



# **ANNUAL REPORT – 2015-16**

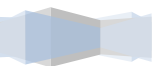
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**DELHI INTERNATIONAL AIRPORT PRIVATE  
LIMITED**



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## THE BOARD OF DIRECTORS

| S. No. | Name of the Director                        | Representing                |
|--------|---------------------------------------------|-----------------------------|
| 1.     | Mr. G.M. Rao, Chairman                      | Private Participants        |
| 2.     | Mr. Srinivas Bommidala, Managing Director   | Private Participants        |
| 3.     | Mr. Grandhi Kiran Kumar, Executive Director | Private Participants        |
| 4.     | Mr. G.B.S. Raju                             | Private Participants        |
| 5.     | Mr. K. Narayana Rao, Whole-time Director    | Private Participants        |
| 6.     | Mr. G. Subba Rao                            | Private Participants        |
| 7.     | Mr. Suresh Goyal                            | Private Participants        |
| 8.     | Ms. Denitza Weismantel                      | Private Participants        |
| 9.     | Mr. R.S.S.L.N. Bhaskarudu                   | Independent Director        |
| 10.    | Mr. N.C. Sarabeswaran                       | Independent Director        |
| 11.    | Mr. K. Parameswara Rao                      | Independent Director        |
| 12.    | Ms. V. Siva Kameswari                       | Independent Director        |
| 13.    | Ms. Gargi Kaul                              | Airports Authority of India |
| 14.    | Mr. A.K. Dutta                              | Airports Authority of India |
| 15.    | Mr. S. Suresh                               | Airports Authority of India |





**DELHI INTERNATIONAL AIRPORT PRIVATE LIMITED**  
**Regd. Office: New Udaan Bhawan, Opp. Terminal 3, IGI Airport,**  
**New Delhi 110 037**  
**CIN No.U63033DL2006PTC146936**

## REPORT OF THE DIRECTORS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016

**Dear Shareholder's**

Your Directors are pleased to present you the Tenth Annual Report on Business and Operations along with the Audited Financial Statements and the Auditors Report of your Company for the financial year ended March 31, 2016. The Consolidated Financial Statements and the Auditor's Report of your Company for the Financial Year ended March 31, 2016 also forms part of this Annual Report, as per the provisions of Companies Act, 2013 and Accounting Standards.

### **FINANCIAL PERFORMANCE ON STANDALONE BASIS**

| Particulars                                                                  | 31-Mar-16       | 31-Mar-16     | 31-Mar-15       | 31-Mar-15     |
|------------------------------------------------------------------------------|-----------------|---------------|-----------------|---------------|
|                                                                              | (Rs./cr)        | (USD Mn)      | (Rs./cr)        | (USD Mn)      |
| Revenue from Operations                                                      | 4,861.63        | 728.12        | 4,195.50        | 665.32        |
| Other Income                                                                 | 154.35          | 23.12         | 84.42           | 13.39         |
| <b>Total Revenue</b>                                                         | <b>5,015.98</b> | <b>751.24</b> | <b>4,279.92</b> | <b>678.71</b> |
| Annual fee to AAI                                                            | 2,304.15        | 345.09        | 1,967.80        | 312.05        |
| Employee benefits expense                                                    | 125.34          | 18.77         | 132.12          | 20.95         |
| Other expenses                                                               | 700.15          | 104.86        | 697.47          | 110.60        |
| <b>Earnings before interest, tax, depreciation and amortization (EBITDA)</b> | <b>1,886.34</b> | <b>282.52</b> | <b>1,482.53</b> | <b>235.10</b> |
| Finance Cost                                                                 | 571.24          | 85.55         | 556.19          | 88.20         |
| Depreciation and Amortization                                                | 646.96          | 96.89         | 624.28          | 99.00         |
| <b>Profit/(Loss) before tax and exceptional items</b>                        | <b>668.14</b>   | <b>100.08</b> | <b>302.06</b>   | <b>47.90</b>  |
| Exceptional Items (net)                                                      | -               | -             | 74.15           | 11.76         |
| <b>Profit/(Loss) before taxation</b>                                         | <b>668.14</b>   | <b>100.08</b> | <b>227.91</b>   | <b>36.14</b>  |
| Provision for taxation – expenses                                            | 159.28          | 23.86         | -               | -             |
| <b>Profit/(Loss) After Taxation</b>                                          | <b>508.86</b>   | <b>76.22</b>  | <b>227.91</b>   | <b>36.14</b>  |



|                                            |          |         |          |          |
|--------------------------------------------|----------|---------|----------|----------|
| Surplus/(Deficit) carried to Balance Sheet | (233.09) | (34.91) | (741.95) | (117.66) |
| Earnings Per Share (in Rs)                 |          |         |          |          |
| - Basic and Diluted                        | 2.08     |         | 0.93     |          |

**[Note:** Exchange Rate for March 31, 2016 is 1 USD = INR 66.77 and for March 31, 2015 is 1 USD = INR 63.06]

### **REVENUE AND PROFIT – STANDALONE**

During the financial year ended March 31, 2016, your company has recorded a Total Revenue of Rs. 5015.98 Cr. as against Rs. 4,279.92 Cr., in the corresponding previous year, being an increase of 17.20%.

Further, your company has also recorded the Profit after Tax of Rs. 508.86 Crores for the year ended March 31, 2016 against Rs. 227.91 Crores, in the corresponding previous year, being an increase of 123.27%.

The above said increase in PAT is mainly due to the following reasons:

- (i) Higher revenue due to increase in passenger & Aircraft movements;
- (ii) Higher income from current investments in mutual fund, fixed deposits and dividend from Joint Venture Companies;
- (iii) Absence of exceptional Item (expenses) of Rs. 74.15 Cr. (net) in FY 2015-16;

### **FINANCIAL PERFORMANCE ON CONSOLIDATED BASIS**

| Particulars                                     | 31-Mar-16       | 31-Mar-16     | 31-Mar-15       | 31-Mar-15     |
|-------------------------------------------------|-----------------|---------------|-----------------|---------------|
|                                                 | (Rs./cr)        | (USD Mn)      | (Rs./cr)        | (USD Mn)      |
| Revenue from operations                         | 5,360.14        | 802.78        | 4,653.18        | 737.90        |
| Other income                                    | 127.34          | 19.07         | 68.54           | 10.87         |
| <b>Total revenue (i)</b>                        | <b>5,487.48</b> | <b>821.85</b> | <b>4,721.72</b> | <b>748.77</b> |
| <b>Expenses</b>                                 |                 |               |                 |               |
| Annual fee to Airports Authority of India (AAI) | 2,304.15        | 345.09        | 1,967.80        | 312.05        |
| Purchase of traded goods                        | 179.92          | 26.95         | 165.67          | 26.27         |
| Increase in traded goods                        | (8.28)          | (1.24)        | (11.17)         | (1.77)        |
| Cost of material consumed                       | 5.00            | 0.75          | 8.16            | 1.29          |
| Employee benefit expenses                       | 158.81          | 23.78         | 170.75          | 27.08         |



|                                                                                                                 |                 |               |          |        |
|-----------------------------------------------------------------------------------------------------------------|-----------------|---------------|----------|--------|
| Other expenses                                                                                                  | 818.17          | 122.54        | 806.46   | 127.89 |
| <b>Total expenses (ii)</b>                                                                                      | <b>3,457.77</b> | <b>517.86</b> | 3,107.67 | 492.81 |
| <b>Earnings before interest, tax, depreciation and amortization and exceptional items (EBITDA) [(i) - (ii)]</b> | <b>2,029.71</b> | <b>303.98</b> | 1,614.05 | 255.95 |
| Finance costs                                                                                                   | 600.97          | 90.01         | 598.26   | 94.87  |
| Depreciation and amortisation expense                                                                           | 673.81          | 100.92        | 657.14   | 104.21 |
| <b>Profit before tax and exceptional item</b>                                                                   | 754.93          | 113.06        | 358.65   | 56.87  |
| <b>Exceptional item expense</b>                                                                                 | -               | -             | 57.96    | 9.19   |
| <b>Profit before Tax expense</b>                                                                                | <b>754.93</b>   | <b>113.06</b> | 300.69   | 47.68  |
| <b>Tax expense</b>                                                                                              |                 |               |          |        |
| Current tax                                                                                                     | 175.64          | 26.31         | 25.84    | 4.10   |
| Adjustment of tax relating to earlier years                                                                     | (0.40)          | (0.06)        | (0.15)   | (0.02) |
| MAT credit entitlement for earlier years written off                                                            | 2.93            | 0.44          | 0.16     | 0.03   |
| MAT credit entitlement                                                                                          | (2.02)          | (0.30)        | (1.09)   | (0.17) |
| Deferred tax                                                                                                    | 24.49           | 3.67          | 1.06     | 0.17   |
| <b>Total tax expense</b>                                                                                        | <b>200.64</b>   | <b>30.05</b>  | 25.82    | 4.09   |
| <b>Profit after tax expense and before share of profit of an associate</b>                                      | <b>554.29</b>   | <b>83.01</b>  | 274.87   | 43.59  |
| Share of profit of an associate                                                                                 | 0.01            | 0.00          | 0.01     | 0.00   |
| <b>Profit for the year</b>                                                                                      | <b>554.30</b>   | <b>83.02</b>  | 274.88   | 43.59  |
| <b>Earning per equity share [nominal value of share Rs. 10 each (March 31, 2015 : Rs. 10)]</b>                  |                 |               |          |        |
| <b>Basic and Diluted (In Rupees)</b>                                                                            | <b>2.26</b>     |               | 1.12     |        |

**[Note:** Exchange rate as on March 31,2016 is 1 USD= Rs 66.77 and as on March 31,2015 is 1 USD= Rs. 63.06 considered for conversion.]

## REVENUE AND PROFIT - CONSOLIDATED

The consolidated revenue is increased by Rs. 766 crores approx. as compared to FY 2014-15 due to increase in revenue of DIAL from both Aeronautical & Non Aeronautical





services and contribution of higher revenue from JV's mainly Delhi Duty Free Services and Delhi Airport Parking Services. Accordingly, there is increase in overall consolidated profit of the Company.

## **PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES**

### **(i) SUBSIDIARIES**

The Company has only one subsidiary as on March 31, 2016 i.e. Delhi Aerotropolis Private Limited (DAPL) and it has not yet commenced its operations. The financial position of DAPL is as follows :

| Particulars                | Amount (Rs) |
|----------------------------|-------------|
| Net Revenue (Other Income) | -           |
| Profit/ (Loss) Before Tax  | (28,625)    |
| Profit/ (Loss) After Tax   | (28,625)    |

### **(ii) JOINT VENTURES AND ASSOCIATES**

For providing better services to the passengers through a superior control over the business operations, and also for maximizing the value, your Company joined as a Joint Venture (JV) Partner in the SPVs formed by the successful bidders in key business areas like Duty Free, Cargo, Food & Beverage, IT services, Vehicle Parking Facilities, Fuel Farm, Advertisement and Bridge Mounted Equipments.

Accordingly, the Company has minority equity stake ranging from 26% to 50% depending on the nature and size of the business.

At present there are 8 JVs and the performance and financial position of each of the JVs and Associates during 2015-16 are as follows:

#### **JOINT VENTURES**

**(Rs./Cr)**

| S. N o. | Name of Joint Venture Company  | Total Share Capital | Reserv es & Surplus | Total Assets | Total Liabiliti es | Turnov er/Tot al Income | Profit Before Taxati on | Profit after Taxation | % of Equity Shareholdi ng of DIAL |
|---------|--------------------------------|---------------------|---------------------|--------------|--------------------|-------------------------|-------------------------|-----------------------|-----------------------------------|
| 1       | Wipro Airport IT Services Ltd. | 5.00                | 4.82                | 86.47        | 76.65              | 39.24                   | 1.10                    | 0.63                  | 26.00%                            |



|   |                                                        |        |        |        |        |        |        |       |        |
|---|--------------------------------------------------------|--------|--------|--------|--------|--------|--------|-------|--------|
| 2 | Celebi Delhi Cargo Terminal Management India Pvt. Ltd. | 112.00 | 113.75 | 420.34 | 194.59 | 313.86 | 20.67  | 14.97 | 26.00% |
| 3 | Delhi Aviation Fuel Facility Pvt. Ltd.                 | 164.00 | 39.51  | 377.59 | 174.08 | 111.82 | 58.54  | 37.55 | 26.00% |
| 4 | Travel Food Services (Delhi T3) Pvt. Ltd.              | 8.00   | (5.64) | 28.91  | 26.55  | 53.17  | 4.17   | 4.17  | 40.00% |
| 5 | Delhi Duty Free Services Pvt. Ltd.                     | 80.00  | 70.01  | 450.90 | 300.89 | 950.64 | 136.36 | 87.58 | 49.90% |
| 6 | TIM Delhi Airport Advertisement Pvt. Ltd               | 18.48  | 40.51  | 116.74 | 57.75  | 213.97 | 38.78  | 24.99 | 49.90% |
| 7 | Delhi Airport Parking Services Pvt. Ltd.               | 81.44  | 1.41   | 237.84 | 154.99 | 77.57  | 8.74   | 5.55  | 49.90% |
| 8 | Delhi Aviation Services Private Ltd.                   | 25.00  | 13.14  | 97.00  | 58.86  | 49.11  | 8.58   | 5.63  | 50.00% |

## ASSOCIATE

(Rs./Cr)

| S. N o. | Name of Associate                           | Total Share Capital | Reserves & Surpluses | Total Assets | Total Liabilities | Turnover/Total Income | Profit Before Taxation | Profit after Taxation | % of Equity Shareholding of DIAL |
|---------|---------------------------------------------|---------------------|----------------------|--------------|-------------------|-----------------------|------------------------|-----------------------|----------------------------------|
| 1       | East Delhi Waste Processing Company Limited | 59.58               | (4.16)               | 448.27       | 392.85            | -                     | (0.67)                 | (0.67)                | 48.99%                           |

There is no change in the business of Company, any of its Joint Ventures and Associates and there are no new companies which have become and ceased to be Subsidiaries, Joint Ventures or Associates during the Year.

Further, a statement containing the salient features of the Financial Statement of our subsidiaries in the prescribed format AOC – 1 is appended as **Annexure A** to the Board Report.





## **APPROPRIATIONS**

Due to carry forward losses, your company has not proposed any dividend for the financial year 2015-16 and consequently, no amount has been transferred to reserve.

## **SENIOR SECURED FOREIGN CURRENCY NOTES LISTED WITH SINGAPORE STOCK EXCHANGE**

Your company has raised USD 288.75 mn in February, 2015 by issuing Senior Secured Foreign currency Notes with the ISIN number XS1165980274 which are listed on Singapore Stock Exchange.

## **BUSINESS OPERATIONS**

During the financial year ended March 31, 2016, your Company has handled a record 48.42 million passengers against 40.99 million passengers in the previous year, registering a year-on-year growth of 18%. The total transfers/transit constituted 18.5% of the total passengers handled in the FY 2016. Delhi Airport has recorded highest ever monthly passenger traffic of 4.59 mn in March, 2016, it recorded 1,59,325 passenger movements in single day, which is highest so far in the history of the Airport. Further, it also had a combined peak hour demand of 10,115 pax which puts it at par with the busiest airports globally.

Further during the financial year ended March 31, 2016, your Company has also handled record cargo of 787,168 metric tonnes.

The On Time Performance (OTP) for the year was 81% (departures). The OTP is key to operational efficiency and has been supported by full automation of the CDM (Collaborative Decision Making) process.

Further, during the year under review, Delhi airport has added new international airlines' viz. Air Canada, Air Asia X, Bhutan airline and Shandong airline, operating from Delhi Airport.

