal against the ad-interim order dated January 5, 2021 under section 37 of the Arbitration and Conciliation Act, 1996 before division bench of Hon'ble High Court of Delhi, which is listed for consideration and arguments.

In compliance with the ad-interim order dated January 5, 2021, AAI had not issued any certificate or instructions to the Escrow Bank from December 09, 2020 onwards regarding the amount of AAI Fee payable by the Company to AAI, as contemplated under the Escrow Agreement and the OMDA. Resultantly both pursuant to the ad-interim order of Hon'ble High Court of Delhi and in the absence of any certificate or instruction from AAI, the Escrow Bank has not transferred any amount pertaining to AAI Fee from Proceeds Account to AAI Fee Account of the Escrow Account from December 09, 2020 onwards.

Basis the legal opinion obtained, the Company is entitled to not to pay the Monthly Annual fee under article 11.1.2 of OMDA to AAI being an obligation it is not in a position to perform or render on account of occurrence of Force Majeure Event, in terms of the provisions of Article 16.1 of OMDA till such time the Company achieves level of activity prevailing before occurrence of Force majeure. Further, the Company had also sought relief for refund of MAF of an amount of Rs. 465.77 crores appropriated by AAI for the period starting from March 19, 2020 till December 2020.

In view of the above, the management of the Company had not provided the Monthly Annual Fee to AAI for the period April 1, 2020 to March 31, 2022 amounting to Rs. 1,758.28 crores.

As AAI had already appropriated the Monthly Annual Fee amounting to Rs. 446.21 crores from April 01, 2020 till December 09, 2020, which the Company had already protested. Accordingly, the same had been shown as Advance to AAI paid under protest. However, since the recovery of this amount is sub-judice before the Hon'ble High Court of Delhi and the arbitral tribunal, as a matter of prudence, the Company had created a provision against above advance and shown the same in other expenses during the financial year ended March 31, 2021.

As an interim arrangement the Parties (the Company and AAI) by mutual consent and without prejudice to their rights and contentions in the dispute before the arbitral tribunal, have entered into a settlement agreement dated April 25, 2022, for the payment of Annual Fee/ Monthly Annual Fee (AF/ MAF) with effect from April 2022, prospectively. Accordingly, the Company is paying the MAF to AAI w.e.f. April 1, 2022 onwards as per approved Business Plan.

Consequent to this interim arrangement, both the Company and AAI had filed copy of the settlement agreement in their respective petition and appeal before Hon'ble High Court of Delhi and have withdrawn the pending proceedings. This arrangement is entirely without prejudice to the rights and contentions of the parties in respect of their respective claims and counter claims in the pending arbitration proceedings, including the disputes in respect of payment/non-payment of MAF from March 19, 2020 onwards, till such time as provided in Article 16.1.5 (c) of OMDA.

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

The Company is of the view that the Scrips received under SEIS are in nature of Government Grant and is similar to the Scrips received earlier under Served from India Scheme (SFIS) of Foreign Trade Policy 2010-15. Hence, in view of the Arbitral Order dated December 27, 2018 in case of SFIS Scrip, the Income from SEIS Scrip is out of the purview of revenue definition as per OMDA. Accordingly, management believes that, no Annual Fee is payable as per the provisions of OMDA, and has not been provided in these financial statements.



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees crore, unless otherwise stated)

However, Revenue Auditor appointed by AAI have considered the same as Revenue under OMDA and accordingly, AAI has asked the Company to pay revenue share on this revenue and withheld the amount of Rs. 43.21 crores from excess MAF payment in FY 2019-20.

The Company had shown the aforementioned amount of Rs. 43.21 crores as part of advances recoverable from AAI during the financial year ended March 31, 2022. Though the Company had been following up continuously with AAI for adjustment/ refund of the said advances, however, despite several follow up AAI had not refunded/ adjusted the same in past 2 years.

Consequently, pending the settlement of High Court on similar matter related to SFIS scrips (on which arbitration award was in DIAL's favour), and considering the delay and non-action on part of AAI to refund the said amount, as a matter of prudence, the Company had provided for the entire amount of Rs. 43.21 crores in the Standalone Unaudited Condensed Interim Statement of Profit and Loss as Provision against Advance recoverable from AAI during financial year ended March 31, 2022.

- i) The GST department has issued Show Cause Notice (SCN) u/s 73 of the CGST Act, 2017, with reference number ZD0709230249437 dated September 23, 2023, for the tax period July 2017 to March 2018 alleging the tax demand amounting Rs. 57.75 crore pertaining to goods and services tax with an equal amount of interest. The demand has been raised in relation to (1) short payment of tax on output tax liability (2) excess ITC claimed basis reconciliation with table 8A of GSTR-9 (3) non-reversal of ITC under rule 42 and (4) claim of ineligible credit blocked under section 17(5) etc. The demand raised is system driven without looking into the actual facts of each point raised. SCN does not contain any invoice wise detail while alleging the wrong claim of ITC or short payment of output tax. The SCN also carries various irregularities such as it has been issued without signature, no prior intimation regarding the issuance of the SCN has been provided neither through electronic means (i.e., email/ SMS) nor through physical correspondence and prescribed limit to issue SCN by a proper authorised officer seems to have not been followed. Basis the above, the Company is of view that SCN is vague and will not sustain.

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

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

III. Capital and Other Commitments:

(a) Capital Commitments:

The Company has estimated amount of contracts remaining to be executed on capital account not provided for Rs. 1,180.28 crores (excluding GST) [net of advances of Rs. 366.36 crores (excluding GST)] at September 30, 2023 and Rs. 1,575.75 crores (excluding GST) [net of advances of Rs. 475.49 crores (excluding GST)] at March 31, 2023.

(b) Other Commitments:

- i. As per the terms of OMDA, the Company is required to pay annual fee 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.



Delhi International Airport Limited**CIN. U63033DL2006PLC146936****Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023****(All amounts in Rupees crore, unless otherwise stated)**

- iii. In respect of its equity investment in East Delhi Waste Processing Company Private Limited, the Company along with SELCO International Limited has to maintain minimum 51% shareholding for a period of 2 years from the commissioning of the project and thereafter minimum 26% shareholding for next 10 years. The project has been commissioned with effect from April 28, 2017.
- iv. During previous years, the Company had entered into "Call spread Option" with various banks for hedging the repayment of 6.125% Senior secured notes (2026) of USD 522.60 million and 6.45% Senior secured notes (2029) for USD 500 million which are repayable in October 2026 and June 2029 respectively.

The terms of above agreements is as below:

Option Value (in USD Mn)	Period		Call spread range (INR/USD)	Total Premium Payable	Premium paid/ adjusted till September 30, 2023	Premium outstanding as at	
	From	To				September 30, 2023	March 31, 2023
522.60	December 6, 2016	October 22, 2026	66.85 - 101.86	1,241.30	832.64	408.66	471.38
350.00	June 24, 2019	May 30, 2029	69.25-102.25	742.79	310.43	432.36	469.62
150.00	February 27, 2020	May 30, 2029	71.75-102.25	307.17	115.98	191.19	207.66

During the previous years, the Company has entered into "Call spread Option" with bank for hedging the payment of interest liability on 6.125% Senior secured notes (2026) for USD 522.60 million borrowings.

During the previous years, the Company has entered into "Coupon only hedge" with bank for hedging the payment of interest liability on 6.45% Senior secured notes (2029) for USD 150 million borrowings.

With respect to Joint ventures and associates:

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

Company Name	As at September 30, 2023		As at March 31, 2023	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Delhi Airport Parking Services Private Limited	36,648,000	366,480,000	36,648,000	366,480,000
Travel Food Services (Delhi Terminal 3) Private Limited	1,568,000	15,680,000	1,680,000	16,800,000

- vi. 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.
- vii. In respect of its equity investment in GMR Bajoli Holi Hydropower Private Limited ('Bajoli Holi'), the Company has to maintain minimum 17.33% of equity shareholding until the expiry of or early termination of power purchase agreement dated September 11, 2017 entered between the Company and the Bajoli Holi Hydropower Private Limited, expiring on May 03, 2036. The Company had invested Rs. 108.33 crores as equity share capital. Due to inordinate delay in commencement of operation in Bajoli Holi and basis the valuation report of the external valuer as at March 31, 2023, the Company had created a provision for impairment in its investment in Bajoli Holi for Rs. 33.37 crores in the financial year ended March 31, 2022 and Rs. 5.16 crores in the financial year ended March 31, 2023.