In addition to the above, three new international sectors are also added during the year viz. Ho-Chi-Minh in Vietnam, Kunming in China and San Francisco in USA.

The other major activities undertaken during the year are as follows:

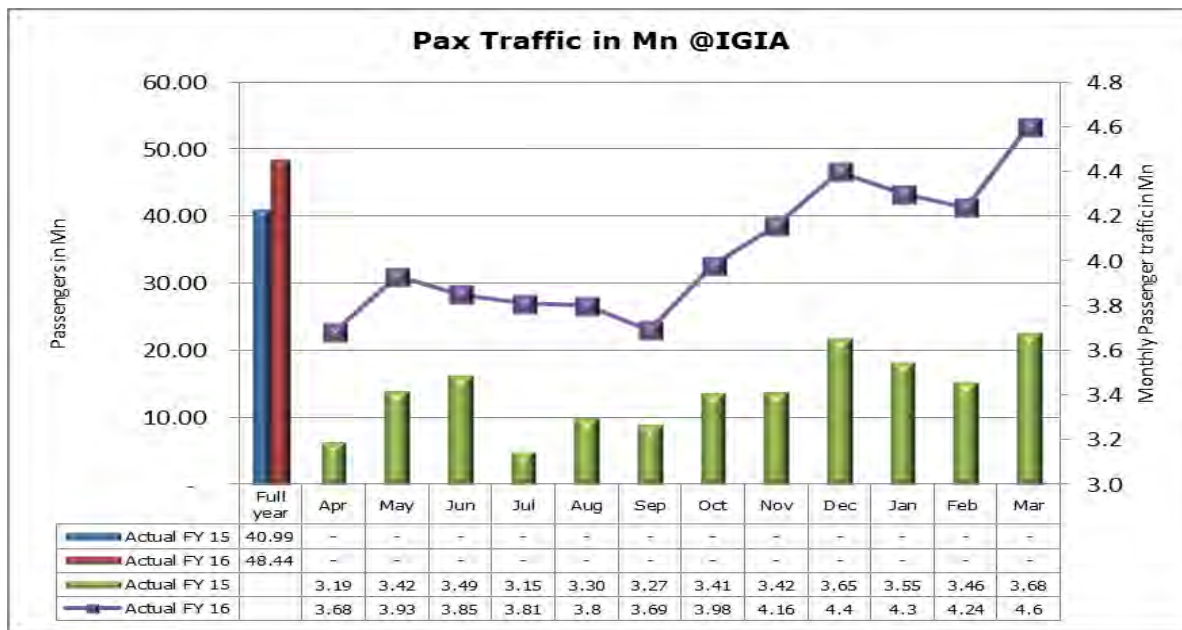
- T1D modification – Bussing gate area enhanced from 1,787 sq. meters to 3,574 sq. meters;





- Added additional 5.7 MW solar plant capacity, thereby increasing the installed solar power capacity at the airport to 7.84 MW. The additional capacity is expected to generate 8.5 million units of electricity per annum leading to savings of INR 3.0-3.5 crs per annum;
- Launched Air Cargo Logistics Center in May 2015 – First of its kind warehouse facility at any airport in India;
- New ATC tower handed over to AAI for readiness of operational purpose;
- Launched 'flyDEL', an interactive & user-friendly mobile app;
- Launched India's first 24x7 Airport Radio at IGIA by Radio Mirchi;

## Passenger traffic grew 18% y-o-y





## **AWARDS AND RECOGNITIONS**

During the fiscal year 2015-16, your company has received number of awards and recognitions from National, International Industry bodies and Media houses. The significant awards along with key achievements are as follows:

- IGIA is ranked **No. 1 Airport in the Best Airport by Size (25–40 million passengers per year)** for CY 2015, second year in a row in Airports Council International ACI's Airport Service Quality (ASQ) Awards.
- IGIA is ranked **No. 1 Airport in the Best Airport by Size and Region – Asia Pacific (25–40 million passengers per year)** for CY 2015 in Airports Council International ACI's Airport Service Quality (ASQ) Awards.
- IGIA is ranked as **2nd Best Airport in the Best Airport by Region – Asia Pacific (over 2 million passengers per year) for CY 2015** in Airports Council International ACI's Airport Service Quality (ASQ) Awards.
- IGIA was honored by inclusion in the elite **Director General's Airport Service Quality Roll of Excellence 2015**, for being ranked in the top five airports by size or region in ASQ Survey during last five years.
- IGIA bags prestigious '**Best Airport Staff in India & Central Asia**' in **Skytrax World Airport Award for 2nd consecutive year**.
- IGIA bags '**Golden Peacock Award for Sustainability**' in the Aviation Sector for 2015;
- IGIA bags '**Best Emerging Airport – Asia**' at the Asian Freight, Logistics and Supply Chain (AFLAS) Awards;
- 'Good Performance Award' – under the category of 'Private – Service Sector (Large)' in 13th National Award for Excellence in Cost Management 2015 from The Institute of Cost Accountants of India;
- IGIA bags '**National Energy Excellent Award, 2015**' by the Confederation of Indian Industry (CII);
- IGIA bags **1<sup>st</sup> Prize in 3rd CII National Excellence Practice Competition, 2015** in Service Sector - Supplier/Partner Engagement;
- IGIA bags the **Smartest Airport Building at the Times of India & Honeywell Smart Building Awards 2015** ;





- IGIA bags two of CII's (Confederation of Indian Industry) Business Excellence Star Awards – 'Leaders in Operations Management' and 'Leaders In Customer Management' for 2015;
- IGIA bags two awards of Summit (Confederation of Indian Industry) in Kaizen Competition for Cost and 5S & Safety CII 8th National Cluster Category for 2015;
- IGIA bags nine awards during the 17th National Summit on "EMPLOYEE CREATIVITY" organized by the Indian National Suggestion Schemes Association (INSSAN);

## **REGULATORY**

During the year under review, Airports Economic Regulatory Authority of India (AERA) has issued order determining the Tariff for second control period (1<sup>st</sup> April 2014 to 31<sup>st</sup> March 2019) on 10<sup>th</sup> December 2015 with X factor of (+) 89.40% (i.e fall in tariff by 89.40%) post considering cash support of Rs. 691 Crores with date of implementation as 1<sup>st</sup> January 2016.

However, the order is not implementable since, as per the order of Hon'ble High Court of Delhi dated January 22, 2015, DIAL will continue to charge the existing tariffs till AERAAT decides on the principle issues pending before it for the first control period. AERA has appealed against this Order of Hon'ble High Court in the Hon'ble Supreme Court of India.

However, on May 12, 2016, the Hon'ble Supreme Court, while disposing the special leave petition filed by AERA against the High Court Stay on DIAL tariff, has upheld that the stay on tariff fixed by AERA would continue and the advised AERAAT may decide the appeals on tariff pending before it in 3 months.

Further, your company has also filed an appeal before AERAAT, against the aforesaid Tariff order of AERA for second control period on 11<sup>th</sup> January 2016, on various matters involving principles of tariff determination.

AERA has also issued order no 47 on 3<sup>rd</sup> February, 2016, on completion of collection period, for discontinuing DF at IGI Airport w.e.f. 30<sup>th</sup> April, 2016.

## **COMMERCIAL PROPERTY DEVELOPMENT**

The 'Aerocity' as this development is called, is fast emerging as the new business district in the NCR with world class development and infrastructure. The first phase, of 45-acre Hospitality District - comprises of approximately 5 million sq. ft. of hotel space and approximately 1.1 million sq.ft. of office & retail space. Out of the 12 hotels coming





up, 8 hotels viz. the 'JW Marriott', 'Lemon Tree Premier', the 'Red Fox', the 'Holiday Inn', IBIS, Novotel, Pullman & The Pride have become operational, the entire development would add over 4000 hotel rooms in Delhi. Aerocity will also showcase a world class retail and office development, with Bharti Group developing over 1 million sq.ft. area of Commercial space, as part of the development of World Mark 1 & World Mark 2, which have already become operational in the Hospitality District.

Further, towards the 2<sup>nd</sup> phase of the monetization of CPD your Company is currently running a bid for an Integrated Retail Development Project, spread across approximately 22.77 acres on a land parcel abutting the Hospitality District.

## **COMMERCIAL**

### **Commercial – Non Aero**

In financial year 2015-16, non-aero sales grew by 17%, over last year. Businesses such as Retail, Hospitality, and Advertising recorded double digit growth over FY15, and our Duty Free business grew by 10% v/s the international passenger growth of 5%. The key categories viz. Apparels, Electronics, Packed food, Medicare, leather and F&B have also grown in double digits. We achieved another milestone with completion of T1D retail refresh. We have launched 13 first-time brands at DIAL including iconic brands like Hamley's, Tanishq and Tommy Hilfiger. Post-refresh revenues of T1D have grown at 25% and Sales Per Square Meter (SPSM) increased by 39%.

Furthermore, in order to enhance our revenues data analytics has been identified as an important focus area. In light of the same analytics team has been formed under non aero department – to focus on predictive analytics and identifying gap areas for sales growth.

### **Commercial – Aero (Cargo)**

- Recognized and awarded as the **“Best Emerging Airport (Asia)” at Asian Freight, Logistics and Supply Chain (AFLAS) Awards** in Hongkong.
- Received **“Best Cargo Airport”** award at India Cargo Awards 2015 organized by DDP Publications
- Received **“Highly Acclaimed STAT Trade Times International Award for Excellence in Air Cargo (Region-India)”** presented at Air Cargo India 2016
- IGI became a leading Indian Cargo Airport by handling 787,168 MT in FY 2015-16, registering YoY growth of 13%, the fastest in the country;





- Launched **"Paperless Import Flight Check"** with 22 Airlines due to which approx. 48 Lakh papers are being saved annually
- Launched **Skill Development Initiatives** for Cargo Operations in collaboration with Ministry of Civil Aviation.
- Launched India's first **"Cargo Mobile App"** for complete operations having capabilities of doing various transactions and cargo handling processes online;
- Delhi Airport is identified as **Pilot Station for launching "Customs Single Window Clearance"** project by Government of India as part of 'Ease of Doing Business' and 'Make in India' initiatives.
- Launched 1st of its kind **"Slot Management System" in India** for streamlining and automating Truck parking and Bay allocation at the Cargo terminals;
- Inaugurated **"Airport Cargo Logistics Centre (ACLC)"** at IGI Airport.

## **SAFETY & ENVIRONMENT MANAGEMENT**

### **Safety Management**

A systematic and proactive approach towards Safety Management at IGI Airport always remained the key focus of your Company. To further enhance the safety performance Safety Team has embarked upon the journey of 'Predictive Approach' by identifying the potential problem areas through data analysis. In this backdrop, your Company has taken various Occupational Health and Safety (OHS) initiatives at the IGI Airport, which are as follows:

- Collaborative Safety Management with the stakeholders, which is very helpful in aligning safety management systems of stakeholders operating at IGI Airport with DIAL safety management system. An internal communication group on IGI Airport safety matter was made on social media network to engage with the stakeholders so that all such safety issues are discussed and resolved on real time basis.
- Trainings:
  - Two safety management system trainings were conducted in which 47 Airside employees were trained on Safety Management System and Risk Assessment.
  - Your Company has conducted 125 risk based safety trainings throughout the year and 3750 number of employees of contractors, stakeholders and





vendors were trained to sensitize them on Hazards and associated Risks in their respective work functions.

➤ Safety Campaigns:

- Observed 'Road Safety Week' with Delhi Traffic Police from 11<sup>th</sup> January, 2016 to 14<sup>th</sup> January 2016 to sensitize drivers and enhancing road safety.
- Observed National Safety day on 4<sup>th</sup> March 2016 to create awareness and appreciate safety partners to make IGI Airport safe. This year various programs are organized at the work locations of the stakeholders to enhance their engagement on safety matters.

➤ Following are the Risk based safety campaigns conducted in 2015-16 with active involvement of all stakeholders:

- ULD fitness Campaign
- Vehicles & Equipment fitness Campaign
- Monsoon preparedness campaign,
- LVP (Low Visibility procedures) awareness campaign,
- FOD prevention campaign,
- Defensive Driving Campaign and
- No smoking campaign in airside,

➤ ISO Certifications:

- Your Company is re-certified for OHSAS 18001:2007 at aerodrome airside operations at IGI Airport.

➤ Accidents investigations are carried out in detail to identify the 'root cause' and corrective action as well as preventive actions are identified. Progress on CAPA is checked in time bound manner.

➤ Instituted safety awards to identify and celebrate outstanding safety performance among the stakeholders with the following categories:

- Safety Innovation Award
- Safety Improvement Award

➤ Won International Safety Award 2016 in "Platinum" category second year in a row from British Safety Council.





## **ENVIRONMENT MANAGEMENT**

Your Company is committed to conduct its business in an environment and social friendly manner by adopting all possible operational and technological measures to minimize the impact of its activities on the environment and society.

Environment Sustainable Management is an integral part of your company's business strategy. It focus highly on natural resource conservation, pollution preventions and skill developments on the part of business sustainability at Delhi Airport by efficient integration of policy, system, procedures, infrastructures and community supports.

Your Company has adopted proactive sustainable approach for the Delhi airport to develop an environment friendly posture that accommodates the community's concerns, while still meeting all regulatory requirements.

Some of the recent achievements during this financial year are as follows :

- CII - **Green Company Gold Level Award**
- CII - Green Company Best Practices Award in **Renewable Energy and GHG Mitigation**
- **National Excellent Energy Efficient Unit Award**
- Successfully completed ISO 14001 – Environment Management System recertification audit by M/s. DNV-GL, certified organization and sustaining from 2008;

## **HUMAN RESOURCES**

Your Company is managing workforce related processes and practices to create and maintain a high performance workplace is anchored by HR department. The aim is to create an integrated team work based on work culture where HR strategy plan is aligned to support the overall organizational strategic objectives and action plans derived from AOP (Annual Operating Plan) and mission statement of the organization.

Your Company has always given emphasis on upgrading the skills of its employees ensuring development of internal talent. Talent are job rotated in positions to have talent pipeline for critical positions and assesses the workforce capability and capacity needs by ensuring continuous development at all levels.





Workforce capability & capacity needs including preparation for changing technology & environment are met by continuous training & skill building. Your Company has adapted role-based training need identification (TNI). The identified trainings are prioritized, training partners are finalized and calendar is prepared as per the discussions with the HOD. It is monitored on a regular basis and suitable follow up and corrective actions are taken. Employees are offered training opportunities through e-learning, classroom training, on the job training, special projects, coaching, business simulations & management development programs etc.

Your Company has robust & institutionalized processes to develop, harness internal talent & career opportunities through job rotation which occurs through internal job postings, Professional development dialogue, job enrichment, job enlargement and redeployment.

Your Company has a detailed succession planning initiative for identifying and developing employees with the potential to fill key leadership positions in the company. The process to identify successors and groom them for succession to these positions for business continuity & Institution Building is central to the topic. The process facilitates identification of critical skills and provides succession to these Individuals for business continuity.

### **DELHI AIRPORT EMERGENCY PLANNING**

As per the Aircraft Rules, 1937 and Civil Aviation Requirements (CAR), every Airport should have an Airport Emergency Plan to commensurate with Airport Operation as per the guidelines of International Civil Aviation Organization (ICAO) Doc 9137 Airport Service Manual Part 7. In view of this, a comprehensive functional document has been evaluated and prepared to handle the emergencies at IGI Airport and exists in the form of 'Delhi Airport Emergency Plan' (DAEP). The said Plan is updated regularly to make it more comprehensive by including more stakeholders in the DAEP. Apart, from the IGIA, nearby Hospitals, various Private and government hospitals of Delhi are also included to handle any kind of emergency situation. The Hospitals like Safdarjung Hospital, AIIMS, Army R & R Hospital, Army Base Hospital, are also included in the list. The doctors of Airport Health Organisation (APHO), Airline Doctors, Army and Air Force Doctor and other Private Doctors are also included in the Emergency Plan. Earlier, the Ambulances were only available for the emergency at IGIA from nearby hospitals, now; it is tied up with CATS and other Government and Private Hospitals to provide the Ambulances at the time of any Emergency at the Airport. The Department of Delhi Disaster Management Authority (DDMA) also included in the Airport Emergency Planning. Further, as part of Emergency Planning, various mock drills were also conducted during the year.





## **QUALITY & SERVICE DELIVERY**

With immense pleasure and great pride, your Directors would like to inform that Indira Gandhi International Airport (IGIA) has once again maintained World No. 1 Airport rank in its category of 25-40 Million passengers per annum (Mppa). Our Airport stands No.1 among all other Indian airports by winning maximum number of awards in 2015. We have been successful in relentlessly delivering distinct and superior experience to our passengers, which has enabled us to achieve three coveted awards:

- 1st Rank - Best Airport by Size (25-40 Mppa)
- 1st Rank in Size and Region – Asia Pacific (25 – 40 Mppa)
- 2nd Rank in the Best Airport by Region – Asia Pacific (over 2 mn passengers per year)

From the bottom of the pyramid with 101 position in 2007, DIAL has made a paradigm shift over the years. By 2011, we had achieved World's No. 2 position, which we retained for three consecutive years till 2013. The rising Airport's Service Quality levels resulted in ASQ rankings soaring to the pinnacle. In 2014 and for the first time ever, Delhi Airport stepped up its position to World's No. 1 rank in 25-40 Mppa category.

Delhi Airport has retained the World's No.1 rank in 2015 with score of 4.96 in ASQ survey on a scale of 1 to 5. This award represents your company's commitment providing passengers with the best customer experience and is a clear testimony of the DNA of service centricity.

Your Company has also bagged the prestigious 'Golden Peacock National Quality Award' for 2015 for its concerted efforts in building a culture of Total Quality across IGI Airport.

Further, recognizing the fact that Quality is a journey and not a destination, your Company is also focusing on the journey of Business Excellence which is based on the Malcolm & Baldrige Business Excellence Principles.

DIAL has also embarked upon the journey of TOC-Theory of Constraints for the terminal operations process to minimize the time spent by the passenger in boarding the Aircraft for the Kerb side.

Further, the lean Enterprise drive initiated through DIALean aiming at Safety, Best Resource Utilization & Work place Improvement, deploying Toyota Principle of At Source Quality, 5S, KAIZEN, and Management by Wandering About, are being continuously practiced to drive the Continuous Improvement culture.





Your Company has won the 1st Prize in Service Sector in “CII – 5S Sustenance Awards- 2015”, organized by Confederation of Indian industries (CII) – Northern region. In continuation of CII- 5S Excellence Award 2014 and 1<sup>st</sup> prize in KAIZEN Competition under the Renovative Category in the 26th Kaizen Conference and Competition, organized by Confederation of Indian Industry (CII) – Institute of Quality.

### **AUDIT COMMITTEE**

Pursuant to the provisions of Section 177 of the Companies Act, 2013, the Audit Committee, presently, comprises of the following Directors:

| <b>S. No</b> | <b>Name of Members</b>                          |
|--------------|-------------------------------------------------|
| 1.           | Mr. G.Subba Rao, Chairman                       |
| 2.           | Ms. Denitza Weismantel, Director *              |
| 3.           | Mr. S. Suresh, Director                         |
| 4.           | Mr. N.C. Sarabeswaran, Independent Director     |
| 5.           | Mr. R.S.S.L.N. Bhaskarudu, Independent Director |
| 6.           | Mr. K. Parameswara Rao, Independent Director    |
| 7.           | Ms. V. Siva Kameswari, Independent Director     |

[\* Ms. Denitza Weismantel was nominated as Member of the Audit Committee in place of Mr. Christoph Hans Nanke, Director w.e.f April 28, 2016, pursuant to change of nomination from Fraport AG Frankfurt Airport Services Worldwide].

Further, during the year under review, the Board of Directors has accepted all the recommendations of Audit Committee.

### **NOMINATION AND REMUNERATION COMMITTEE**

Pursuant to the provisions of Section 178 of Companies Act, 2013 (Act), Presently the Nomination and Remuneration Committee comprises of the following Directors:

| <b>Sl. No</b> | <b>Name of Director</b>                         |
|---------------|-------------------------------------------------|
| 1.            | Mr. G.Subba Rao, Chairman                       |
| 2.            | Ms. Gargi Kaul, Director                        |
| 3.            | Ms. Denitza Weismantel, Director **             |
| 4.            | Mr. N.C. Sarabeswaran, Independent Director     |
| 5.            | Mr. R.S.S.L.N. Bhaskarudu, Independent Director |
| 6.            | Mr. K. Parameswara Rao, Independent Director    |
| 7.            | Ms. V. Siva Kameswari, Independent Director     |





[\*\* Ms. Denitza Weismantel was nominated as Member of the Nomination and Remuneration Committee in place of Mr. Christoph Hans Nanke, Director w.e.f April 28, 2016, pursuant to change of nomination from Fraport AG Frankfurt Airport Services Worldwide]

## **SHARE ALLOTMENT, TRANSFER & GRIEVANCE COMMITTEE**

The Share Allotment, Transfer & Grievance Committee comprises of the following Directors:

| <b>Sl. No</b> | <b>Name of Director</b>                     |
|---------------|---------------------------------------------|
| 1.            | Mr. G. Subba Rao, Chairman                  |
| 2.            | Mr. Grandhi Kiran Kumar, Executive Director |
| 3.            | Mr. Srinivas Bommidala, Managing Director   |
| 4.            | Mr. K. Narayana Rao, Whole Time Director    |
| 5.            | Mr. S. Suresh, Director                     |
| 6.            | Ms. Denitza Weismantel , Director *         |

[\* Ms. Denitza Weismantel was nominated as Member of the Share Allotment, Transfer & Grievance Committee in place of Mr. Christoph Hans Nanke, Director w.e.f April 28, 2016, pursuant to change of nomination from Fraport AG Frankfurt Airport Services Worldwide]

## **CORPORATE SOCIAL RESPONSIBILITY**

As per the provisions of Companies Act, 2013, CSR committee of your Company comprised the following members.

| <b>S. No</b> | <b>Name of Director</b>                         |
|--------------|-------------------------------------------------|
| 1.           | Mr. R.S.S.L.N. Bhaskarudu, Independent Director |
| 2.           | Mr. K. Narayana Rao, Whole Time Director        |
| 3.           | Mr. G. Subba Rao, Director                      |

The Chief Operating Officer, the Chief Human Resource Officer and Head of DIAL CSR are permanent invitees to this Committee.

The said committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy), indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.





The CSR Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company, which has been approved by the Board.

As per the provisions of Companies Act, 2013, during the financial year under review, your Company, was required to spend an amount of Rs. 463 lacs towards CSR activities, out of which Rs. 420.78 Lacs was utilized on the activities specified in Schedule VII of the Companies Act, 2013.

The amount remain unutilized is mainly due to the following reasons

- (i) DIAL CSR leveraged Basti Vikas Kendra (Delhi Govt. Scheme under which the building is constructed by the government and handed over to NGO's at highly subsidized rates for delivering community services) allotted to DIAL- CSR for running different activities at Savda Ghevra and saved budget earmarked for paying the rents of hired premises in the range of Rs. 3 lacs during the year.
- (ii) Collaboration with Max India Foundation enabled in obtaining vaccination for 100 kids at free of cost, saving the budget of Rs.1 lac
- (iii) GMRVF leveraged resources from other agencies as an umbrella (multi location) project including Delhi. Training on making products and market facilitation was done under the umbrella project resulting into saving of budget in the range of Rs. 6 Lac.
- (iv) DIAL CSR team submitted the proposal for toilet adoption, renovation and maintenance to MCD department and did rigorous follow-up for six months. Due to change in MCD policy, the proposal was not approved resulting into the underspent of Rs.30 lacs earmarked for the 'Swach Bharat Abhiyan' in Delhi

The Board of Directors of your Company in its meeting held on April 28, 2016, deliberated on the reasons of underspent which are mainly due to the denial of approval by MCD for construction/maintenance of community toilets and agreed with the explanations of CSR team on underspent and concluded that the same was beyond the control of the Company.

As required by the provisions of Section 135 and Rules thereunder, the annual report on CSR activities and initiatives is annexed as **Annexure B**.





## **AUDITORS AND AUDITORS' REPORT**

M/s. S.R.Batliboi & Associates L.L.P, Chartered Accountants, Bengaluru and M/s. Brahmayya & Co, Chartered Accountants, Bengaluru, Joint Statutory Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting of the Company.

The Board of Directors on the recommendation of Audit Committee has recommended the appointment of M/s. S.R. Batliboi & Associates, Chartered Accountants, and M/s. Brahmayya & Co. Chartered Accountants, as Joint Statutory Auditors of the Company, for a period of One Year till the conclusion of 11<sup>th</sup> AGM, for the approval of the Shareholders in the ensuing Annual General Meeting.

The Auditors Report and Notes on financial statement referred in the Financial Statements are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

## **DEPOSITS**

The Company has not accepted any Deposits during the year, therefore, no disclosure as per Rule 8(5) of The Companies (Acceptance of Deposits) Rules, 2014 is required.

## **EXTRACT OF ANNUAL RETURN**

Extract of Annual Return of the Company is annexed herewith as **Annexure C** to this Report.

## **MEETINGS OF THE BOARD AND COMMITTEES**

During the financial year ending March 31, 2016, the details of the meetings of the Board and Committees of the Board and attendance of the Directors are as follows:

### **BOARD MEETING**

| <b>Name of Directors</b> | <b>7-May-15</b> | <b>23-Jul-15</b> | <b>15-Oct-15</b> | <b>27-Jan-16</b> |
|--------------------------|-----------------|------------------|------------------|------------------|
| Mr. G.M. Rao             | Yes             | Yes              | Yes              | Yes              |
| Mr. Srinivas Bommidala   | Yes             | No               | Yes              | Yes              |
| Mr. Grandhi Kiran Kumar  | No              | No               | Yes              | No               |
| Mr. G.B.S. Raju          | No              | No               | Yes              | Yes              |
| Mr. K. Narayana Rao      | Yes             | Yes              | Yes              | Yes              |
| Mr. G. Subba Rao         | Yes             | Yes              | Yes              | Yes              |



|                                       |               |                       |                  |                  |
|---------------------------------------|---------------|-----------------------|------------------|------------------|
| Mr. R.S.S.L.N. Bhaskarudu             | Yes           | Yes                   | Yes              | Yes              |
| Mr. Christoph Hans Nanke**            | Yes           | No                    | No               | No               |
| Mr. V. Somasundaram**                 | No            | Yes                   | No               | No               |
| Mr. S. Suresh                         | Yes           | No                    | No               | Yes              |
| Mr. Arun Kumar**                      | No            | Ceased to be Director | -                | -                |
| Mr. Suresh Goyal                      | No            | Yes (Through VC)      | Yes (Through VC) | No               |
| Mr. N.C. Sarabeswaran                 | Yes           | Yes (Through VC)      | Yes (Through VC) | Yes (Through VC) |
| Mr. K.P. Rao                          | Yes           | Yes                   | Yes              | Yes (Through VC) |
| Ms. Kameswari Vissa                   | Yes           | Yes                   | Yes              | Yes (Through VC) |
| Ms. Gargi Kaul                        | Not Appointed | No                    | Yes              | Yes              |
| Mr. Matthias Engler                   | -             | Yes                   | Yes              | Yes              |
| Mr. Datuk Mohd. Badlisham Bin Ghazali | No            | Ceased to be Director | -                | -                |

#### **\*Directors Appointed during the Year**

Mr. A.K. Dutta, Ms. Denitza Weismantel and Mr. Matthias Engler (Alternate to Denitza Weismantel) were appointed on April 28, 2016

#### **\*\*Directors Resigned during the Year**

- (i) Mr. Arun Kumar ceased to be director in the Company w.e.f July 23, 2015.
- (ii) Mr. Christoph Hans Nanke and Mr. Matthias Engler (Alternate to Mr. Christoph Hans Nanke) ceased to be director in the Company w.e.f April 28, 2016.
- (iii) Mr. V. Somasundaram ceased to be the director in the company w.e.f. March 29, 2016.
- (iv) Mr. Datuk Mohd. Badlisham Bin Ghazali ceased to be the director in the Company w.e.f. May 22, 2015.

### **AUDIT COMMITTEE**

| <b>Name of Members</b> | <b>7-May-15</b> | <b>23-Jul-15</b> | <b>15-Oct-15</b> | <b>27-Jan-16</b> |
|------------------------|-----------------|------------------|------------------|------------------|
| Mr. G. Subba Rao       | Yes             | Yes              | Yes              | Yes              |
| Mr. R.S.S.L.N.         | Yes             | Yes              | Yes              | Yes              |





|                                                                   |     |                        |                     |                     |
|-------------------------------------------------------------------|-----|------------------------|---------------------|---------------------|
| Bhaskarudu                                                        |     |                        |                     |                     |
| Mr. N. C. Sarabeswaran                                            | Yes | Yes<br>(Through<br>VC) | Yes (Through<br>VC) | Yes (Through<br>VC) |
| Mr. K.P. Rao                                                      | Yes | Yes                    | Yes                 | Yes (Through<br>VC) |
| Ms. Kameswari Vissa                                               | Yes | Yes                    | Yes                 | Yes (Through<br>VC) |
| Mr. Christoph Hans<br>Nanke                                       | Yes | No                     | No                  | No                  |
| Mr. S. Suresh                                                     | Yes | No                     | No                  | Yes                 |
| Mr. Matthias Engler<br>(Alternate to Mr. Christoph<br>Hans Nanke) | -   | Yes                    | Yes                 | Yes                 |

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

| Name of Directors         | Date of CSR Committee Meeting |               |                  |
|---------------------------|-------------------------------|---------------|------------------|
|                           | May 7,<br>2015                | July 22, 2015 | October 14, 2015 |
| Mr. G. Subba Rao          | Yes                           | Yes           | Yes              |
| Mr. R.S.S.L.N. Bhaskarudu | Yes                           | Yes           | Yes              |
| Mr. K. Narayana Rao       | No                            | Yes           | Yes              |

## NOMINATION AND REMUNERATION COMMITTEE

| Name of Members                                                         | 23-Jul-15           | 15-Oct-15           | 27-Jan-16           |
|-------------------------------------------------------------------------|---------------------|---------------------|---------------------|
| Mr. G. Subba Rao                                                        | Yes                 | Yes                 | No                  |
| Mr. Christoph Hans Nanke                                                | No                  | No                  | No                  |
| Mr. R.S.S.L.N. Bhaskarudu                                               | Yes                 | Yes                 | Yes                 |
| Mr. N.C. Sarabeswaran                                                   | Yes (Through<br>VC) | Yes (Through<br>VC) | Yes (Through<br>VC) |
| Mr. K.P. Rao                                                            | Yes                 | Yes                 | Yes (Through<br>VC) |
| Ms. Kameswari Vissa                                                     | Yes                 | Yes                 | Yes (Through<br>VC) |
| Ms. Gargi Kaul                                                          | Not Appointed       | No                  | No                  |
| Mr. Matthias Engler (Alternate Director<br>to Mr. Christoph Hans Nanke) | Yes                 | Yes                 | Yes                 |





## SHARE ALLOTMENT TRANSFER & GRIEVANCE COMMITTEE

| Name of Member           | 22-May-2015 |
|--------------------------|-------------|
| Mr. Srinivas Bommidala   | No          |
| Mr. Grandhi Kiran Kumar  | No          |
| Mr. G. Subba Rao         | Yes         |
| Mr. K. Narayana Rao      | Yes         |
| Mr. S. Suresh            | No          |
| Mr. Christoph Hans Nanke | No          |

## SUB COMMITTEE OF BOARD CONSTITUTED FOR SELECTION OF POWER SUPPLIER OF DIAL

| Name of Member            | 11-March-2016    |
|---------------------------|------------------|
| Mr. R.S.S.L.N. Bhaskarudu | Yes              |
| Ms. Gargi Kaul            | Yes              |
| Mr. S. Suresh             | Yes              |
| Mr. N. C. Sarabeswaran    | Yes (Through VC) |
| Ms. V. Siva Kameswari     | Yes (Through VC) |

## DIRECTORS RESPONSIBILITY STATEMENT

Your Directors state that :

1. in the preparation of the annual accounts for the financial year ended March 31, 2016, the applicable accounting standards read with the requirements set out under Schedule III to the Act, have been followed along with proper explanation relating to material departures, if any;
2. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended March 31, 2016 and of the profit of the Company for that period;
3. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the directors have prepared the accounts for the financial year ended March 31, 2016 on a 'going concern' basis;





5. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the financial year ended March 31, 2016, Mr. Arun Kumar Joint Secretary, Ministry of Civil Aviation (MoCA) (nominee Director of AAI) has ceased to be a Director of the company w.e.f. July 23, 2015 and Mr. V. Somasundaram (nominee Director of AAI) has been ceased to be a Director of the Company w.e.f. March 29, 2016, pursuant to withdrawal of Nomination by AAI.