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees crore, unless otherwise stated)

- viii. The Company had invested in DIGI Yatra Foundation (DYF), a Special Purpose Vehicle (SPV) formed as central platform for identity management of passengers, as Joint Venture (JV) of Private Airport Operators and Airports Authority of India (AAI) as Section 8 Company (Not for Profit Organization) under the provisions of the Companies Act, 2013. Further, it had been decided by AAI that initially AAI, Delhi International Airport Limited (DIAL) and Bangalore International Airport Limited (BIAL) will form this company with the shareholding ratio of 26:37:37 respectively. Currently, DIGI Yatra foundation is having paid up share capital of Rs. 10,000 and DIAL has invested Rs. 1,480 only (March 31, 2023: Rs. 1,480). Currently, 26% shareholding of Digi Yatra Foundation is held by AAI and remaining 74% shareholding is equally divided amongst the Private Airport Operators viz. BIAL, Cochin International Airport Limited (CIAL), DIAL, GMR Hyderabad International Airport Limited (GHIAL), Mumbai International Airport Limited (MIAL) i.e. 14.80% each.
- ix. The Company had given a loan of Rs. 1 crore to Digi Yatra Foundation for the purpose of fulfilment of its day to day working expenses on September 29, 2023 pursuant to Loan Agreement dated August 17, 2023. The maturity date of the loan is one year from the drawdown date and will be payable in single tranche. The annual interest rate of 10.85% per annum is payable annually to the Company by Digi Yatra Foundation.



(The space has been intentionally left blank)



6. Related Party Transactions

a) Names of related parties and description of relationship:

Description of relationship	Name of the related parties
Ultimate Holding Company (Group)	GMR Enterprises Private Limited
Intermediate Holding Company	GMR Airports Infrastructure Limited ⁵
Holding Company	GMR Airports Limited
Subsidiary company	Delhi Aerotropolis Private Limited ¹
Associates	Delhi Airport Parking Services Private Limited
	Travel Food Services (Delhi Terminal 3) Private Limited
	Celebi Delhi Cargo Terminal Management India Private Limited
	TIM Delhi Airport Advertising Private Limited
Fellow subsidiaries (including subsidiary companies of the ultimate/Intermediate holding company)	GMR Hyderabad International Airport Limited
	GMR Airport Developers Limited
	GMR Consulting services Private Limited
	GMR Aviation Private Limited
	Raxa Security Services Limited
	GMR Pochanpalli Expressways Limited
	GMR Highways Limited ⁶
	GMR Energy Trading Limited
	GMR Goa International Airport Limited
	GMR Air Cargo and Aerospace Engineering (Formerly known as GMR Aero Technic Limited) ³
	GMR Hospitality & Retail Limited
	GMR Power and Urban Infra Limited
Fellow associates (including associate companies of the ultimate/Intermediate holding company)	GMR Green Energy Limited
	GMR Tenaga Operations and Maintenance Private Limited
Joint ventures	Delhi Aviation Services Private Limited
	Delhi Aviation Fuel Facility Private Limited
	Delhi Duty Free Services Private Limited
	GMR Bajoli Holi Hydropower Private Limited ⁴
Enterprises in respect of which the company is a joint venture	Airports Authority of India
	DIGI Yatra Foundation
Joint Ventures of member of a Group of which DIAL is a member	Fraport AG Frankfurt Airport Services Worldwide
	GMR Megawide Cebu Airport Corporation
	GMR Kamalanga Energy Limited
	GMR Warora Energy Limited
	GMR Vemagiri Power Generation Limited
Enterprises where significant influence of Key Management Personnel or their relatives exists	GMR Varalaksmi Foundation
Key Management Personnel	Mr. G.M. Rao – Executive Chairman
	Mr. G.B.S. Raju- Managing Director
	Mr. Srinivas Bommidala – Non Executive Director
	Mr. Grandhi Kiran Kumar – Non Executive Director
	Mr. K. Narayana Rao - Whole Time Director
	Mr. Indana Prabhakara Rao- Executive Director
	Mr.Philipee Pascal - Non Executive Director
	Mr. Regis Lacote - Non Executive Director
	Ms. Denitza Weismantel- Non Executive Director
	Mr.Matthias Engler - Alternate Director to Ms. Denitza Weismantel
	Mr. Subba Rao Amarthaluru - Independent Director
	Dr. Emandi Sankara Rao- Independent Director
	Ms.Bijal Tushar Ajinkya - Independent Director (wef. September 06, 2022)
	Ms. Siva Kameswari Vissa - Independent Director (till September 05, 2022)
	Dr. Mundayat Ramachandran - Independent Director
	Ms. Vidya Vaidyanathan - Additional Director (AAI Nominee) (wef. November 14, 2022)
	Ms. Rubina Ali - Non Executive Director (AAI Nominee)
	Mr. Anil Kumar Pathak - Non Executive Director (AAI Nominee) (till September 30, 2023)
	Mr. K. Vinayak Rao - Non Executive Director (AAI Nominee) (wef. June 28, 2021 to October 31, 2022)
	Dr. Srinivas Hanumankar - Non Executive Director (AAI Nominee) (wef. October 01, 2023)
	Mr. Videh Kumar Jaipuria - Chief Executive Officer
	Mr.Hari Nagrani - Chief Financial Officer
	Mr.Abhishek Chawla - Company Secretary



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees Crore, except otherwise stated)

1. The Company had approved to strike off its investment in the Subsidiary Company in its board meeting dated February 11, 2020. Pursuant to this, the Board of Directors of DAPL, in its meeting held on June 05, 2020 had approved the filing of application with the Registrar of Companies (ROC) for strike off. The application had been filed with the ROC on August 11, 2020 and the approval for striking off and dissolution was received on December 09, 2021. DAPL was now struck-off and dissolved.

2. The Company had invested in DIGI Yatra foundation, a Special Purpose Vehicle (SPV) formed as central platform for identity management of passengers, as Joint Venture (JV) of Private Airport Operators and Airports Authority of India (AAI) as Section 8 Company (Not for Profit Organization) under the provisions of the Companies Act, 2013. Further, it had been decided by AAI that initially AAI, Delhi International Airport Limited (DIAL) and Bangalore International Airport Limited (BIAL) will form this company with the shareholding ratio of 26:37:37 respectively. Currently, DIGI Yatra foundation is having paid up share capital of Rs. 10,000 and DIAL has invested Rs. 1,480 only (March 31, 2023: Rs. 1,480). Currently, 26% shareholding of Digi Yatra Foundation will be held by AAI and remaining 74% shareholding will be equally divided amongst the Private Airport Operators viz. BIAL, Cochin International Airport Limited (CIAL), DIAL, GMR Hyderabad International Airport Limited (GHIAL), Mumbai International Airport Limited (MIAL) i.e. 14.8% each.

During the previous year ended March 31, 2023, DIAL has transferred 74 equity shares (i.e. 7.4% equity in DYF) to Mumbai International Airport Limited (MIAL) on June 14, 2022.

3. GMR Aero Technic Limited has demerged the Maintenance, Repair and Overhaul (MRO) division and merged into GMR Air Cargo and Aerospace Engineering Limited. Therefore, the MRO business is now operated under the new name "GMR Air cargo and Aerospace Engineering Limited".

4. Due to inordinate delay in commencement of operation in GMR Bajoli Holi Hydropower Private Limited and basis the valuation report of the external valuer as at March 31, 2023, the Company has created a provision for impairment in its investment in GMR Bajoli Holi Private Limited for Rs. 38.53 crores in previous year ended March 31, 2023.