Further, Mr. Datuk Mohd. Badlisham Bin Ghazali, Nominee Director of Malaysia Airports (Mauritius) Private Limited (MAMPL) also resigned from the Board w.e.f. May 22, 2015, pursuant to exit of MAMPL from DIAL.

Further, Mr. Christoph Hans Nanke (representative of Fraport Frankfurt Airport Services Worldwide) resigned as Director of the Company w.e.f. April 28, 2016 and pursuant to this the alternate Director Mr. Matthias Engler also ceases to be the Alternate Director of Mr. Christoph Hans Nanke, pursuant to withdrawal of Nomination by Fraport.

The Board places on record its deep appreciation for the services and support rendered by Mr. V. Somasundaram, Mr. Arun Kumar, Mr. Datuk Mohd. Badlisham Bin Ghazali and Mr. Christoph Nans Nanke as Directors during their tenure.

Mr. A.K. Dutta (nominee of AAI), and Ms. Denitza Weismantel (nominee of Fraport Frankfurt Airport Services Worldwide ) were appointed as Additional Director(s) w.e.f. April 28, 2016, pursuant to the provisions of Section 161(1) of the Companies Act, 2013, by the Board of Directors and they shall hold office upto the date of ensuing Annual General Meeting. The company has received requisite notice under Section 160 of the Companies Act, 2013, in writing from a member proposing their candidatures for appointment as Director(s). Mr. Matthias Engler was also appointed as an alternate Director to Ms. Denitza Weismantel w.e.f. April 28, 2016.

Further, term of appointment of, Mr. R.S.S.L.N. Bhaskarudu and Mr. N.C. Sarabeswaran Independent Directors in terms of the provisions of Section 149 of the Companies Act, 2013 is completed at the 10<sup>th</sup> Annual General Meeting of the Company. The Board has recommended a further term of 5 years for Mr. R.S.S.L.N Bhaskarudu and Mr. N.C. Sarabeswaran as Independent Director from the conclusion of 10<sup>th</sup> AGM.





Mr. G.B.S. Raju, Mr. Grandhi Kiran Kumar, Mr. K. Narayana Rao and Mr. S. Suresh shall retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

Subject to the approval of the Shareholders, in the ensuing Annual General Meeting, Mr. K. Narayana Rao, is re – appointed as Whole Time Director of the Company w.e.f. April 1, 2016 for a period of 3 years.

The Board recommends the appointment/re-appointment of aforesaid Directors.

In accordance with the provisions of the Companies Act, 2013, Mr. I. Prabhakara Rao, CEO, Mr. G.R.K. Babu, CFO, and Mr. Saurabh Jain, C.S., continues to be the Key Managerial Personnel.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of Independence as prescribed under the Act.

The policy on director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of directors and other matters as required by the provisions of Section 178 of the Act is attached as **Annexure D**.

## **BOARD EVALUATION**

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The Company has devised a policy for performance evaluation of Independent Directors, Board, Committees and other Individual Directors, which includes criteria for performance evaluation of the non – executive directors and executive directors.

As per the policy, a process of evaluation was followed by the Board for its own performance and that of its Committees and Individual Directors through a comprehensive online survey through [surveymonkey.com](http://surveymonkey.com).

The framework includes the evaluation on various parameters such as :

- Board dynamics and relationships;
- Information flows;





- Decision – making;
- Company performance and strategy;
- Tracking Board and committee effectiveness;
- Peer Evaluation

## **SECRETARIAL AUDIT REPORT**

The Board of Directors has appointment Mr. Maneesh Gupta, Practising Company Secretary, to conduct the Secretarial Audit of the Company. The Secretarial Audit Report for the financial year March 31, 2016 is attached herewith as **Annexure E**. The Secretarial Audit Report does not contain any qualifications, reservations or adverse remarks.

## **COST AUDITORS**

The Board of Directors has appointed M/s Narasimha Murthy & Co, Cost Accountants, as Cost Auditors for conducting the audit of Cost Records of the Company for the financial year 2015 -16. The said firm of Cost Auditors has conducted the Cost Audit and submitted its report to the Board for the financial year 2015-16.

Further, your Directors are pleased to inform you that, your Company has received 'Good Performance Award' – under the category of 'Private – Service Sector (Large)' in 13th National Award for Excellence in Cost Management 2015 from The Institute of Cost Accountants of India. The Jury was headed by Hon'ble Justice V.N. Khare former Chief Justice of India.

Due to your Company's continued focus on 'Total Cost Management' and its commitment on new and revolutionary technologies with object of providing superior customer's experience resulted in this award in the 1st year of its adoption of Mandatory Cost Accounting and Record rules i.e 2014-15.

Getting this coveted award in the first year itself is a true recognition of your company's efforts towards cost control, cost optimization and cost reduction through operational efficiency by adopting innovative and indigenous methods, systems and the deployment of latest technologies.

This award comes to us as a catalyst in reinforcing our commitment towards being the most cost effective airport in the world.





### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS AS PER SECTION 186**

The Company being an Infrastructure Company, the provisions of Section 186 of the Act related to Loans and Guarantees are not applicable to the Company.

The details of Investments already made by the Company form part of the notes to the Financial Statements in the Annual Report and during the financial year under review, there were no new investments made by the Company, except Treasury Investments in Deposits, Mutual Funds etc.

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES AS PER SECTION 188**

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis.

However, the approval of the Board of Directors were obtained for all the contracts/arrangements entered with related parties during the year, pursuant to the requirements of the Operation Management Development Agreement entered by the Company with Airports Authority of India. As a good corporate governance practice, necessary disclosures as required under the provisions of Section 188 and rules thereunder were made to the Board of Directors at the time of obtaining the approval from the Board. Despite, the fact that the provisions of Section 188 of the Companies Act, 2013 is not applicable, the details of all such contracts/arrangements are given in Format AOC -2 as **Annexure F**.

### **MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION**

There are no material changes and commitments affecting the financial position of the Company after the end of financial year till the date of this report.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in **Annexure-G** to the Report. The details of Foreign Exchange earnings and outgo are given in the Note No. 40 to the Notes to Accounts to the Balance Sheet as attached.





## **DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY**

Your Company has in line with corporate ERM policy, has adopted Enterprise Risk Management to identify the potential Risks which may affect the organization, and manage risks within its risk appetite providing reasonable assurance to achieve its business objectives. During the Internal Strategy planning process, all the potential risks emerging from environment scan discussions and deliberations between your Company's Senior Management is captured and a consolidated list of top risks is prepared.

| <b>S.No</b> | <b>Risks</b>                                                                                     | <b>Strategic Initiatives to address the Risk</b>                                                                                                                                                                                                                                                                               |
|-------------|--------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1           | <u>Revenue Risk</u> : Significant Dip in revenues impacting Liquidity and profitability          | <ul style="list-style-type: none"> <li>▪ Ensure fair aero revenue from regulator</li> <li>▪ Maximize non-regulated revenue</li> <li>▪ Create value by optimizing land use</li> <li>▪ Increasing long haul flights</li> <li>▪ Increasing high yield cargo throughput</li> <li>▪ Maximize value from existing assets</li> </ul>  |
| 2           | <u>Litigation Risk</u> : Unfavorable decision on key Litigations (Tariff, NGT, Service tax, etc) | <ul style="list-style-type: none"> <li>▪ Effective legal management</li> <li>▪ Ensure fair aero revenue from regulator</li> <li>▪ Implement environmental sustainability programme</li> </ul>                                                                                                                                  |
| 3           | <u>Reputation Risk</u> : Fall in ASQ Ranking                                                     | <ul style="list-style-type: none"> <li>▪ Implement a comprehensive stakeholder engagement programme</li> <li>▪ Operational Excellence</li> <li>▪ Leverage technology and innovation for superior customer experience</li> <li>▪ Implement an effective CRM programme</li> <li>▪ Improve connectivity to the airport</li> </ul> |
| 4           | New Airports in IGIA vicinity                                                                    | <ul style="list-style-type: none"> <li>▪ Implement a comprehensive stakeholder engagement programme</li> <li>▪ Operational Excellence</li> </ul>                                                                                                                                                                               |
| 5           | Receivables Risk                                                                                 | <ul style="list-style-type: none"> <li>▪ Cash flow management / Cost containment</li> </ul>                                                                                                                                                                                                                                    |





Strategic initiatives are also finalized during the strategy planning process to address each identified risk. Detailed Risk mitigation plan is prepared for each Risk and progress status is monitored and reviewed by CEO along with Senior Management Team during performance reviews of strategic initiatives at regular intervals.

#### **DISCLOSURE OF VIGIL MECHANISM AS PER SECTION 177(10):**

The Company has established a vigil mechanism as per the requirement of the Companies Act, 2013.

The Vigil Mechanism Policy of the Company to provide for adequate safeguards against victimization of persons who use such mechanism is attached as **Annexure –H**.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATOR OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

There are no significant and material orders passed by the regulator or courts or tribunals impacting the going concern status and company's operations in future, except explained in the Note No. 2 (A) of Notes to the Financial Statements for the year ended March 31, 2016, related to 'Going Concern'.

#### **ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

Your Company has adopted policies and procedures including the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of fraud and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures under the Companies Act, 2013.

During the year under review, such controls were reviewed and tested by the internal audit department of the Company. The Statutory Auditors of the Company has also tested the Internal Controls over financial reporting.

There were no reportable material weakness observed in the design or operating effectiveness of the controls except few areas where the risk has been identified as low and there is a need to further strengthen the controls.





## **PARTICULARS OF EMPLOYEES**

Particulars to be furnished under Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 are set out in the annexure included in this report is attached as **Annexure - I**.

## **GENERAL**

Your Directors further state that no disclosure or reporting is required in respect of various items, which are only applicable to listed companies or where there were no transactions or event during the year under review.

Further, your Directors state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## **ACKNOWLEDGEMENT**

Your Directors take this opportunity to express their sincere thanks and gratitude to the Government of India, Government of National Capital Territory of Delhi, Ministry of Civil Aviation, Airports Authority of India, Airports Economic Regulatory Authority of India, Directorate General of Civil Aviation, Bureau of Civil Aviation Security, IATA, ACI, Airlines, CISF, Delhi Police, various departments/agencies of Central Government State Government, other agencies, users, customers of the Airport, Bankers and Financial Institutions, GMR Group and Fraport AG Frankfurt Airport Services Worldwide, for their co-operation.

Your Directors place on record their sincere appreciation of the contributions made by the employees at all levels through their hard work, dedication, solidarity and support.

**For and on behalf of the Board of Directors**

**- S/d-**  
**Srinivas Bommidala**  
Managing Director  
DIN-00061464

**- S/d-**  
**K. Narayana Rao**  
Whole-Time Director  
DIN-00016262

Place: New Delhi  
Date: August 16, 2016



**Annexure - A**

**Delhi International Airport Private Limited**  
**CIN. U63033DL2006PTC146936**

**Form AOC-1**

(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures****Part "A" : Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs Crores)

| <b>Sl No</b>                                                                                                            | <b>1</b>                                  |
|-------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| <b>Name of subsidiary</b>                                                                                               | <b>Delhi Aerotropolis Private Limited</b> |
| Reporting period for subsidiary concerned, if different from the holding company's reporting period                     | -                                         |
| Reporting currency and exchange rate as on the last date of the relevant Financial year in case of foreign subsidiaries | -                                         |
| Share Capital                                                                                                           | 0.10                                      |
| Reserve and Surplus                                                                                                     | (0.15)                                    |
| Total Assets                                                                                                            | 0.09                                      |
| Total Liabilities                                                                                                       | 0.09                                      |
| Investments                                                                                                             | -                                         |
| Turnover                                                                                                                | -                                         |
| Profit before Taxation                                                                                                  | (0.00)                                    |
| Provision for Taxation                                                                                                  | -                                         |
| Profit after Taxation                                                                                                   | (0.00)                                    |
| Proposed Dividend                                                                                                       | -                                         |
| % of shareholding                                                                                                       | 100                                       |

Delhi International Airport Private Limited  
CIN. U63033DL2006PTC146936

**Part "B" : Associates and Joint Ventures**

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(Rs. In Crores)

| Name of Associates/Joint Ventures                                            | Delhi Aviation Services Private Limited | Delhi Duty Free Services Private Limited | Travel Food Services (Delhi T3) Private Limited | Delhi Aviation Fuel Facility Private Limited | Celebi Delhi Cargo Terminal Mgmt. India Private Limited | Delhi Airport Parking Services Private Limited | TIM Delhi Airport Advertisement P. Ltd | East Delhi Waste Processing Company Limited** |
|------------------------------------------------------------------------------|-----------------------------------------|------------------------------------------|-------------------------------------------------|----------------------------------------------|---------------------------------------------------------|------------------------------------------------|----------------------------------------|-----------------------------------------------|
| 1. Latest audited Balance Sheet date                                         | March 31,2016                           | March 31,2016                            | March 31,2016                                   | March 31,2016                                | March 31,2016                                           | March 31,2016                                  | March 31,2016                          | March 31,2016                                 |
| 2. Share of Associate/Joint Ventures held by the company on the year end     |                                         |                                          |                                                 |                                              |                                                         |                                                |                                        |                                               |
| Number (No. of Shares)                                                       | 12500000                                | 39920000                                 | 3200000                                         | 4264.00                                      | 29120000                                                | 40638560                                       | 9222505                                | 7839                                          |
| Amount of investment in Associates/Joint Venture                             | 12.50                                   | 39.92                                    | 3.20                                            | 4.26                                         | 29.12                                                   | 40.64                                          | 9.22                                   | 0.01                                          |
| Extent of Holding %                                                          | 50.00                                   | 49.90                                    | 40.00                                           | 26.00                                        | 26.00                                                   | 49.90                                          | 49.90                                  | 48.99                                         |
| 3. Description of how there is significant influence                         | Refer Note below                        |                                          |                                                 |                                              |                                                         |                                                |                                        | N/A                                           |
| 4. Reason why the associate/joint venture is not consolidated                |                                         |                                          |                                                 |                                              |                                                         |                                                |                                        |                                               |
| 5. Networth attributable to Shareholding as per latest audited Balance Sheet | 19.07                                   | 74.86                                    | 0.94                                            | 52.91                                        | 58.70                                                   | 2.55                                           | 41.34                                  | (0.21)                                        |
| (%) of holding                                                               | 50.00                                   | 49.90                                    | 40.00                                           | 26.00                                        | 26.00                                                   | 49.90                                          | 49.90                                  | 48.99                                         |
| 6. Profit/Loss for the year                                                  |                                         |                                          |                                                 |                                              |                                                         |                                                |                                        |                                               |
| i. Considered in Consolidation                                               | 2.81                                    | 43.70                                    | 1.67                                            | 9.76                                         | 3.89                                                    | 0.16                                           | 2.77                                   | NA                                            |
| ii. Not considered in Consolidation                                          | 2.81                                    | 43.88                                    | 2.50                                            | 27.79                                        | 11.07                                                   | 0.46                                           | 2.78                                   | NA                                            |

Note: There is significant influence due to percentage of Share Capital.

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

Sd/-  
**Srinivas Bommidala**  
Managing Director  
DIN-00061464

Sd/-  
**K. Narayana Rao**  
Whole time Director  
DIN-00016262

Sd/-  
**Radhakrishnababu G.**  
Chief Financial Officer

Sd/-  
**Saurabh Jain**  
Company secretary

Place : New Delhi  
Date : August 16, 2016

## Delhi International Airport (P) Limited

## Annexure - B

### CSR Annual Report for the financial year 2015-16

|   |                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs. | <p>Delhi International Airport (P) Limited (the Company) forming part of GMR Group has adopted the CSR Policy of GMR Group. GMR Group recognizes that its business activities have wide impact on the societies in which it operates and therefore an effective practice is required giving due consideration to the interests of its stakeholders including shareholders, customers, employees, suppliers, business partners, local communities and other organizations.</p> <p>The Company is driven by Group's vision to make a difference, specifically to society by contributing to the economic development of the country and improving the quality of life of the local communities. Towards this vision, the Group including the Company, through GMR Varalakshmi Foundation (GMRVF), partners with the communities around the businesses to drive various initiatives in the areas of (i) Education, (ii) Health, Hygiene and Sanitation, (iii) Empowerment, Livelihood and Community Development.</p> <p>The Company carry out its CSR activities on its own, or in having special circumstances contribute funds to GMRVF, towards activities / programmes broadly within the ambit of Schedule VII (<i>with a special focus to areas in and around Delhi International Airport, Resettlement colony of Savda Ghevra and National Capital Region, Delhi, India</i>):</p> <p>The detailed note is given as Annexure B - I, which forms part of this report.</p> <p><a href="http://www.newdelhairport.in/our-company.aspx">Weblink:http://www.newdelhairport.in/our-company.aspx</a> and for overview of Projects or Programs is <a href="http://www.newdelhairport.in/csr.aspx">http://www.newdelhairport.in/csr.aspx</a></p> |
| 2 | The Composition of the CSR Committee                                                                                                                                                          | <p>(i) Mr. R.S.S.L.N. Bhaskarudu, Independent Director</p> <p>(ii) Mr. G. Subba Rao, Director</p> <p>(iii) Mr. K. Narayana Rao, Whole time Director</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 3 | Average net profit of the company for last three financial years 2012-13; 2013-14; 2014-15                                                                                                    | <p>2012-13 – Rs. 692,998,652</p> <p>2013-14 – Rs. 4,125,396,022</p> <p>2014-15 – Rs. 2,121,324,149</p> <p>Average Net Profit – Rs. 2,313,239,607</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 4 | Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)                                                                                                                    | Rs. 46,264,792                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 5 | Details of CSR spent during the financial year 2015-16                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|   | (a) Total amount to be spent for the financial year                                                                                                                                           | Rs. 46,264,792                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|   | (b) Amount unspent, if any;                                                                                                                                                                   | Rs. 42.22 Lacs                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|   | (c) Manner in which the amount spent during the financial year is detailed below.                                                                                                             | <b>Refer As per details below</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

**CSR ACTIVITIES UNDERTAKEN BY COMPANY DIRECTLY & THROUGH CONTRIBUTION TO GMRVF**

**(Rs./Lakhs)**

| <b>(1)<br/>)</b>      | <b>(2)</b>                                                                                                                                                                                                                           | <b>(3)</b>                                                    | <b>(4)</b>                                                                                                         | <b>(5)</b>                                              | <b>(6)</b>                                      | <b>(7)</b>                                                | <b>(8)</b>                                                 | <b>Remark</b>                                   |
|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|-------------------------------------------------|-----------------------------------------------------------|------------------------------------------------------------|-------------------------------------------------|
| <b>S<br/>N<br/>o.</b> | <b>CSR project or activity identified and Execution Details</b>                                                                                                                                                                      | <b>Activity as per Schedule VII of the Companies Act 2013</b> | <b>Projects or programs<br/>(1) Local area or other<br/>(2) District where projects or Programs was undertaken</b> | <b>Amount outlay (budget) project or program s wise</b> | <b>Amount spent on the projects or programs</b> | <b>Cumulative expenditure up to the reporting period.</b> | <b>Amount spent: Direct or through implementing agency</b> |                                                 |
| 1                     | Quality Education accessibility in target communities through <ul style="list-style-type: none"> <li>Running Balwadis, Kidsmart and remedial classes</li> <li>Running Library</li> <li>Classes on Minimum Learning Levels</li> </ul> | Promotio<br>n of<br>Educatio<br>n                             | Savda Ghevra JJ colony,<br>Mehramnagar and Shabad<br>Mohammadpur,<br>Delhi                                         | 17.37                                                   | 14.77 <sup>1</sup>                              | 14.77                                                     | Direct                                                     | Reached out to more than 800 children directly. |
| 2                     | Preventive Health Care Services through <ul style="list-style-type: none"> <li>Reproductive Child Health services</li> <li>Awareness on life skills</li> <li>Care &amp; support for people with disability</li> </ul>                | Promotio<br>n of<br>Health;                                   | Savda Ghevra JJ colony<br>Delhi                                                                                    | 11.80                                                   | 10.85 <sup>2</sup>                              | 25.62                                                     | Direct                                                     | More than 1000 individuals benefitted and       |
| 3                     | Women Empowerment through <ul style="list-style-type: none"> <li>Training women on craft based products making</li> <li>Facilitating marketing of products</li> </ul>                                                                | Empowe<br>ring<br>women                                       | Mehramnagar and Shabad<br>Mohammadpur villages around IGI Airport<br><br>Delhi                                     | 9.75                                                    | 3.75 <sup>3</sup>                               | 29.37                                                     | Direct                                                     | Provided livelihood option to 25 women          |

|   |                                                                                                                                                                                                                                                                                                                             |                                        |                                                                                                  |               |                    |        |          |                                                                                              |
|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|--------------------------------------------------------------------------------------------------|---------------|--------------------|--------|----------|----------------------------------------------------------------------------------------------|
| 4 | Skill Development <ul style="list-style-type: none"> <li>Running vocational training institute at Delhi for training 900 school &amp; college dropout youth</li> <li>Contribution to GMR Varalakshmi Foundation (GMRVF) for supporting other vocational training institutes across India for training 3100 youth</li> </ul> | Employment enhancing vocational skills | Delhi and candidates from Hindi speaking states (MP, UP, Bihar, Rajasthan, Haryana etc) of India | 178.00        | 177.37             | 206.74 | Direct   | Trained 4659 target youth across country with an average settlement rate of 79%              |
|   |                                                                                                                                                                                                                                                                                                                             |                                        | Bangalore (KA), Shrikakulam, Vizianagram & Nellore (AP) Karimnagar (Telangana) Chhindwara (MP)   | 169.00        | 169.00             | 375.74 | Indirect |                                                                                              |
| 5 | Swachh Bharat Abhiyan <ul style="list-style-type: none"> <li>Construction/maintenance of school/community toilets in Delhi</li> <li>Contribution to GMRVF for taking up sanitation initiatives</li> </ul>                                                                                                                   | Swachh Bharat Abhiyan                  | Delhi                                                                                            | 30.00         | 00.00 <sup>4</sup> | 375.74 | Indirect | Swachh Bharat activities were taken by GMRVF across country reaching out to 4000 users/month |
|   |                                                                                                                                                                                                                                                                                                                             |                                        | Bangalore (Karnatka) and Shrikakulam (Andhra Pradesh)                                            | 25.00         | 25.00              | 400.74 |          |                                                                                              |
| 6 | Administrative Expenses                                                                                                                                                                                                                                                                                                     | -                                      | -                                                                                                | 22.00         | 20.04              | 420.78 |          |                                                                                              |
|   | <b>Total</b>                                                                                                                                                                                                                                                                                                                |                                        |                                                                                                  | <b>463.00</b> | <b>420.78</b>      |        |          |                                                                                              |

### Justification for underspent

<sup>1</sup> Saving on rent of different premises used for running activities at Savda Ghevra JJ colony through leverage of Basti Vikas Kendra

<sup>2</sup> Vaccination of 100 kids leveraged through Max India Foundation resulted into saving of resources

<sup>3</sup> Activity was taken up through GMRVF

<sup>4</sup> Swachh Bharat initiative could not be executed due to change in the policy of Municipality Corporation of Delhi. However, similar activities were taken up by GMRVF directly across the country

The detailed justification is given in the Board's Report.

We hereby state that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

|                                                                |                                                                                                   |
|----------------------------------------------------------------|---------------------------------------------------------------------------------------------------|
| Sd/-<br>K. Narayana Rao<br>Whole Time Director<br>DIN 00016262 | Sd/-<br>R.S.S.L.N. Bhaskarudu<br>Independent Director<br>(Chairman CSR Committee)<br>DIN 00058527 |
|----------------------------------------------------------------|---------------------------------------------------------------------------------------------------|

## **BRIEF REPORT ON DIAL-CSR**

The Corporate Social Responsibility (CSR) Unit of Delhi International Airport Private Ltd. (DIAL) has been working with the communities neighboring Indira Gandhi International (IGI) airport, since June 2006 in collaboration with GMR Varalakshmi Foundation. The activities were started in Mehramnagar and the same were extended to Savda Ghevra in January 2007, the resettlement colony where illegal encroachments of Airport land were rehabilitated by the govt. Outreach of CSR activities were extended to Shahbad Mohammadpur in August, 2014. The CSR unit is working with approximately 20,000 people altogether in three communities.

In addition, it runs a vocational training center where drop out youth are given skills and gainfully employed. During the year 2015-16, the following activities/initiatives were taken up under the thrust areas of Education; Health, Hygiene and Sanitation; Empowerment and Livelihoods, as per the CSR policy of the Company.

### **Education**

Recognizing the importance of Early Childhood Education in the holistic development of children, DIAL-CSR is running 3 Balabadis (Pre-schools for the children of 3-5 year age group) covering 90 under-privileged children. During the year 2015-16, total 78 children from 3 Balabadis were admitted in formal schools. DIAL-CSR is running 02 Kid Smart Early Learning Centers in MCD (Municipal Corporation of Delhi) Boys Primary school, Shahabad Mohammadpur & in Savda Ghevra, benefiting about 400 children. The Kid Smart center is the IBM supported digital literacy based program for children from 3-9 year age group.

The CSR unit also runs After School Learning Center (ASLC) for students of Std. VI to X which benefitted 147 children. The ASLCs provides tuition support to the slow learners. For the children below VI Std. DIAL-CSR initiated new intervention called Minimum Learning Standard program. This initiative is based on the NCERT given Minimum Learning Level that emphasizes on learner focused age appropriate learning. During the year, 190 children benefitted.

### **Health, Hygiene and Sanitation**

DIAL-CSR has initiated three programs viz. Reproductive and Child Health (RCH); Life Skill Education for Adolescents and General Health Awareness under RCH program, Around 150 women received antenatal & postnatal care, support services and also immunization of more than 300 children was done at Savda Ghevra.

Under Life Skill Education Program for Adolescents, DIAL-CSR has trained a cadre of more than 90 adolescents (42 girls and 51 boys) as Peer Educators on ARSH (Adolescent Reproductive & Sexual Health) and other life skill related issues. These trained adolescent girls are now working as change agents among 200 peers. Life Skill Center (resource center) in Savda Ghevra continues to provide information, referral and counseling services to adolescents. 516 People with disability benefitted through enabling equipment, physiotherapy, medicines & counseling to care takers. DIAL CSR also contributed to GMRVF under **Swachh Bharat Abhiyan** for construction of 1 and maintenance of 3 community toilets in Andhra Pradesh and maintenance of city toilet at Bangalore reaching out to 4000 users.

## **Empowerment and Livelihoods**

DIAL- CSR is implementing various initiatives for empowering youth & women like vocational training for youth, individual livelihood support & marketing support to women entrepreneurs.

**Centre for Empowerment and Livelihoods-Delhi (CEL-D):** Started in September 2009, engaged in imparting vocational skill trainings for under-privileged dropout youth. Till date we have trained 2815 youth.

Training is provided in various trades like Basic Computers; Basic Electrical; Refrigeration and Air Conditioning; B. Cargo Management; Excavator Operator; Welding & Fabrication etc. All the courses are being running in partnership with leading industries like, Volvo, Voltas, ATDC, VDMA, CELEBI etc. During 2015-16, a total of 941 under-privileged youths were trained and 876 had been successfully settled.

Besides running CEL-D, DIAL CSR supported vocational training of 3700 youth with settlement rate of 76% under **Skill India Initiative** through 8 vocational training institutes run by GMRVF across India located in Madhyapradesh, Andhrapradesh, Telangana and Karnatka.

DIAL-CSR is running a stitching cum-production center for the women and girls in Mehramnagar community. 10 new women trained on jute based product making and benefitted 25 women directly through marketing of products made by them.

DIAL-CSR is running Community Resource Center (CRC) to help community to get access to Government schemes by providing them relevant information. In the reporting period we helped 131 people to get enrolled in different Government schemes like *Pradhan Mantri Jan Dhan Yojana*; *Aadhar Card*; old age pension, getting widow pension, income certificate etc.

25 women were made literate through TATA supported Computer Based Functional Literacy (CBFL) program at Shahbad Mohammadpur village in Delhi.

**Employee Involvement:**

DIAL-CSR believes in effective partnership and participation of corporate employees in community services. During the period 2015-16, 68 employee involvement programs were organized to create opportunities for employee involvement and 696 employees including their family members were involved and spent total 2300 hrs.