5. Change in the Name of "GMR Airports Infrastructure Limited" from "GMR Infrastructure Limited" with effect from September 15, 2022.

6. The composite scheme of amalgamation and arrangement for amalgamation of GMR Tuni-Anakapalli Expressways Limited (GTAE) and GMR Tambaram Tindivanam Expressways Limited (GTTEL) with GMR Highways Limited was approved by the Hon'ble National Company Law Tribunal, Mumbai bench vide its order dated August 03, 2022 with Appointed date of April 01, 2019. The said Tribunal order was filed with the Registrar of Companies by the Company, GTAE and GTTEL on August 11, 2022 thereby the Scheme becoming effective on that date.

(This space has been intentionally left blank)



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees Crore, except otherwise stated)

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

Balances as at Date	September 30, 2023	March 31, 2023
Investments in subsidiary, associates and Joint Ventures		
Investments in Unquoted Equity Share		
Associates		
Celebi Delhi Cargo Terminal Management India Private Limited	29.12	29.12
Travel Food services (Delhi Terminal 3) Private Limited	5.60	5.60
TIM Delhi Airport Advertising Private Limited	9.22	9.22
Delhi Airport Parking Services Private Limited	40.64	40.64
Joint Ventures		
Delhi Aviation Services Private Limited	12.50	12.50
Delhi Duty Free Services Private Limited	39.92	39.92
Delhi Aviation Fuel Facility Private Limited	42.64	42.64
GMR Bajoli Holi Hydropower Private Limited	108.33	108.33
Provision for diminution in value of Non-Current Investments		
Joint Ventures		
GMR Bajoli Holi Hydropower Private Limited	38.53	38.53
Trade Receivables (including marketing fund)		
Intermediate Holding Company		
GMR Airports Infrastructure Limited	0.32	1.20
Holding Company		
GMR Airports Limited	0.01	0.10
Associates		
TIM Delhi Airport Advertising Private Limited	0.67	0.65
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Aviation Private Limited	0.02	0.19
GMR Air Cargo and Aerospace Engineering (Formerly known as GMR Aero Technic Limited)	0.10	0.14
GMR Highways Limited	1.14	1.14
GMR Energy Trading Limited	0.34	0.78
GMR Pochanpalli Expressways Limited	3.29	2.84
GMR Airport Developers Limited	1.03	0.02
Raxa Security Services Limited	0.41	0.26
GMR Consulting services Private Limited	0.01	0.01
GMR Power and Urban Infra Limited	3.64	2.77
GMR Green Energy Limited	0.03	0.03
Fellow associates (including associate companies of the ultimate/ Intermediate holding company)		
GMR Tenaga Operations And Maintenance Private Limited	0.03	0.01
Joint Ventures		
GMR Bajoli Holi Hydropower Private Limited	0.17	0.14
Joint Venture of Member of a Group of which DIAL is a Member		
GMR Warora Energy Limited	4.39	4.38
GMR Vemagiri Power Generation Limited	2.83	2.83
GMR Kamalanga Energy Limited	4.18	4.14
GMR Megawide Cebu Airport Corporation	0.07	0.07
Other Financial Assets-Current		
Unbilled receivables-Current		
Associates		
Delhi Airport Parking Services Private Limited	7.94	7.91
TIM Delhi Airport Advertising Private Limited	31.45	29.53
Celebi Delhi Cargo Terminal Management India Private Limited	22.21	17.98
Travel Food Services (Delhi Terminal 3) Private Limited	1.73	2.70
Joint Ventures		
Delhi Duty Free Services Private Limited	15.01	12.92



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

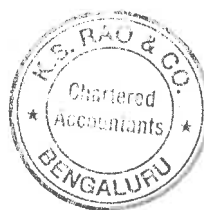
Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees Crore, except otherwise stated)

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

Balances as at Date	September 30, 2023	March 31, 2023
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate Holding Company)</u>		
GMR Aviation Private Limited	0.03	0.01
GMR Air Cargo and Aerospace Engineering (Formerly known as GMR Aero Technic Limited)	0.08	0.06
GMR Energy Trading Limited	0.01	0.01
GMR Airport Developers Limited	2.42	1.86
<u>Joint Venture of Member of a Group of which DIAL is a Member</u>		
GMR Kamalanga Energy Limited	0.04	-
<u>Enterprises in respect of which the company is a joint venture</u>		
Airports Authority of India	1.32	1.01
<u>Other recoverable from related parties</u>		
Delhi Duty Free Services Private Limited	0.05	0.09
<u>Associates</u>		
Delhi Airport Parking Services Private Limited	0.03	0.05
Celebi Delhi Cargo Terminal Management India Private Limited	0.06	0.11
TIM Delhi Airport Advertising Private Limited	-	0.11
<u>Enterprises in respect of which the company is a joint venture</u>		
Airports Authority of India	489.42	489.42
DIGI Yatra Foundation	1.00	0.17
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate Holding Company)</u>		
GMR Goa International Airport Limited	-	0.27
GMR Aviation Private Limited	0.01	-
GMR INFRASTRUCTURE LIMITED -SIL JV	0.00	-
<u>Enterprises where significant influence of key Management personnel or their relative exists</u>		
GMR Varalakshmi Foundation	1.50	-
<u>Advances recoverable in cash or kind</u>		
<u>Intermediate Holding Company</u>		
GMR Airports Infrastructure Limited	-	2.22
<u>Joint Ventures</u>		
GMR Bajoli Holi Hydropower Private Limited	33.97	62.31
<u>Provision against advance to AAI paid under protest</u>		
<u>Enterprises in respect of which the Company is a joint venture</u>		
Airports Authority of India	489.42	489.42
<u>Other Financial Assets - Current</u>		
<u>Non- Trade Receivables (including marketing fund)</u>		
<u>Intermediate Holding Company</u>		
GMR Airports Infrastructure Limited	-	0.02
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate Holding Company)</u>		
GMR Energy Trading Limited	0.02	0.08
Raxa Security Services Limited	0.01	-
GMR Airport Developers Limited	89.50	84.50
<u>Joint Venture of Member of a Group of which DIAL is a Member</u>		
GMR Warora Energy Limited	0.46	0.46
GMR Kamalanga Energy Limited	0.42	0.37
GMR Vemagiri Power Generation Limited	0.57	0.57
<u>Associates</u>		
Celebi Delhi Cargo Terminal Management India Private Limited	-	28.55
<u>Enterprises in respect of which the company is a joint venture</u>		
Airports Authority of India	18.92	13.23

(This space has been intentionally left blank)



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees Crore, except otherwise stated)