**ANNEXURE - C**

Form MGT-9

**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on March 31, 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

|                                                                                                                 |                                                                                                                                    |
|-----------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|
| <b>I. REGISTRATION AND OTHER DETAILS</b>                                                                        |                                                                                                                                    |
| i) CIN                                                                                                          | U63033DL2006PTC146936                                                                                                              |
| ii) Registration Date                                                                                           | March 1, 2006                                                                                                                      |
| iii) Name of the Company                                                                                        | Delhi International Airport Private Limited                                                                                        |
| iv) Category / Sub-Category of the Company                                                                      | *Public Company/ Limited by Shares                                                                                                 |
| v) Address of the Registered office and contact details                                                         | New Udaan Bhawan, Opp. Terminal-3, Indira Gandhi International Airport, New Delhi-110037                                           |
| vi) Whether listed company Yes / No                                                                             | No                                                                                                                                 |
| vii) Name, Address and Contact details of Registrar and Transfer Agent, if any                                  | Integrated Enterprises (India) Limited, 30, Ramana Residency, 4 <sup>th</sup> Cross, Sampige Road, Malleswaram, Bangalore - 560003 |
| <b>II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>                                                         |                                                                                                                                    |
| All the business activities contributing 10% or more of the total turnover of the company shall be stated:-     | ANNEXURE-I                                                                                                                         |
| <b>III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>                                          | ANNEXURE-II                                                                                                                        |
| <b>IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)</b>                    | ANNEXURE-III                                                                                                                       |
| i) Category-wise Shareholding                                                                                   |                                                                                                                                    |
| ii) Shareholding of Promoters                                                                                   |                                                                                                                                    |
| iii) Change in Promoters Shareholding                                                                           |                                                                                                                                    |
| iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters and holders of GDRs and ADRs) |                                                                                                                                    |
| v) Shareholding of Directors and Key Managerial Persons                                                         |                                                                                                                                    |
| <b>V. INDEBTEDNESS</b>                                                                                          | ANNEXURE-IV                                                                                                                        |
| Indebtedness of the Company including interest outstanding/accrued but not due for payment                      |                                                                                                                                    |
| <b>VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONS</b>                                                 | ANNEXURE-V                                                                                                                         |
| i) Remuneration to Managing Director, Whole time Director(s) and/or Manager                                     |                                                                                                                                    |
| ii) Remuneration to other Directors                                                                             |                                                                                                                                    |
| iii) Remuneration to Key Managerial Personnel other than MD/MANAGER/MTD                                         |                                                                                                                                    |
| <b>VII. PENALTIES/ PUNISHMENT/ COMPUNDING OF OFFENCES</b>                                                       | ANNEXURE-VI                                                                                                                        |

\*Public Company by virtue of Section 2 (71) of the Companies Act 2013, being a Subsidiary of a Public Company; i.e. GMR Airports Limited

**ANNEXURE - I****II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

| Sl. No | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|--------|--------------------------------------------------|----------------------------------|------------------------------------|
| 1      | Support Activities for Transportation            | NIC- 522                         | 73.4%                              |

[Note: Out of remaining 26.6% of revenue, 7.5% consists of Land, Space and Commercial Property Income, 8.2% consists of Retail Duty Free and Duty Paid and 10.9% consists of other Non-Aeronautical Income(s) from Food & Beverage, Car Parking, Banks/ATM/Forex, Cargo, Concession Fees etc. All these activities are separately classified under different NIC Codes and not mentioned above, as none of activity contributes 10% or more of the total turnover.]

**ANNEXURE-II****III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

| S. No | Name and address of the company                                                                                                                      | CIN/GLN               | Holding/ Subsidiary/ Associate | % of shares Held | Applicable Section |
|-------|------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|--------------------------------|------------------|--------------------|
| 1     | <b>GMR Infrastructure Limited,</b> Naman Centre, 7th Floor, Opp. Dena Bank, Plot No. C-31 G Block, Bandra Kurla Complex, Bandra (East) Mumbai 400051 | L45203KA1996PLC034805 | Holding                        | 0%               | 2(46)              |
| 2     | <b>GMR Airports Limited,</b> 25/1, Skip House, Museum Road, Bangalore-560025                                                                         | U65999KA1992PLC037455 | Holding                        | 64%              | 2(46)              |
| 3     | <b>GMR Holdings Private Limited,</b> Unit No. 1B, First floor, Riaz Garden Old. No. 12, New No. 29, Kodambakkam High Road Chennai 600034             | U67120TN1993PTC102145 | Holding                        | 0%               | 2(46)              |
| 4     | <b>Delhi Aerotropolis</b>                                                                                                                            | U45400DL2007PTC163751 | Subsidiary                     | 100%             | 2(87)              |

|    |                                                                                                                                       |                       |                             |        |      |
|----|---------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------------|--------|------|
|    | <b>Private Limited</b> , New Udaan Bhawan, Opp Terminal-3, IGI Airport, New Delhi-110037                                              |                       |                             |        |      |
| 5  | <b>East Delhi Waste Processing Company Limited</b> , 4th Floor, Dr Gopal Das Bhawan, 28, Barakhambha Road, New Delhi-110001           | U37100DL2005PLC135148 | Associate                   | 48.99% | 2(6) |
| 6  | <b>Delhi Aviation Services Private Limited</b> , New Udaan Bhawan, Opp. Terminal-3, IGI Airport, New Delhi-110037                     | U24233DL2007PTC165308 | Associate/<br>Joint Venture | 50%    | 2(6) |
| 7  | <b>Delhi Aviation Fuel Facility Private Limited</b> , Aviation Fuelling Station, Shahbad Mohammad Pur, IGI Airport, New Delhi-110061  | U74999DL2009PTC193079 | Associate/<br>Joint Venture | 26%    | 2(6) |
| 8  | <b>Wipro Airport IT Services Limited</b> , Doddakannelli, Sarjapur Road, Bangalore-560035                                             | U72200KA2009PLC051272 | Associate/<br>Joint Venture | 26%    | 2(6) |
| 9  | <b>Delhi Airport Parking Services Private Limited</b> , 6th Floor, Multi-Level Car Parking, IGI Airport, Terminal-3, New Delhi-110037 | U63030DL2010PTC198985 | Associate/<br>Joint Venture | 49.90% | 2(6) |
| 10 | <b>Travel Services (Delhi Terminal 3) Private Limited</b> , New Udaan Bhawan, Opp. Terminal 3, IGI Airport, New Delhi-110037          | U55101DL2009PTC196639 | Associate/<br>Joint Venture | 40%    | 2(6) |
| 11 | <b>Delhi Duty Free Services Private Limited</b> , Building No. 301, Ground Floor, Opposite Terminal-3, IGI Airport, New Delhi-110037  | U52599DL2009PTC191963 | Associate/<br>Joint Venture | 49.90% | 2(6) |
| 12 | <b>Celebi Delhi Cargo</b>                                                                                                             | U74900DL2009FTC191359 | Associate/                  | 26%    | 2(6) |

|    |                                                                                                                                                                   |                       |                             |        |      |
|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------------|--------|------|
|    | <b>Terminal Management India Private Limited,</b><br>Room no. Ce-05, First Floor, Import Building II, International Cargo Terminal, IGI Airport, New Delhi-110037 |                       | Joint Venture               |        |      |
| 13 | <b>TIM Delhi Airport Advertising Private Limited,</b> 202, G-5 Building, Parking complex, Domestic Terminal, IGI Airport, New Delhi-110037                        | U74999DL2010PTC203419 | Associate/<br>Joint Venture | 49.90% | 2(6) |

## ANNEXURE-III

## IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

## i) Category-wise Share Holding

| Category of Shareholders                                  | No. of Shares held at the beginning of the year (April 1, 2015) |                            |                         |                   | No. of Shares held at the end of the year (March 31, 2016) |                            |                         |                   | % of Change during the year |
|-----------------------------------------------------------|-----------------------------------------------------------------|----------------------------|-------------------------|-------------------|------------------------------------------------------------|----------------------------|-------------------------|-------------------|-----------------------------|
|                                                           | Demat<br>(No's in Lacs)                                         | Physical<br>(No's in Lacs) | Total<br>(No's in Lacs) | % of Total Shares | Demat<br>(No's in Lacs)                                    | Physical<br>(No's in Lacs) | Total<br>(No's in Lacs) | % of Total Shares |                             |
| <b>A. Promoters</b>                                       |                                                                 |                            |                         |                   |                                                            |                            |                         |                   |                             |
| 1) <b>Indian</b>                                          |                                                                 |                            |                         |                   |                                                            |                            |                         |                   |                             |
| a) Individual/HUF                                         | -                                                               | -                          | -                       | -                 | -                                                          | -                          | -                       | -                 | -                           |
| b) Central Govt                                           | -                                                               | -                          | -                       | -                 | -                                                          | -                          | -                       | -                 | -                           |
| c) State Govt (s)                                         | -                                                               | -                          | -                       | -                 | -                                                          | -                          | -                       | -                 | -                           |
| d) Bodies Corp.                                           | 13230                                                           | NA                         | 13230                   | 54                | 15680                                                      | NA                         | 15680                   | 64                | 10                          |
| e) Banks / FI                                             | -                                                               | -                          | -                       | -                 | -                                                          | -                          | -                       | -                 | -                           |
| f) Any Other                                              | -                                                               | -                          | -                       | -                 | -                                                          | -                          | -                       | -                 | -                           |
| <b>Sub-total (A) (1):-</b>                                |                                                                 |                            |                         |                   |                                                            |                            |                         |                   |                             |
| <b>(2) Foreign</b>                                        |                                                                 |                            |                         |                   |                                                            |                            |                         |                   |                             |
| a) NRIs -Individuals                                      | -                                                               | -                          | -                       | -                 | -                                                          | -                          | -                       | -                 | -                           |
| b) Other- Individuals                                     | -                                                               | -                          | -                       | -                 | -                                                          | -                          | -                       | -                 | -                           |
| c) Bodies Corp                                            | -                                                               | -                          | -                       | -                 | -                                                          | -                          | -                       | -                 | -                           |
| d) Banks / FI                                             | -                                                               | -                          | -                       | -                 | -                                                          | -                          | -                       | -                 | -                           |
| e) Any Other                                              | -                                                               | -                          | -                       | -                 | -                                                          | -                          | -                       | -                 | -                           |
| <b>Sub-total (A) (2):-</b>                                |                                                                 |                            |                         |                   |                                                            |                            |                         |                   |                             |
| <b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b> | 13230                                                           | NA                         | 13230                   | 54                | 15680                                                      | NA                         | 15680                   | 64                | 10                          |
| <b>B. Public Shareholding</b>                             | -                                                               | -                          | -                       | -                 | -                                                          | -                          | -                       | -                 | -                           |
| <b>1. Institutions:</b>                                   |                                                                 |                            |                         |                   |                                                            |                            |                         |                   |                             |
| a) Mutual Funds                                           | -                                                               | -                          | -                       | -                 | -                                                          | -                          | -                       | -                 | -                           |
| b) Banks / FI                                             | -                                                               | -                          | -                       | -                 | -                                                          | -                          | -                       | -                 | -                           |
| c) Central Govt                                           | -                                                               | -                          | -                       | -                 | -                                                          | -                          | -                       | -                 | -                           |
| d) State Govt(s)                                          | -                                                               | -                          | -                       | -                 | -                                                          | -                          | -                       | -                 | -                           |
| e) Venture Capital Funds                                  | -                                                               | -                          | -                       | -                 | -                                                          | -                          | -                       | -                 | -                           |
| f) Insurance Companies                                    | -                                                               | -                          | -                       | -                 | -                                                          | -                          | -                       | -                 | -                           |
| g) FIIs                                                   | -                                                               | -                          | -                       | -                 | -                                                          | -                          | -                       | -                 | -                           |
| h) Foreign Venture Capital Funds                          | -                                                               | -                          | -                       | -                 | -                                                          | -                          | -                       | -                 | -                           |
| i) Others (specify)**                                     |                                                                 |                            |                         |                   |                                                            |                            |                         |                   |                             |
| **Foreign Company                                         | 4900                                                            | NA                         | 4900                    | 20                | 2450                                                       | NA                         | 2450                    | 10                | 10                          |
| <b>2. Non- Institutions</b>                               |                                                                 |                            |                         |                   |                                                            |                            |                         |                   |                             |
| <b>a) Bodies Corp</b>                                     |                                                                 |                            |                         |                   |                                                            |                            |                         |                   |                             |
| i) Indian (AAI)                                           | 6370                                                            | NA                         | 6370                    | 26                | 6370                                                       | NA                         | 6370                    | 26                | 0                           |

|                                                                                  |              |           |              |            |              |           |              |            |           |
|----------------------------------------------------------------------------------|--------------|-----------|--------------|------------|--------------|-----------|--------------|------------|-----------|
| ii) Overseas                                                                     |              |           |              |            |              |           |              |            |           |
| <b>b) Individuals</b>                                                            | -            | -         | -            | -          | -            | -         | -            | -          | -         |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh         |              |           |              |            |              |           |              |            |           |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh |              |           |              |            |              |           |              |            |           |
| <b>c) Others (specify)</b>                                                       | -            | -         | -            | -          | -            | -         | -            | -          | -         |
| Sub-total (B)(2):                                                                |              |           |              |            |              |           |              |            |           |
| <b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>                               | <b>11270</b> | <b>-</b>  | <b>11270</b> | <b>46</b>  | <b>8820</b>  | <b>-</b>  | <b>8820</b>  | <b>36</b>  | <b>10</b> |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                           | <b>NA</b>    | <b>NA</b> | <b>NA</b>    | <b>0</b>   | <b>NA</b>    | <b>NA</b> | <b>NA</b>    | <b>0</b>   | <b>0</b>  |
| <b>Grand Total (A+B+C)</b>                                                       | <b>24500</b> | <b>NA</b> | <b>24500</b> | <b>100</b> | <b>24500</b> | <b>NA</b> | <b>24500</b> | <b>100</b> | <b>0</b>  |

**ii) Share Holding of Promoters:**

| Sl No. | Shareholder's Name                                                                                | Shareholding at the beginning of the year |                                  |                                                 | Shareholding at the end of the year |                                  |                                                 | % change in share holding during the year |
|--------|---------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|-------------------------------------------------|-------------------------------------|----------------------------------|-------------------------------------------------|-------------------------------------------|
|        |                                                                                                   | No. of Shares                             | % of total Shares of the company | %of Shares Pledged / encumbered to total shares | No. of Shares                       | % of total Shares of the company | %of Shares Pledged / encumbered to total shares |                                           |
| 1      | GMR Airports Limited along with 100 shares each held by GMR Infrastructure Ltd and GMR Energy Ltd | 1,322,999,80030                           | 54                               | 37.22%                                          | 1,567,999,800                       | 64                               | 44.10%                                          | 10                                        |
|        | <b>Total</b>                                                                                      | <b>1,322,999,80030</b>                    | <b>54</b>                        | <b>37.22%</b>                                   | <b>1,567,999,800</b>                | <b>64</b>                        | <b>44.10%</b>                                   | <b>10</b>                                 |

**iii) Change in Promoters' Shareholding (please specify, if there is no change)-**

| Sl. No. |                                                                                                                                                                                | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year                                                                         |                                  |
|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------------------------------------------------------------------------------|----------------------------------|
|         |                                                                                                                                                                                | No. of shares                             | % of total shares of the company | No. of shares                                                                                                   | % of total shares of the company |
| 1.      | At the beginning of the year                                                                                                                                                   | 1,322,999,800                             | 54%                              | 1,567,999,800                                                                                                   | 64%                              |
|         | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): |                                           |                                  | Increase in the Shareholding by Transfer of 245000000 Shares from Malaysia Airports (Mauritius) Private Limited | 10%                              |
|         | At the End of the year                                                                                                                                                         | 1,567,999,800                             | 64%                              | 1,567,999,800                                                                                                   | 64%                              |

**iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)-** The details of all the shareholders other than Promoters are mentioned below:

**1. Airports Authority of India**

| Sl. No. |                                                                                                                                                                       | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|         |                                                                                                                                                                       | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
|         | At the beginning of the year                                                                                                                                          | 637,000,000                               | 26%                              | 637,000,000                             | 26%                              |
|         | Date wise Increase / Decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.): | NA                                        | NA                               | NA                                      | NA                               |
|         | At the End of the year (or on the date of separation, if separated during the year)                                                                                   | 637,000,000                               | 26%                              | 637,000,000                             | 26%                              |

## 2. Malaysia Airports (Mauritius) Private Limited

| Sl. No. |                                                                                                                                                                       | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year                      |                                  |
|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|--------------------------------------------------------------|----------------------------------|
|         |                                                                                                                                                                       | No. of shares                             | % of total shares of the company | No. of shares                                                | % of total shares of the company |
|         | At the beginning of the year                                                                                                                                          | 245,000,000                               | 10%                              | 0                                                            | 10%                              |
|         | Date wise Increase / Decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.): | NA                                        | NA                               | Transfer of all (245,000,000) Shares to GMR Airports Limited | 0%                               |
|         | At the End of the year (or on the date of separation, if separated during the year)                                                                                   | 0                                         | 0%                               | 0                                                            | 0%                               |

## 3. Fraport AG Frankfurt Airport Services Worldwide

| Sl. No. |                                                                                                                                                                       | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|         |                                                                                                                                                                       | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
|         | At the beginning of the year                                                                                                                                          | 245,000,000                               | 10%                              | 245,000,000                             | 10%                              |
|         | Date wise Increase / Decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.): | NA                                        | NA                               | NA                                      | NA                               |
|         | At the End of the year (or on the date of separation, if separated during the year)                                                                                   | 245,000,000                               | 10%                              | 245,000,000                             | 10%                              |

**(v) Shareholding of Directors and Key Managerial Personnel:** None of the Directors and Key Managerial Personnel is not holding any shares in the Company

## ANNEXURE-IV

### V. INDEBTEDNESS

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

|                                                                    | (In Crs.)                              |                    |          |                                   |
|--------------------------------------------------------------------|----------------------------------------|--------------------|----------|-----------------------------------|
|                                                                    | Secured Loans<br>excluding<br>deposits | Unsecured<br>Loans | Deposits | Total Indebtedness<br>Amt. in INR |
| <b>Indebtedness at the<br/>beginning of the financial<br/>year</b> |                                        |                    |          | -                                 |
| i) Principal Amount                                                | 5,913.48                               | -                  | -        | 5,913.48                          |
| ii) Interest due but not paid                                      | -                                      | -                  | -        | -                                 |
| iii) Interest accrued but not<br>due                               | -                                      | -                  | -        | -                                 |
| <b>Total (i+ii+iii)</b>                                            | <b>5,913.48</b>                        | -                  | -        | <b>5,913.48</b>                   |
| <b>Change in Indebtedness<br/>during the financial year*</b>       |                                        |                    |          |                                   |
| • Addition                                                         | 0                                      | -                  | -        | 0                                 |
| • Reduction                                                        | (359.88)                               | -                  | -        | (359.88)                          |
| <b>Net Change</b>                                                  | <b>(359.88)</b>                        | -                  | -        | <b>(359.88)</b>                   |
| <b>Indebtedness at the end<br/>of the financial year</b>           |                                        |                    |          |                                   |
| i) Principal Amount                                                | 5,553.60                               | -                  | -        | 5,553.60                          |
| ii) Interest due but not paid                                      | -                                      | -                  | -        | -                                 |
| iii) Interest accrued but not<br>due                               | 28.86                                  | -                  | -        | 28.86                             |
| <b>Total (i+ii+iii)</b>                                            | <b>5,582.46</b>                        | -                  | -        | <b>5,582.46</b>                   |

\*The changes in the indebtedness includes accrued interest, changes due to foreign currency fluctuation and repayment of loan.

## ANNEXURE-V

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

| Sl. no. | Particulars of Remuneration                                                         | Name of MD/WTM/Manager |                     |                 | Total Amount (Rs/Lacs) |
|---------|-------------------------------------------------------------------------------------|------------------------|---------------------|-----------------|------------------------|
|         |                                                                                     | Srinivas Bommidala     | Grandhi Kiran Kumar | K. Narayana Rao |                        |
| 1       | Gross salary                                                                        |                        |                     |                 |                        |
|         | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 218.45                 | 218.45              | 81.61           | 518.51                 |
|         | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | 10.59                  | 10.59               | 1.74            | 22.92                  |
|         | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              | -                      | -                   | -               | -                      |
| 2       | Stock Option                                                                        | -                      | -                   | -               | -                      |
| 3       | Sweat Equity                                                                        | -                      | -                   | -               | -                      |
| 4       | Commission<br>- as % of profit<br>- others, specify                                 | -                      | -                   | -               | -                      |
| 5       | Others, please specify                                                              | -                      | -                   | -               | -                      |
|         | <b>Total (A)</b>                                                                    | <b>229.04</b>          | <b>229.04</b>       | <b>83.35*</b>   | <b>541.43</b>          |
|         | Ceiling as per the Act (as per Board approval) (See Note Below)                     | <b>247.50</b>          | <b>247.50</b>       | <b>125.00</b>   | <b>620.00</b>          |

Note : As on March 31, 2016 DIAL has adequate Profits of Rs. 674.45 cr, accordingly, DIAL can pay to each individual Director upto 5% i.e Rs. 33.72 cr and overall upto 10% i.e Rs. 67.44 cr, in our case, the Board approved remuneration for each individual director is less than the higher maximum limit permissible under Companies Act, 2013, therefore, in the above column, the Board approved remuneration is mentioned as ceiling.

\* The above amount does not include the VPP of Rs.18 Lacs for the Financial Year 2015 - 16, actually paid in July, 2016



**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD /  
MANAGER / WTD**

| Sl.<br>no. | Particulars of<br>Remuneration                                                            | Key Managerial Personnel  |                      |                      | Total<br>(Rs./Lacs) |
|------------|-------------------------------------------------------------------------------------------|---------------------------|----------------------|----------------------|---------------------|
|            |                                                                                           | I Prabhakara<br>Rao (CEO) | G.R.K. Babu<br>(CFO) | Saurabh<br>Jain (CS) |                     |
| 1          | Gross salary                                                                              |                           |                      |                      |                     |
|            | (a) Salary as per provisions<br>contained in section 17(1) of the<br>Income-tax Act, 1961 | 178.30                    | 103.81               | 20.35                | <b>302.46</b>       |
|            | (b) Value of perquisites u/s 17(2)<br>Income-tax Act, 1961                                | -                         | 1.06                 | .01                  | <b>1.07</b>         |
|            | (c) Profits in lieu of salary under<br>section 17(3) Income tax Act,<br>1961              | -                         | -                    | -                    | -                   |
| 2          | Stock Option                                                                              | -                         | -                    | -                    | -                   |
| 3          | Sweat Equity                                                                              | -                         | -                    | -                    | -                   |
| 4          | Commission                                                                                | -                         | -                    | -                    | -                   |
|            | as % of profit                                                                            | -                         | -                    | -                    | -                   |
|            | others, specify...                                                                        | -                         | -                    | -                    | -                   |
| 5          | Others, please specify                                                                    | -                         | -                    | -                    | -                   |
|            | <b>Total</b>                                                                              | <b>178.30</b>             | <b>104.87</b>        | <b>20.36</b>         | <b>303.53</b>       |

**ANNEXURE-VI****VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL**

| Type                                | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------|-------------------|-----------------------------------------------------------|------------------------------|------------------------------------|
| Penalty                             |                              |                   |                                                           |                              |                                    |
| Punishment                          |                              |                   |                                                           |                              |                                    |
| Compounding                         |                              |                   |                                                           |                              |                                    |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |                                                           |                              |                                    |
| Penalty                             |                              |                   |                                                           |                              |                                    |
| Punishment                          |                              |                   |                                                           |                              |                                    |
| Compounding                         |                              |                   |                                                           |                              |                                    |

**For and on behalf of the Board of Directors**

**-Sd/-**

**Srinivas Bommidala**  
Managing Director  
DIN-00061464

**-Sd/-**

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

Place: New Delhi

Date: August 16, 2016

# **DELHI INTERNATIONAL AIRPORT PRIVATE LIMITED**

## **Nomination and Remuneration Policy**

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## 1. INTRODUCTION

---

Pursuant to Section 178 of the Companies Act, 2013, the Board of Directors of every Public Company having a Paid up Capital of Rs. 10 Crores or more; or Turnover of Rs. 100 Crores or more; or having in aggregate outstanding loans or borrowing or debentures or deposits exceeding Rs. 50 Crores or more, as existing on the date of last audited Financial Statements, shall constitute a Nomination and Remuneration Committee. Delhi International Airport Private Limited (“**DIAL**”) fulfills the prescribed requirement and therefore in compliance therewith the Company has constituted a Nomination and Remuneration Committee.

In order to align with the provisions of the Companies Act, 2013, the Board on May 07, 2014 renamed the “Remuneration Committee” as “Nomination and Remuneration Committee” and modified its terms of reference.

This Committee and the Policy is formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto.

### 1.1. Purpose of the Policy

---

The Key Objectives of the Committee includes :

- (a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- (b) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation.
- (c) To recommend to the Board a policy relating to the remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

The Policy ensures that:

- (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

- (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmark; and
- (c) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

## 1.2. Definitions

---

- 1.2.1. **“Board”** means the Board of Directors of the Company.
- 1.2.2. **“Company”** means “Delhi International Airport Private Limited.”
- 1.2.3. **“Employee Stock Option”** means the option given to the directors, officers or employees of a company or of its holding company or subsidiary company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the company at a future date at a pre-determined price.
- 1.2.4. **“Independent Director”** means a director referred to in Section 149 (6) of the Companies Act, 2013.
- 1.2.5. **“Key Managerial Personnel”** or **“KMP”** means Key Managerial Personnel of the Company in terms of the Companies Act, 2013 and the Rules made thereunder.  
*(As per Section 203 of the Companies Act, 2013, the following are whole-time Key Managerial Personnel:*
  - (i) *Managing Director or Chief Executive Officer or the Manager and in their absence a whole-time Director;*
  - (ii) *Company Secretary; and*
  - (iii) *Chief Financial Officer.*)
- 1.2.6. **“Nomination and Remuneration Committee”** shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013.
- 1.2.7. **“Policy or This Policy”** means, “Nomination and Remuneration Policy.”

1.2.8. **“Remuneration”** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

1.2.9. **“Senior Management”** mean the KMPs of the Company.

### **1.3. Interpretation**

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Words and expressions used in this Policy shall have the same meanings assigned to them in the Companies Act, 2013 or the rules framed thereon.

## **2. NOMINATION AND REMUNERATION COMMITTEE**

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### **2.1. Role of the Committee**

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- (a) Identifying persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- (b) Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- (c) Formulating the criteria for evaluation of Individual Directors and the Board;
- (d) Ensuring that the Board comprises of a balanced combination of Executive Directors and Non-Executive Directors;
- (e) The Committee shall take into consideration and ensure the compliance of provisions under Schedule V of the Companies Act, 2013 for appointing and fixing remuneration of Managing Directors / Whole-time Directors/Managers;
- (f) While approving the remuneration, the Committee shall take into account financial position of the Company, trend in the industry, qualification, experience and past performance of the appointee;
- (g) The Committee shall be in a position to bring about objectivity in determining the remuneration package while striking the balance between the interest of the Company and the shareholders;

### **2.2. Composition of the Committee**

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- (a) The Committee shall comprise of at least three (3) Directors, all of whom shall be non-executive Directors and at least half shall be Independent.

- (b) The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and applicable statutory requirement.
- (c) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- (d) Membership of the Committee shall be disclosed in the Annual Report.
- (e) Term of the Committee shall be continued unless terminated by the Board of Directors.

### **2.3. Chairman of the Committee**

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- (a) Chairman of the Committee shall be as decided by the Board.
- (b) Chairman of the Company may be appointed as a member of the Committee but shall not Chair the Committee.
- (c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.

The Chairman of the Committee or in his absence, any other member of the Committee authorized by him on his behalf shall attend the general meetings of the company

### **2.4. Frequency of the Meetings of the Committee**

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The meeting of the Committee shall be held at such regular intervals as may be required.

### **2.5. Committee Member's Interest**

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- (a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- (b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

### **2.6. Voting at the Meeting**

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- (a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- (b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

## **2.7. Minutes of the Meeting**

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Proceedings of all meetings must be minuted and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee meeting will be tabled at the subsequent Board and Committee meeting.

## **3. APPLICABILITY**

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This Policy is Applicable to:

- (a) Directors (Executive, Non-Executive and Independent)
- (b) Key Managerial Personnel
- (c) Senior Management Personnel
- (d) Other employees as may be decided by the Nomination and Remuneration Committee

## **4. APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL**

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### **4.1. Appointment criteria and qualifications**

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- (a) Subject to the applicable provisions of the Companies Act, 2013, other applicable laws, if any and GMR Group HR Policy, the Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- (b) The Committee has discretion to decide the adequacy of qualification, expertise and experience for the concerned position.

- (c) The Company shall not appoint or continue the employment of any person as Managing Director / Whole-time Director / Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

#### **4.2. Term / Tenure**

---

##### **4.2.1. Managing Director / Whole-time Director / Manager (Managerial Personnel)**

The Company shall appoint or re-appoint any person as its Managerial Personnel for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

##### **4.2.2. Independent Director**

- (a) An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- (b) No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.  
Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- (c) At the time of appointment of Independent Director it should be ensured that the appointment should be in compliance of the rules and regulations as laid down in the Companies Act, Rules made thereunder, Listing Agreement and any other applicable law.

- (d) The maximum number of companies in which a person shall hold office as Director, including any alternate directorship, shall not exceed Twenty. Provided that the maximum number of public companies in which a person can be appointed as a director shall not exceed ten.

For reckoning the limit of public companies in which a person can be appointed as director, directorship in private companies that are either holding or subsidiary company of a public company shall be included.

#### **4.3. Familiarization Programme for Independent Directors**

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The company shall familiarize the Independent Directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes.

#### **4.4. Evaluation**

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Subject to Schedule IV of the Companies Act, 2013, the Committee shall carry out the evaluation of Directors on such intervals as may be necessary.

#### **4.5. Removal**

---

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable laws, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP, subject to the provisions and compliance of the applicable laws, rules and regulations.

#### **4.6. Retirement**

---

The Director, KMP and Personnel of Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Personnel of Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, in the interest and for the benefit of the Company.

### **5. PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSONNEL, KMP AND SENIOR MANAGEMENT PERSONNEL**

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## **5.1. General**

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- (a) The remuneration / compensation / commission etc. to Managerial Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the approval of the shareholders of the Company and Central Government, wherever required.
- (b) The remuneration and commission to be paid to the Managerial Personnel shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.
- (c) Increments to the existing remuneration / compensation structure of Managerial Personnel may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Personnel.
- (d) Where any insurance is taken by a company on behalf of its Managing Director, Whole-time Director, Manager, Chief Executive Officer, Chief Financial Officer or Company Secretary for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the company, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

## **5.2. Remuneration to Managerial Personnel, KMP, Senior Management and Other Employees**

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### **5.2.1. Fixed Pay**

Managerial Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to provident fund, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of

the Committee and approved by the shareholders and Central Government, wherever required.

#### **5.2.2. Minimum Remuneration**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

#### **5.2.3. Provisions for excess remuneration**

If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

5.2.4. The remuneration to KMPs and Personnel of Senior Management shall be governed by the GMR Group HR Policy.

5.2.5. The remuneration to other employees shall be governed by the GMR Group HR Policy.

### **5.3. Remuneration to Non-Executive / Independent Director**

#### **5.3.1. Remuneration / Commission**

The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

#### **5.3.2. Sitting Fees**

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

The sitting fee paid to Independent Directors and Women Directors, shall not be less than the sitting fee payable to other directors.

#### **5.3.3. Limit of Remuneration / Commission**

Remuneration / Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

#### **5.3.4. Stock Options**

An Independent Director shall not be entitled to any stock option of the Company.

### **6. DISCLOSURES**

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The Company shall disclose the Nomination and Remuneration Policy in the Board's Report.

The terms of appointment of Independent Director shall be displayed on the Company's website, if any.

### **7. AMENDMENT**

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Any amendment or modification in the Companies Act, 2013 and rules thereto and any other applicable law relating to Nomination and Remuneration Committee shall automatically be applicable to the Company.