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

Balances as at Date	September 30, 2023	March 31, 2023
<u>Trade payable (including marketing fund)-Current</u>		
<u>Intermediate holding company</u>		
GMR Airports Infrastructure Limited	3.20	-
<u>Holding Company</u>		
GMR Airports Limited	40.49	37.80
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate Holding Company)</u>		
Raxa Security Services Limited	5.61	2.09
GMR Energy Trading Limited	0.10	0.10
GMR Airport Developers Limited	1.83	1.59
GMR Warora Energy Limited	0.05	-
GEOKNO India Private Limited	-	0.01
GMR Hospitality & Retail Limited	-	0.02
GMR Power and Urban Infra limited	0.02	0.02
<u>Enterprises in respect of which the company is a joint venture</u>		
Airports Authority of India	38.45	107.53
Fraport AG Frankfurt Airport Services Worldwide	56.88	35.35
<u>Other Financial Liabilities - Non Current</u>		
<u>Enterprises in respect of which the company is a joint venture</u>		
Airports Authority of India	726.61	663.57
<u>Other Financial Liabilities at amortised cost- Current</u>		
<u>Security Deposits from trade concessionaires - current</u>		
<u>Holding Company</u>		
GMR Airports Limited	0.01	0.01
<u>Associates</u>		
Celebi Delhi Cargo Terminal Management India Private Limited	0.01	0.01
TIM Delhi Airport Advertising Private Limited	1.40	0.87
Travel Food Services (Delhi Terminal 3) Private Limited	0.44	0.46
<u>Joint Ventures</u>		
Delhi Duty Free Services Private Limited	1.62	1.50
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate Holding Company)</u>		
GMR Aviation Private Limited	0.11	0.11
GMR Air Cargo and Aerospace Engineering (Formerly known as GMR Aero Technic Limited)	0.08	0.32
<u>Other Financial Liabilities at amortised cost- Non Current</u>		
<u>Security Deposits from trade concessionaires - non current</u>		
<u>Intermediate holding company</u>		
GMR Airports Infrastructure Limited	0.22	-
<u>Joint Ventures</u>		
Delhi Aviation Fuel Facility Private Limited	20.61	19.28
Delhi Duty Free Services Private Limited	216.48	204.32
<u>Associates</u>		
Celebi Delhi Cargo Terminal Management India Private Limited	59.18	55.97
Delhi Airport Parking Services Private Limited	0.77	0.73
TIM Delhi Airport Advertising Private Limited	15.59	14.71
Travel Food Services (Delhi Terminal 3) Private Limited	5.72	5.40
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate Holding Company)</u>		
GMR Airport Developers Limited	1.21	1.08
GMR Air Cargo and Aerospace Engineering (Formerly known as GMR Aero Technic Limited)	0.32	-

(This space has been intentionally left blank)



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees Crore, except otherwise stated)

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

Balances as at Date	September 30, 2023	March 31, 2023
Unearned Revenue - Current		
Current		
Associates		
TIM Delhi Airport Advertising Private Limited	0.22	0.19
Travel Food Services (Delhi Terminal 3) Private Limited	0.80	0.53
Celebi Delhi Cargo Terminal Management India Private Limited	23.44	0.31
Joint Ventures		
Delhi Duty Free Services Private Limited	0.13	0.15
Delhi Aviation Fuel Facility Private Limited	14.22	-
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate Holding Company)		
GMR Power and Urban Infra Limited	-	0.01
GMR Pochanpalli Expressways Limited	-	0.01
Unearned Revenue - Non-Current		
Non-Current		
Associates		
Celebi Delhi Cargo Terminal Management India Private Limited	-	0.17
TIM Delhi Airport Advertising Private Limited	0.04	0.04
Travel Food Services (Delhi Terminal 3) Private Limited	0.08	0.07
Joint Ventures		
Delhi Duty Free Services Private Limited	0.01	0.01
GMR Pochanpalli Expressways Limited	-	0.01
Deferred Revenue		
Deferred Income on financial liabilities carried at amortised cost - Current		
Associates		
Delhi Airport Parking Services Private Limited	0.11	0.11
Celebi Delhi Cargo Terminal Management India Private Limited	8.68	8.68
TIM Delhi Airport Advertising Private Limited	1.60	1.56
Travel Food Services (Delhi Terminal 3) Private Limited	0.59	0.57
Joint Ventures		
Delhi Aviation Fuel Facility Private Limited	0.98	0.98
Delhi Duty Free Services Private Limited	6.48	13.69
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate Holding Company)		
GMR Air Cargo and Aerospace Engineering (Formerly known as GMR Aero Technic Limited)	0.04	0.01
GMR Airport Developers Limited	0.24	0.24
Intermediate Holding Company		
GMR Airports Infrastructure Limited	0.03	-
Deferred Revenue		
Deferred Income on financial liabilities carried at amortised cost - Non-Current		
Associates		
Delhi Airport Parking Services Private Limited	1.23	1.29
Celebi Delhi Cargo Terminal Management India Private Limited	89.56	93.97
TIM Delhi Airport Advertising Private Limited	9.24	10.02
Travel Food Services (Delhi Terminal 3) Private Limited	0.83	1.11
Joint Ventures		
Delhi Aviation Fuel Facility Private Limited	8.73	9.23
Delhi Duty Free Services Private Limited	5.45	5.16
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate Holding Company)		
GMR Airport Developers Limited	-	2.92
GMR Air Cargo and Aerospace Engineering (Formerly known as GMR Aero Technic Limited)	0.15	-
GMR Pochanpalli Expressways Limited	2.86	-
Intermediate Holding Company		
GMR Airports Infrastructure Limited	0.10	-

(This space has been intentionally left blank)



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees Crore, except otherwise stated)

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

Balances as at Date	September 30, 2023	March 31, 2023
Other Liabilities		
Current		
Joint Venture		
TIM Delhi Airport Advertising Private Limited	0.10	0.09
Other Current Liabilities		
Capital creditors		
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
Raxa Security Services Limited	-	0.06
Other Liabilities- Current		
Advance From Customers- Current		
Associates		
Travel Food Services (Delhi Terminal 3) Private Limited	0.33	0.02
Celebi Delhi Cargo Terminal Management India Private Limited	0.43	-
Delhi Airport Parking Services Private Limited	0.05	-
Joint Ventures		
Delhi Duty Free Services Private Limited	0.09	-
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
Raxa Security Services Limited	0.25	0.25

Note: Balances below Rs. 50,000 have not been reported in the above disclosure due to rounding off procedures.

(This space has been intentionally left blank)



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees Crore, except otherwise stated)

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

Transactions during the period	September 30, 2023	September 30, 2022
<u>Security Deposits from trade concessionaires</u>		
<u>Security Deposits Received</u>		
<u>Intermediate holding company</u>		
GMR Airports Infrastructure Limited	0.36	-
<u>Associates</u>		
Celebi Delhi Cargo Terminal Management India Private Limited	-	19.00
TIM Delhi Airport Advertising Private Limited	0.57	0.07
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate Holding Company)</u>		
GMR Airport Developers Limited	0.12	-
GMR Air Cargo and Aerospace Engineering (Formerly known as GMR Aero Technic Limited)	0.26	-
<u>Joint Ventures</u>		
Delhi Duty Free Services Private Limited	0.11	1.43
<u>Security Deposits from trade concessionaires</u>		
<u>Security Deposits Refunded</u>		
<u>Joint Ventures</u>		
Delhi Aviation Fuel Facility Private Limited	-	87.46
Delhi Aviation Services Private Limited	-	15.17
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate Holding Company)</u>		
GMR Airport Developers Limited	-	0.25
<u>Intercompany loan given</u>		
<u>Enterprises in respect of which the company is a joint venture</u>		
DIGI Yatra Foundation	1.00	-
<u>Marketing Fund Billed</u>		
<u>Associates</u>		
Travel Food Services (Delhi Terminal 3) Private Limited	1.40	0.84
<u>Joint Ventures</u>		
Delhi Duty Free Services Private Limited	10.20	6.95
<u>Marketing Fund Utilised</u>		
<u>Associates</u>		
TIM Delhi Airport Advertising Private Limited	0.20	0.33
Travel Food Services (Delhi Terminal 3) Private Limited	0.02	-
<u>Capital Work in Progress</u>		
<u>Associates</u>		
Travel Food Services (Delhi Terminal 3) Private Limited	0.02	0.01
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate Holding Company)</u>		
GMR Airport Developers Limited	5.85	5.07
Raxa Security Services Limited	0.36	0.33
<u>Non-aeronautical revenue</u>		
<u>Intermediate Holding Company</u>		
GMR Airports Infrastructure Limited	0.27	0.37
<u>Holding Company</u>		
GMR Airports Limited	0.83	0.77
<u>Joint Venture</u>		
Delhi Aviation Fuel Facility Private Limited	19.34	19.38
Delhi Aviation Services Private Limited	-	0.39
Delhi Duty Free Services Private Limited	285.05	217.74
<u>Associates</u>		
TIM Delhi Airport Advertising Private Limited	97.69	68.84
Celebi Delhi Cargo Terminal Management India Private Limited	160.41	134.84
Travel Food Services (Delhi Terminal 3) Private Limited	27.68	20.61
Delhi Airport Parking Services Private Limited	43.47	30.90



(This space has been intentionally left blank)



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

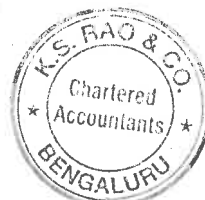
Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees Crore, except otherwise stated)

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

Transactions during the period	September 30, 2023	September 30, 2022
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate Holding Company)</u>		
GMR Aviation Private Limited	0.05	0.04
GMR Energy Trading Limited	1.29	1.21
GMR Green Energy Limited	0.03	-
GMR Air Cargo and Aerospace Engineering (Formerly known as GMR Aero Technic Limited)	0.87	0.58
GMR Pochanpalli Expressways Limited	0.56	0.62
Raxa Security Services Limited	0.24	0.22
GMR Airport Developers Limited	5.17	4.29
GMR Power And Urban Infra Limited	1.09	1.13
<u>Fellow associates (including associate companies of the ultimate/ Intermediate holding company)</u>		
GMR Tenaga Operations and Maintenance Private Limited	0.02	-
<u>Joint Venture of Member of a Group of which DIAL is a Member</u>		
GMR Kamalanga Energy Limited	1.31	1.21
<u>Aeronautical Revenue</u>		
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate Holding Company)</u>		
GMR Aviation Private Limited	0.03	0.02
<u>Other Income</u>		
<u>Dividend Income on Non-current Investments</u>		
<u>Joint Ventures</u>		
Delhi Aviation Fuel Facility Private Limited	4.18	1.81
Delhi Duty Free Services Private Limited	55.89	29.94
Celebi Delhi Cargo Terminal Management India Private Limited	14.56	-
<u>Profit on relinquishment of assets rights</u>		
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
GMR Airport Developers Limited	-	59.57
<u>Discounting income</u>		
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
GMR Airport Developers Limited	3.51	3.17
<u>Non-aeronautical - Income on Security Deposits</u>		
<u>Associates</u>		
Delhi Airport Parking Services Private Limited	0.06	0.06
TIM Delhi Airport Advertising Private Limited	0.84	0.82
Celebi Delhi Cargo Terminal Management India Private Limited	4.41	4.33
Travel Food Services (Delhi Terminal 3) Private Limited	0.31	0.31
<u>Joint Ventures</u>		
Delhi Aviation Fuel Facility Private Limited	0.50	1.35
Delhi Duty Free Services Private Limited	7.03	6.93
Delhi Aviation Services Private Limited	-	0.42
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
GMR Air Cargo and Aerospace Engineering (Formerly known as GMR Aero Technic Limited)	0.02	0.01
GMR Airport Developers Limited	0.15	0.21
<u>Other Revenue</u>		
<u>Interest Income-Others</u>		
<u>Associates</u>		
Celebi Delhi Cargo Terminal Management India Private Limited	0.05	-
<u>Joint Ventures</u>		
Delhi Aviation Fuel Facility Private Limited	0.00	-
Delhi Aviation Services Private Limited	-	0.04

(This space has been intentionally left blank)



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees Crore, except otherwise stated)

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

Transactions during the period	September 30, 2023	September 30, 2022
Key managerial Remuneration paid/payable		
Short-term employee benefits*		
Managerial Remuneration	11.44	9.48
Annual Fee		
Enterprises in respect of which the Company is a joint venture		
Airports Authority of India	1,087.46	850.21
Finance Cost- Interest expense on financial liability carried at amortised cost		
Associates		
Delhi Airport Parking Services Private Limited	0.04	0.04
TIM Delhi Airport Advertising Private Limited	0.94	0.82
Celebi Delhi Cargo Terminal Management India Private Limited	3.21	2.83
Travel Food Services (Delhi Terminal 3) Private Limited	0.35	0.31
Joint Ventures		
Delhi Aviation Fuel Facility Private Limited	1.33	1.83
Delhi Duty Free Services Private Limited	12.27	10.86
Delhi Aviation Services Private Limited	-	0.42
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate Holding Company)		
GMR Air Cargo and Aerospace Engineering (Formerly known as GMR Aero Technic Limited)	0.02	0.01
GMR Airport Developers Limited	0.10	0.20
Donations/ CSR Expenditure		
Enterprises where significant influence of key Management personnel or their relative exists		
GMR Varalaksmi Foundation	-	0.50
Finance Cost		
Interest on Revenue share		
Enterprises in respect of which the company is a joint venture		
Airports Authority of India	0.38	-
Rent		
Enterprises in respect of which the company is a joint venture		
Airports Authority of India	7.97	-
Legal & Professional fee		
Enterprises in respect of which the Company is a joint venture		
Airports Authority of India	0.21	-
Joint Ventures		
Delhi Aviation Fuel Facility Private Limited	0.01	-
Employee benefit expenses		
Training expenses		
Holding company		
GMR Airports Limited	0.10	-
Enterprises in respect of which the company is a joint venture		
Airports Authority of India	0.02	-
Manpower hire charges		
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate Holding Company)		
GMR Airport Developers Limited	34.36	30.70
Raxa Security Services Limited	0.40	-

* Managerial remuneration excludes provision for gratuity and compensated absences, since these are provided on the basis of an actuarial valuation for the Company as a whole.

(This space has been intentionally left blank)



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

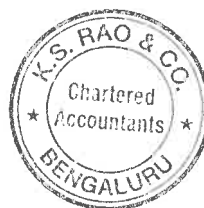
Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees Crore, except otherwise stated)

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

Transactions during the period	September 30, 2023	September 30, 2022
Operations-Repairs & Maintenance-Landscape		
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate Holding Company)		
GMR Airport Developers Limited	5.01	-
Airport Operator fees		
Enterprises in respect of which the Company is a joint venture		
Fraport AG Frankfurt Airport Services Worldwide	56.72	32.22
Corporate Cost Allocation		
Intermediate Holding Company		
GMR Airports Infrastructure Limited	12.82	9.06
Holding Company		
GMR Airports Limited	22.85	23.87
Security related expenses		
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate Holding Company)		
Raxa Security Services Limited	12.84	13.87
Utility Expenses		
Electricity charges		
Joint Ventures		
GMR Bajoli Holi Hydropower Private Limited	99.69	81.75
Electricity charges recovered		
Joint Ventures		
Delhi Duty Free Services Private Limited	4.98	4.72
Delhi Aviation Services Private Limited	-	1.56
Associates		
Delhi Airport Parking Services Private Limited	2.06	2.12
Celebi Delhi Cargo Terminal Management India Private Limited	7.20	5.29
TIM Delhi Airport Advertising Private Limited	2.19	1.98
Travel Food Services (Delhi Terminal 3) Private Limited	6.97	5.86
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate Holding Company)		
GMR Energy Trading Limited	0.08	0.10
GMR Air Cargo and Aerospace Engineering (Formerly known as GMR Aero Technic Limited)3	0.01	0.01
GMR Pochanpalli Expressways Limited	0.02	0.02
GMR Airport Developers Limited	8.82	6.94
GMR Power And Urban Infra Limited	0.02	0.00
Raxa Security Services Limited	0.01	0.01
Intermediate Holding Company		
GMR Airports Infrastructure Limited	0.01	0.02
Enterprises in respect of which the Company is a joint venture		
Airports Authority of India	7.54	8.01
Joint Venture of Member of a Group of which DIAL is a Member		
GMR Kamalanga Energy Limited	0.19	0.20

(This space has been intentionally left blank)



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees Crore, except otherwise stated)

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

Transactions during the period	September 30, 2023	September 30, 2022
<u>Water charges recovered</u>		
<u>Joint Ventures</u>		
Delhi Aviation Services Private Limited	-	0.02
Delhi Duty Free Services Private Limited	0.01	0.01
<u>Associates</u>		
Delhi Airport Parking Services Private Limited	0.68	0.43
Travel Food Services (Delhi Terminal 3) Private Limited	0.77	0.61
Celebi Delhi Cargo Terminal Management India Private Limited	2.03	1.51
<u>Fellow Subsidiaries (including subsidiary companies of the ultimate Holding Company)</u>		
GMR Energy Trading Limited	0.01	0.01
GMR Airport Developers Limited	0.27	0.12
<u>Common Area Maintenance Charges recovered</u>		
<u>Joint Ventures</u>		
Delhi Duty Free Services Private Limited	0.23	-
<u>Associates</u>		
Travel Food Services (Delhi Terminal 3) Private Limited	0.55	-
<u>Airport Entry Fees Recovered</u>		
<u>Associates</u>		
Travel Food Services (Delhi Terminal 3) Private Limited	0.02	-
<u>Joint Ventures</u>		
Delhi Duty Free Services Private Limited	0.01	-
<u>Recovery of Collection Charges</u>		
<u>Enterprises in respect of which the Company is a joint venture</u>		
Airports Authority of India	2.85	1.81
<u>Directors' sitting fees</u>		
<u>Key Management Personnel</u>		
Mr. R.S.S.L.N. Bhaskarudu	-	-
Ms. Siva Kameswari Vissa	-	0.03
Mr. Anil Kumar Pathak	-	0.01
Mr. Srinivas Bommidala	0.00	0.01
Mr. Grandhi Kiran Kumar	0.00	-
Mr. K. Vinayak Rao	-	0.01
Mr. Subba Rao Amarthaluru	0.02	0.04
Mr. M. Ramachandran	0.02	0.03
Dr. Emandi Sankara Rao	0.02	0.04
Ms. Bijal Tushar Ajinkya	0.02	-
Ms. Vidya	0.00	-

(This space has been intentionally left blank)



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees Crore, except otherwise stated)

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

Transactions during the period	September 30, 2023	September 30, 2022
<u>Expenses incurred by Company on behalf of related parties</u>		
<u>Intermediate Holding company</u>		
GMR Airports Infrastructure Limited	0.00	0.01
<u>Holding company</u>		
GMR Airports Limited	-	0.29
<u>Joint Ventures</u>		
Delhi Aviation Services Private Limited	-	0.55
Delhi Duty Free Services Private Limited	0.29	0.30
GMR Bajoli Holi Hydropower Private Limited	0.03	0.18
<u>Associates</u>		
Celebi Delhi Cargo Terminal Management India Private Limited	0.39	0.42
TIM Delhi Airport Advertising Private Limited	-	0.39
Delhi Airport Parking Services Private Limited	0.42	0.28
Travel Food Services (Delhi Terminal 3) Private Limited	0.29	0.30
<u>Joint Ventures of member of a Group of which DIAL is a member</u>		
GMR Warora Energy Limited	0.01	0.03
GMR Kamalanga Energy Limited	-	0.00
<u>Fellow Subsidiaries (including subsidiary companies of the ultimate Holding Company)</u>		
GMR Highways Limited	-	0.03
GMR Pochanpalli Expressways Limited	0.01	0.08
GMR Consulting Services Limited	0.00	0.01
GMR Energy Trading Limited	0.00	0.08
GMR Airport Developers Limited	0.00	0.00
<u>Expenses incurred by related parties on behalf of Company</u>		
<u>Holding Company</u>		
GMR Airports Limited	0.05	-
<u>Associates</u>		
Travel Food Services (Delhi Terminal 3) Private Limited	0.15	0.06
Raxa Security Services Limited	0.03	-
GMR Hospitality & Retail Limited	0.01	-

Note: Transactions below Rs. 50,000 have not been reported in the above disclosure due to rounding off procedures.

(This space has been intentionally left blank)



6 (d) Interest in significant investment in joint ventures and associates:

Name	Relationship	Ownership interest	Date of incorporation / investments	Country of incorporation
Celebi Delhi Cargo Terminal Management India Private Limited	Associate	26.00%	June 18, 2009	India
Travel Food Services (Delhi Terminal 3) Private Limited	Associate	40.00%	December 04, 2009	India
Delhi Airport Parking Services Private Limited	Associate	49.90%	February 11, 2010	India
TIM Delhi Airport Advertising Private Limited	Associate	49.90%	June 01, 2010	India
Digi Yatra Foundation	Associate	14.80%	February 20, 2019	India
GMR Bajoli Holi Hydropower Private Limited (Refer Note 5 III (b)(vii))	Joint Venture	20.14%	September 11, 2017	India
Delhi Aviation Fuel Facility Private Limited	Joint Venture	26.00%	August 11, 2009	India
Delhi Duty Free Services Private Limited	Joint Venture	49.90%	July 07, 2009	India
Delhi Aviation Services Private Limited	Joint Venture	50.00%	June 28, 2007	India

Terms and Condition of transaction with related parties:

Outstanding balances at the reporting date are secured/ unsecured and settlement occurs in cash. During the previous year ended March 31, 2023 the Company had created a provision for impairment in its investment in GMR Bajoli Holi Hydropower Private Limited for Rs. 38.53 crores. This assessment is undertaken in 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 5(III) 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 6(c) above. There are no other transactions with Key management personnel.

(The space has been intentionally left blank)



Delhi International Airport Limited**CIN. U63033DL2006PLC146936****Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023****(All amounts in Rupees crore, unless otherwise stated)****7. 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 September 30, 2023	As at March 31, 2023	As at September 30, 2023	As at March 31, 2023
Financial Assets				
Investments	249.45	249.45	249.45	249.45
Current investment	1,588.70	914.25	1,588.70	914.25
Trade receivables	104.10	76.80	104.10	76.80
Cash and cash equivalents	390.98	279.09	390.98	279.09
Bank balance other than cash and cash equivalents	357.33	47.27	357.33	47.27
Other financial assets (current and non-current)	1,500.42	1,847.57	1,500.42	1,847.57
Total	4,190.98	3,414.43	4,190.98	3,414.43
Financial Liabilities				
Trade payables	445.96	446.04	445.96	446.04
Borrowings (current and non-current)	13,904.81	12,614.18	13,904.81	12,614.18
Lease liabilities (current and non-current)	14.33	12.58	14.33	12.58
Other financial liabilities (current and non-current)*	2,650.68	2,866.19	2,683.09	2,889.31
Total	17,015.78	15,938.99	17,048.19	15,962.11

*Security Deposit fair value is calculated using 10.13% p.a, incremental borrowing rate of interest of the Company dated March 31, 2023.

Assumption used in estimating the fair values:

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

The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Derivatives are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity. As at September 30, 2023, the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk.



(The space has been intentionally left blank)



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees crore, unless otherwise stated)

8. Fair value 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 September 30, 2023:

	Fair value measurement using				
	Date of valuation	Total	Market 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	September 30, 2023	901.36	901.36	-	-
Cash flow hedges-Call spread option	September 30, 2023	982.24	-	982.24	-
Total		1,883.60	901.36	982.24	-

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 March 31, 2023:

	Fair value measurement using				
	Date of valuation	Total	Market 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, 2023	408.39	408.39	-	-
Cash flow hedges-Call spread option	March 31, 2023	1,065.92	-	1,065.92	-
Total		1,474.31	408.39	1,065.92	-

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

9. 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, volatility, risk free domestic rate, risk free foreign rate and repayment of future premium.



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees crore, unless otherwise stated)

Particulars	September 30, 2023		March 31, 2023	
	Assets	Liabilities	Assets	Liabilities
Cash flow hedge- Call spread option	982.24	-	1,065.92	-

As at September 30, 2023 the USD spot rate is below the USD call option strike price for all call spread options of USD 1,022.60 million. Accordingly, an amount of Rs. 89.48 crores has been transferred to Cash flow hedge reserve from Standalone Unaudited Condensed Interim Statement of Profit and Loss to neutralize the impact of foreign exchange gain included in Standalone Unaudited Condensed Interim Statement of Profit and Loss.

As at March 31, 2023 the USD spot rate is above the USD call option strike price for all call spread options of USD 1,022.60 million. Accordingly, an amount of Rs.652.16 crores of foreign exchange loss has been transferred to Cash flow hedge reserve from Standalone Unaudited Condensed Interim Statement of Profit and Loss to neutralize the impact of foreign exchange loss included in Standalone Unaudited Condensed Interim Statement of Profit and Loss.

10. Revenue

For the six months period ended September 30, 2023, revenue from operations includes Rs. 141.70 crores (September 30, 2022: Rs. 119.64 crores) from the contract liability balance at the beginning of the period.

The Company's revenue from operations disaggregated by primary geographical markets is as follows:

Particulars	Six months period ended September 30, 2023			
	Aeronautical	Non-aeronautical	Others	Total
India	507.88	1,406.73	402.14	2,316.75
Outside	-	-	-	-
Total	507.88	1,406.73	402.14	2,316.75

Particulars	Six months period ended September 30, 2022			
	Aeronautical	Non-aeronautical	Others	Total
India	440.13	1,125.00	282.16	1,847.29
Outside	-	-	-	-
Total	440.13	1,125.00	282.16	1,847.29

The Company's revenue disaggregated by pattern of revenue recognition is as follows:

Particulars	Six months period ended September 30, 2023			
	Aeronautical	Non-aeronautical	Others	Total
Services transferred at a point in time	489.68	-	-	489.68
Services transferred over time	18.20	1,406.73	402.14	1,827.07
Total	507.88	1,406.73	402.14	2,316.75

Particulars	Six months period ended September 30, 2022			
	Aeronautical	Non-aeronautical	Others	Total
Services transferred at a point in time	424.25	-	-	424.25
Services transferred over time	15.88	1,125.00	282.16	1,423.04
Total	440.13	1,125.00	282.16	1,847.29



(The space has been intentionally left blank)



11. Other Disclosures

- a) AERA has issued tariff order no 57/2020-21 for third control period ("CP3") starting from April 1, 2019 to March 31, 2024 on December 30, 2020 allowing DIAL to continue with Base Airport Charges ("BAC") +10% tariff for the balance period of third control period. AERA has also allowed compensatory tariff in lieu of Fuel Throughput Charges w.e.f. February 01, 2021 for the balance period of third control period. DIAL had also filed an appeal against some of AERA's decision in third control period order on January 29, 2021 with Telecom Disputes Settlement and Appellate Tribunal ("TDSAT").

DIAL had also filed appeal against the second control period ("CP2") before the TDSAT. Also, DIAL in respect of TDSAT order against first Control period appeal dated April 23, 2018 filed a limited appeal in the Hon'ble Supreme Court of India on July 21, 2018 in respect of which judgement pronounced on July 11, 2022, citing that all appeals are dismissed, except on the issue relating to corporate tax pertaining to aeronautical services, where DIAL's contention had been accepted that the Annual Fee paid by DIAL should not be deducted from expenses pertaining to aeronautical services before calculating the 'T' (tax) element in the formula.

TDSAT at the request of AERA and concurred by DIAL had agreed and tagged CP2 appeal with CP3 appeal. The arguments are concluded in matter and DIAL had made written submissions on May 23, 2023. The final order was pronounced on July 21, 2023. TDSAT in its order has allowed certain claims of DIAL and disallowed certain others.

AERA has filed an appeal before the Hon'ble Supreme Court on October 19, 2023 against the judgement dated July 21, 2023 passed by TDSAT. DIAL is in process of assessing and evaluating to file its representation against the appeal before the Hon'ble Supreme Court.

- b) The Company has received Advance Development Costs (ADC) from various Developers at Commercial Property District (including Airport Land Development) 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 the Company towards development of any infrastructure facility does not utilize any portion of the advance development cost, 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. The status of fund balance is as below:

Particulars	As at September 30, 2023	As at March 31, 2023
ADC Funds Received *	1,053.85	953.85
Funds Utilized for Common Infrastructure Development (including refund of ADC)	705.22	689.80
Fund Balance disclosed under "other liabilities"	348.63	264.05

*During the six months period ended September 30, 2023, the company has received Rs. 100 crore amount (March 31, 2023: Rs. 105 crores) for common infra development from Developers.

- c) Based on the legal opinion taken, the management is of the view that the Annual Fee payable to AAI should be based upon "Revenue" as defined under OMDA instead of on Gross Receipts credited to the Standalone Unaudited Condensed Interim Statement of Profit and Loss (with certain exclusions). The matter was in dispute with the AAI. The Company had received the award of arbitral tribunal on July 16, 2022. Pursuant to the award, AAI inter alia is required to amend the scope of Independent Auditor to enable the determination of amount of excess annual fee paid by the Company from June 21, 2015 to the date of arbitral award and such determination was directed to be completed within 3 months from the date of award. However, AAI has instead filed a petition with Hon'ble Delhi High Court under section 34 of The Arbitration and Conciliation Act, 1996 for setting aside the Arbitral Award. Arguments were heard on Feb., 03, 2023, on interim stay application filed by AAI and the



Delhi International Airport Limited**CIN. U63033DL2006PLC146936****Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023****(All amounts in Rupees crore, unless otherwise stated)**

hon'ble court in the interim has provided that while the process to be undertaken by the Independent Auditor in terms of majority award in respect of claim no. 78 (d) shall continue, its findings shall not be given effect to nor shall refunds become payable in terms thereof till the final disposal of the matter. All liabilities of parties for the period prior to the present order shall continue as per the revenue sharing understanding which prevailed prior to the impugned award being rendered.

The arguments in the matter are concluded, the next hearing scheduled for rejoinder arguments on November 02, 2023.

- d) The Company is collecting "Marketing Fund" at a specified percentage from various concessionaires as per the agreement with respective concessionaires and to be utilized towards sales promotional activities as defined in such agreements in accordance with the Marketing Fund policy adopted by the Company. As at September 30, 2023, the Company has accounted for Rs. 247.82 crores (March 31, 2023: Rs. 229.23 crores) towards such Marketing Fund and has incurred expenditure amounting to Rs. 196.82 crores (March 31, 2023: Rs. 183.48 crores) (net of income on temporary investments) till September 30, 2023 from the amount so collected. The balance amount of Rs. 51.00 crores (March 31, 2023: Rs. 45.74 crores) pending utilization as at September 30, 2023 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 as per Marketing Fund Policy.
- e) The Company is of the view that certain incomes/credits arising on adoption of Ind-AS were not in contemplation of parties in April 2006 when this Concession Agreement i.e. OMDA was signed/entered. Further, these income/credits in Financial Statements 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 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 is as under:

Description	Incomes forming part of	For the six months period ended September 30, 2023	For the six months period ended September 30, 2022
Construction income from Commercial property developers	Other operating income	15.42	11.31
Discounting on fair valuation of deposits taken from commercial property developers	Other operating income	27.32	22.00
Discounting on fair valuation of deposits taken from concessionaires	Sale of services – Non Aeronautical	37.97	34.67
Discounting on fair valuation of deposits given	Other income	0.26	0.28
Fair value of mutual fund	Other income	3.33	-
Interest income on financial asset carried at amortised cost	Other income	3.51	-

However, the Company has accrued revenue on straight line basis, in accordance with Ind AS 116, Annual fee on this revenue is also provided which is payable to AAI in future years on actual realization of revenue as below:



(The space has been intentionally left blank)



Delhi International Airport Limited**CIN. U63033DL2006PLC146936****Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023****(All amounts in Rupees crore, unless otherwise stated)**

Description	For the six months period ended September 30, 2023	For the six months period ended September 30, 2022
Revenue from operations	136.96	128.47
Annual fees to AAI	62.99	59.08

Further, the Company has also provided the "Airport Operator Fees" included in "Other expenses" based on "Gross revenue" for the last financial year, after excluding the income/ credits from above transactions.

- f) The Hon'ble Orissa High Court vide Judgement in W.P. No.20463/2018, in the case of Safari Retreats Private Limited, observed that the GST provisions under Section.17(5) (c) and (d) w.r.t input tax credit eligibility are not in line with the objective of the Act to allow seamless credit where such input services are used to provide taxable output services and accordingly, it was held that if an assessee is required to discharge GST on the rental income, it is eligible to avail the Input Tax Credit (ITC) of GST paid on the goods or services or both by a taxable person for construction of an immovable property, when they are used in the course or furtherance of business. The Company (the company) is engaged in the operation of Airport, it renders taxable Output Services in the nature of Landing and Parking Charges, hanger services, Charges for use of Terminal facilities, refuelling facilities, licensing of space for various aeronautical and non- Aeronautical charges being its output supplies which are subject to output GST. Hence, the company in view of the favourable judgment of Orissa High Court in the case of Safari Retreats Private Limited DIAL has availed the Input Tax Credit accumulated in respect of the Input goods and Services supplied for the construction of Airport facilities as part of Phase 3A expansion project and regular operations. Further, department has filed Special leave to appeal before Hon'ble Supreme Court of India against the judgement of Hon'ble Orissa High Court CWP No.20463/2018, where leave has been allowed without Stay of operation of the judgment. Thus relying upon the favourable ruling of Orissa High Court which is a binding law and enforceable across all jurisdictions, the management decided to avail the Input Tax Credit in the GST Returns and books for the respective periods, however, without the utilization of the said input tax credit, pending the outcome of the judgement of Hon'ble Supreme Court of India. Further a Writ Petition has also been filed by the company in the matter before Delhi High Court on July 10, 2020, for ITC claim to be allowed of GST in respect of the civil works i.e. works contract service and goods and services received by the company for construction of immovable property used for providing output taxable supplies. The writ was heard by the Hon'ble High Court on July 29, 2020 and has issued notice to the respondents. Accordingly, the matter was heard on various dates. The matter came up for hearing on August 7, 2023 wherein the bench was apprised of the ongoing proceedings in the Supreme Court, in view of the same, matter is now listed on December 11, 2023. Further the intervention application filed by DIAL in the main SLP No.26696/ 2019 has been part heard on September 14, 2023 and September 21, 2023. The hearing has been heard on October 12, 2023 and the next date of hearing is yet to be intimated.

Considering that, the final decision in the SLP No.26696/2019 filed by Union of India and other connected matters, may take longer time, the management has taken a considered view for recognition of the project expenditure in terms of the prudent accounting principles and prevailing circumstances and also in view of the fact that various developmental activities under the Phase 3A expansion project are under completion and currently being recognised as CWIP, the said expenditure including the value of Input Tax Credit pertaining to the Civil Works needs to be capitalised during the period ended March 31, 2023. However, the management reserves its right to claim ITC in case of favourable decision from the Supreme Court on the above issue. Accordingly, GST ITC on civil works amounting to Rs. 1,126.27 crores accumulated till September 30, 2023 (March 31, 2023: Rs. 997.13 crores) has been reversed from GST recoverable account and now capitalized against the respective assets/capital work in progress in the books on accounts during financial year 2022-23.



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees crore, unless otherwise stated)

- g) The Company has only one business segment, which is operation of airport and providing allied services and operates in a single business segment. Accordingly, the amounts appearing in these Financial Statements relate to the Company's single business segment.

Major customers: Revenue from one customer of the company is approximately Rs. 285.05 crores out of the total revenue of the Company (September 30, 2022: Revenue from one customer of the Company is approximately Rs. 217.74 crores out of total revenue of the Company).

- h) During the six months period ended September 30, 2023, additions to property, plant & equipment is for Rs. 5,065.69 crores (year ended March 31, 2023: Rs. 998.54 crores) and there is no significant disposal.
- i) During the six months ended September 30, 2023, the Company has issued Listed Non-Convertible Debentures (NCDs) (unsecured as per Companies Act and LODR) of Rs. 1,200 crores carrying fixed interest rate of 9.75% p.a. payable quarterly for first 60 months and coupon reset rate for balance 24 months subject to floor of 1.50% and cap of 5.50% over the Repo rate at the reset date, as per the provisions of Debenture Trust Deed. NCDs were allotted on April 13, 2023 by the Company to eligible Qualified Institutional Buyers (QIB's) with principal maturity due on April 13, 2030.

Proceeds from these NCDs shall be utilized for part financing of Phase 3A expansion project.

NCDs are secured (unsecured as per Companies Act and LODR) 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 Operation Management Development Agreement (OMDA).

- j) During the six months ended September 30, 2023, the Company has issued Listed Non-Convertible Debentures (NCDs) (unsecured as per Companies Act and LODR) of Rs. 744.00 crores carrying fixed interest rate of 9.75% p.a. payable quarterly for first 60 months and coupon reset rate for balance 24 months subject to floor of 1.50% and cap of 5.50% over the Repo rate at the reset date, as per the provisions of Debenture Trust Deed. NCDs were allotted on August 22, 2023 by the Company to eligible Qualified Institutional Buyers (QIB's) with principal maturity due on August 22, 2030.

Proceeds from these NCDs have been utilized for part refinancing of 2025 NCDs issued under Voluntary Retention Route during March 2021, subscribed by an Foreign Portfolio Investor i.e M/s India Airport Infra (formerly known as Clifton Limited).

NCDs are secured (unsecured as per Companies Act and LODR) 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.



(This space has been intentionally left blank)

Delhi International Airport Limited**CIN. U63033DL2006PLC146936****Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023****(All amounts in Rupees crore, unless otherwise stated)**

- k) During the year 2018-19, company had started the construction activities for phase 3A airport expansion as per Master Plan. The company has incurred the following costs towards construction of phase 3A works.

Particulars	As at September 30, 2023	As at March 31, 2023
Cost incurred [#]	9,013.24	8,113.02
Capital advance outstanding	231.87	337.03
Total Cost (excluding IDC) (A)	9,245.11	8,450.05
Interest cost during construction (IDC)	1,982.09	1,678.43
Less :- Income on surplus investments	(378.30)	(333.64)
Net IDC (B)	1,603.79	1,344.79
Total Cost* (A+B)	10,848.90	9,794.84

* Out of above, assets amounting to Rs. 6,695.47 crores (March 31, 2023: Rs. 1,691.72 crores) has been put to use for operations.

[#]The Company has capitalised GST ITC on civil works related to Phase 3A airport expansion availed till September 30, 2023 amounting to Rs. 1,062.37 crores (March 31, 2023: Rs. 945.81 crores) [refer note 11(f)].

The Company has capitalized the following expenses during construction, included in above, being expenses related to phase 3A airport expansion project. Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the company.

Particulars	As at September 30, 2023	As at March 31, 2023
Employee benefit expenses	61.23	54.83
Manpower hire charges	44.93	38.91
Professional consultancy	6.36	6.05
Travelling and conveyance	7.23	6.58
Insurance	4.59	4.55
Others	12.31	10.89
Total	136.65	121.81



(This space has been intentionally left blank)



Delhi International Airport Limited

CIN. U63033DL2006PLC146936

Notes to the Standalone Unaudited Condensed Interim Financial Statements for the six months period ended September 30, 2023

(All amounts in Rupees crore, unless otherwise stated)

- I) 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 **Walker Chandio & Co LLP**

Chartered Accountants

Firm Reg. No.: 001076NN500013



Danish Ahmed

Partner

Membership no: 522144

Place: New Delhi

Date: October 30, 2023



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

Chartered Accountants

Firm Reg. No.: 003109S



Sudarshana Gupta M S

Partner

Membership No. 223060

Place: New Delhi

Date: October 30, 2023



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



G.B.S. Raj

Managing Director

DIN-00061686

Place: New Delhi



K. Narayana Rao

Whole Time Director

DIN-00016262

Place: New Delhi



Videh Kumar Jaipuria

Chief Executive Officer

Place: New Delhi



Hari Nagrani

Chief Financial Officer

Place: New Delhi



Abhishek Chawla

Company Secretary

Place: New Delhi

Date: October 30, 2023