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*Maneesh Gupta*  
Company Secretary

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016**  
*[Pursuant to section 204(1) of the Companies Act, 2013 and rule*  
*No.9 of the Companies (Appointment and Remuneration Personnel)*  
*Rules, 2014]*

To,  
The Members,  
Delhi International Airport Private Limited  
New Udaan Bhawan, Opp. Terminal-3,  
Indira Gandhi International Airport,  
New Delhi-110 037

I/ we were appointed by the Board of Directors of Delhi International Airport Private Limited (hereinafter called the Company) to conduct Secretarial Audit as per the provisions of Section 204 of Companies Act, 2013, for the financial year ended March 31, 2016.

I/We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Company. Secretarial Audit was conducted in a manner that provided me/us with a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

**Management's Responsibility for Secretarial Compliances**

The Company's management is responsible for preparation and maintenance of secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

**Auditors Responsibility**

Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

We have not verified the correctness and appropriateness of financial records and books of accounts of the company.

Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.



The secretarial audit report is neither an assurance to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

### Opinion

I/we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder, as may be applicable;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder, as may be applicable;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 – **Not applicable as the Company is not a listed company,**
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 – **Not applicable as the Company is not a listed company;**
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 – **Not applicable as the Company is not a listed company;**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 – **Not applicable as the Company is not a listed company;**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **Not applicable as the Company is not a listed company;**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – **Not applicable;**
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **Not applicable as the Company is not a listed company;** and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – **Not applicable as the Company is not a listed company;**



I/we have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with the Stock Exchange – **Not applicable as the Company is not listed and had not entered into listing agreement with any stock exchange.**

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the financial year ended March 31, 2016, complied with the aforesaid laws, material compliances are listed in the Annexure attached to this report.

I/we further report that the Airport Economic Regulatory Authority ("AERA") vide its powers conferred by Section 13(1)(a) of the AERA Act, 2008 passed an Aeronautical tariff order viz. 03/2012-13 issued on April 24, 2012 which determined the Aeronautical tariff to be levied at Delhi Airport for the fourth and fifth year of tariff period of first five year control period (i.e., 2009-14). The Company had filed a writ petition before the Hon'ble High Court of Delhi challenging the above said tariff. The Hon'ble High Court of Delhi vide its final order dated January 22, 2015 ordered that the tariff determined by AERA for the First Control Period vide Tariff Order No.03/2012-13 dated April 20, 2012 issued on April 24, 2012 shall continue till the disposal of the appeals pending against the said Tariff Order, by AERAAT. The matter is still pending with the Hon'ble AERAAT. Recently, AERA has released the tariff order No. 40/2015-16 dated December 08, 2015 (issued on December 10, 2015) for second control period, i.e., 2014-2019, which as per AERA order would be implemented upon the final outcome of the legal proceedings attached to that order. As per AERA order, tariff for aeronautical revenue will be reduced by 89.40% of the existing tariff (i.e., tariff as compared to the first control period).

As at March 31, 2014, the South Delhi Municipal Corporation (SDMC) [earlier known as Municipal Corporation of Delhi (MCD)] had demanded property tax of Rs. 105.18 Crores on the land and properties at IGI Airport. The Company filed a writ petition in the Hon'ble High Court of Delhi challenging the applicability of the Delhi Municipal Corporation (Amendment) Act, 1957 on the land and properties at the Indira Gandhi International Airport, New Delhi ('Delhi Airport') and deposited an amount of Rs. 30.66 Crores till March 31, 2016, under protest against these demands. After the interim order of the Hon'ble High Court of Delhi, the SDMC vide its order dated February 10, 2015, revised the demand of property tax to Rs. 60.96 crores and also levied interest of Rs. 24.99 crores for assessments year 2006-07 to 2012-13. The company is contesting on the tax and interest demand and the matter is pending with the Hon'ble High Court of Delhi.

The Company was required to spend Rs. 4.63 crores under the Corporate Social Responsibility (CSR) head during the financial year 2015-16. The Company could spend only Rs. 4.21 crores during that period.



Based on information received and records maintained, we further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the financial year under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in compliance of the Secretarial Standards, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
4. The Company has proper Board processes.

Based on the compliances mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on records by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place : New Delhi  
Date : July 04, 2016

  
Signature



Maneesh Gupta  
FCS No. 4982  
C P No. 2945

## ANNEXURE TO SECRETARIAL AUDIT REPORT

In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished and representations made to us by the Company, its officers and agents, we report that the Company has during the financial year under review, complied with the provisions of the Acts, Rules made thereunder and the Memorandum and Articles of Association of the Company with regard to:

1. Maintenance of various statutory registers and documents and making necessary entries therein;
2. Contracts, Common Seal and Registered Office and publication of name of the Company;
3. Forms, returns, documents and resolutions required to be filed with the Registrar of Companies, Regional Director, Central Government, Company Law Board or such other authorities;
4. Service of documents by the Company on its Members, Directors, Stock Exchanges, Auditors and Registrar of Companies;
5. Constitution of the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee, Management Committee, Corporate Governance and Social Responsibility Committee;
6. Appointment, re-appointment and Retirement of Directors including Managing Director and Executive Directors and payment of remuneration to them;
7. Disclosure of interest and concerns in contracts and arrangements, shareholdings and directorships in other companies and interest in other entities by Directors;
8. Disclosure requirements in respect to their eligibility for appointment, declaration of their independence, compliance with code of conduct for Directors and Senior Management Personnel;
9. All transactions with related parties were in the ordinary course of business and arms length and were placed before the Audit Committee periodically;
10. Establishing a vigil mechanism and providing to complainants, if any, unhindered access to the Chairman of the Audit Committee.
11. Constituting the Corporate Social Responsibility Committee formulating and adopting Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company;
12. Appointment of persons as Key Managerial Personnel;
13. Appointment and remuneration of Statutory Auditor and Cost Auditor;
14. Appointment of Internal Auditor;



15. Notice of meetings of the Board and Committee thereof;
16. Minutes of meetings of the Board and Committees thereof including passing of resolutions by circulations;
17. Notice convening annual general meeting held on September 18, 2015 and holding of the meeting on that date;
18. Minutes of General meeting;
19. Approval of members, Board of Directors, Committee of Directors and government authorities, wherever required;
20. Form of balance sheet as at March 31, 2015 as prescribed under Part I of Schedule VI to the Companies Act, 1956;
21. Report of the Board of Directors for the financial year ended March 31, 2015;
22. Borrowings and registration of charges;
23. Investment of the Company's funds including inter corporate loans and investments.

Place : New Delhi  
Date : July 04, 2016


Maneesh Gupta  
FCS No. 4982  
C P No. 2945

**FORM No. – AOC 2**

(Pursuant to *clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014*)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

1. Details of contracts or arrangements or transactions not at arm's length basis :

**All the contracts or arrangements or transactions with the related parties are on arm's length basis. So, the information below is not required.**

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) Date(s) of approval by the Board
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis

**As per details given below**

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any:

**For and on behalf of the Board of Directors**

**-Sd/-**  
**Srinivas Bommidala**  
Managing Director  
DIN-00061464  
Place: New Delhi  
Date: August 16, 2016

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

## ANNEXURE – F – I

| S.No | Particulars                                                                                 | Details                                                                                                                                                                                                                                                                                 |                                                                                                                                                              |
|------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1    | Name(s) of the related party and nature of relationship                                     | GMR Aviation Private Limited, Fellow Subsidiary(Subsidiary of GMR Infrastructure Limited)                                                                                                                                                                                               | GMR Infrastructure Limited, its Subsidiary Companies (Holding Company)                                                                                       |
| 2    | Nature of contracts/arrangement s/transactions                                              | Execution of New Agreement for Availing Aircraft Charter Services for a period of 5 years effective from the date of Board Approval.                                                                                                                                                    | License Agreement for a period of 2 year effective from September 1, 2015 to be executed after the Board approval for Licensing of office space of 1,499 sqm |
| 3    | Duration of the contracts / arrangements/transactions                                       | 5 years                                                                                                                                                                                                                                                                                 | 2 years                                                                                                                                                      |
| 4    | Salient terms of the contracts or arrangements or transactions including the value, if any: | <ul style="list-style-type: none"> <li>• Fare &amp; ground handling charges per round trip Rs. 4.40 lakhs per flying hour (taxes extra)</li> <li>• Detention Charges Rs. 50,000 beyond 4 hours</li> <li>• Night Halt Charges Rs. 90,000/- per night</li> </ul> Annual escalation of 10% | 2168.32 Per sqm. per month subject to escalation of 7.5% every year i.e. from 1 <sup>st</sup> April, every year                                              |
| 5    | Date(s) of approval by the Board, if any:                                                   | October 15, 2015                                                                                                                                                                                                                                                                        | October 15, 2015                                                                                                                                             |
| 6    | Amount paid as advances, if any:                                                            | NIL                                                                                                                                                                                                                                                                                     | NIL                                                                                                                                                          |

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION**

**(A) Conservation of energy-**

**(i) The steps taken or impact on conservation of energy:-**

- Conversion of street lights to LED lights (250 nos).
- Conversion of conventional lights with LED's (600 nos) at T1 Check-In.
- Conversion of Terminal T3, T5 lighting fixture to LED lighting (1700 nos) and other type of fixture like CFL, CDMT etc. ( 1600 nos).
- Conversion of T1 BMA, High bay fixtures & Arrival fixtures with LED's (1400 no's).
- Redefine lighting control logic based on the operation requirements e.g, switching off portion of light when stand is not used.
- Enhancement of chiller CMS system to achieve maximum system efficiency.
- Re-engineering of chiller surge capacity to enhance optimum loading.
- Re-engineering of AHU filters to reduce pressure drop across AHU.
- Energy Saving via VFD modulation in TFA (Treated Fresh Air) units.
- Arresting air leakages by identifying & closing of various building openings.
- Smoking Room Fan operation via Presence Detector for Energy saving.
- Air balancing at Corridor/Lift Lobby areas for Energy Savings & temperature stability.
- Plant Room areas SCCR's Fire Damper (meant for Fresh Air) closed to reduce energy waste without affecting Fire Protection.
- Maximization of free cooling based on ambient and enthalpy.
- Control of Chilled Water header temperature based on Low side requirements
- Condenser water Inlet temperature maintained throughout for better energy efficiency.
- Blade Angle Re-adjustment for Cooling Tower.
- Trimming of Chiller primary pump impeller to optimize T3 air conditioning.
- Rationalize the operation of VHT, BHS & other Airport Systems.
- Switching off during RVR more than 3000meter(fair weather) Runway center line lighting for RWYs 10 / 28 and 09 / 27
- Switching off one circuit of taxiway center line lighting on parallel taxiways
- Taking local control and use of appropriate AGL circuits as per use of runway in operation.
- Taking local control and keeping the circuits off to avoid unnecessary switching by ATC
- Reduction in operation of taxi lane lighting with the use of apron flood lighting only.
- Through close coordination with AOCC gate allocation was optimized.
- During LVP no DG is being operated. UPS power supply has been provided to cater to the essential AGL circuits. Only during power failure DG systems are operated.

**(ii) The steps taken by the company for utilizing alternate sources of energy:**

- DIAL has installed 5.7 MW solar plant at IGI Airport in FY 15-16 at airside premises.
- With this now the total solar capacity at IGI is 7.84 MW. Thus total expected solar generation with this capacity shall be 11.5 MU's on annual basis.
- DIAL has applied for open Access power purchase through bi-lateral agreement for long term basis.

**(iii) The capital investment on energy conservation equipment:** The approximate cost for the same is Rs. 34 crores (Including Solar).

**(B) Technology Absorption : Not Applicable/ NIL**

- i. the efforts made towards technology absorption: Nil
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution: Nil
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- Nil
  - a) the details of technology imported;
  - b) the year of import;
  - c) whether the technology been fully absorbed;
  - d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- iv. the expenditure incurred on Research and Development.: Nil

**FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information regarding the Foreign Exchange Earned in terms of actual inflows during the year and the Foreign Exchange Outflow during the year in terms of actual outflow is as follows. In this regard, kindly also refer the Note 40 given in the Notes to Accounts of Financial Statements for the year ended March 31, 2016.

**For and on behalf of the Board of Directors**

**-Sd/-**  
**Srinivas Bommidala**  
Managing Director  
DIN-00061464

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

Place: New Delhi  
Date: August 16, 2016



# **DELHI INTERNATIONAL AIRPORT PRIVATE LIMITED**

## Policy on Vigil Mechanism

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## 1. INTRODUCTION

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Delhi International Airport Private Limited is a company maintaining Delhi Airport and working as JVC of GMR Group and other Private Participants including AAI and follows the GMR Group's ethical practices. In an effort to further this approach, as well as to comply with the applicable provisions of the Companies Act, 2013 (hereinafter referred to as the 'Act') and the rules made thereunder, Delhi International Airport Private Limited has decided to adopt a vigil mechanism in line with the GMR Group's Code of Business Conduct and Ethics Policy which can be referred to as the Whistle Blower Policy.

This Policy provides a platform for Directors, employees and stakeholders to raise genuine concerns and grievances by internally disclosing information which they believe show serious malpractice, impropriety, abuse or wrong doing within the Company, or in the dealings of the Company with other persons, or constitutes a violation of the GMR Group's Code of Business Conduct and Ethics Policy (hereinafter referred to as a "Concern"), without fear of reprisal or victimization.

### 1.1. Purpose of the Policy

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- 1.1.1. To provide a platform to voice concerns in a responsible and effective manner.
- 1.1.2. To provide a platform to disclose information, confidentially and without fear of reprisal or victimization, where there is reason to believe that there has been serious malpractice, Fraud, impropriety, abuse or wrong doing within the Company.
- 1.1.3. To ensure that no one is disadvantaged as a result of raising legitimate Concerns.
- 1.1.4. To increase the efficacy of the internal disclosure systems by enabling the Disclosure of information independently of line management for employees (although in relatively minor instances the immediate superior would be the appropriate person to be informed).
- 1.1.5. To provide appropriate infrastructure, including through the appointment of Ombudspersons, for the receipt and analysis of, and response to all bona fide Concerns.

### 1.2. Definitions

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- 1.2.1. "**Audit Committee**" means Audit Committee of the Board of Directors of the Company constituted under provisions of the Companies Act, 2013.

1.2.2. **“Board”** means the Board of Directors of the Company.

1.2.3. **“Company”** means Delhi International Airport Private Limited.

1.2.4. **“Disclosure”** means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity including activities mentioned in Clause 3.5 of this Policy.

1.2.5. **“Fraud”** means any act, omission, concealment of any fact or abuse of position committed by any person or any other person with the connivance in any manner, with intent to deceive, to gain undue advantage from, or to injure the interests of, the Company or its shareholders or its creditors or any other person, whether or not there is any wrongful gain or wrongful loss.

1.2.6. **“Policy”** means Whistle Blower Policy of the Company.

1.2.7. **“Whistle Blower”** means any person making a Disclosure under this Policy.

### 1.3. Interpretation

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Capitalized terms not defined herein shall have the meaning assigned to them under the GMR Group’s Code of Business Conduct and Ethics Policy.

## 2. APPLICABILITY

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This Policy shall apply to all Directors, regular employees and consultants of the Company, including advisors, in-house consultants, Whole-time Directors and employees on contract.

This Policy shall also apply to third parties with any commercial dealings with the Company, including vendors, service providers, partners, joint venture employees and customers.

## 3. SCOPE OF THE POLICY

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- 3.1. This Policy is an extension of the Code of Business Conduct and Ethics Policy of the GMR Group.
- 3.2. It shall be emphasized that this Policy is intended to assist Whistle Blowers who have reason to believe that they have observed / come to know of any malpractice, Fraud, impropriety, abuse or wrongdoing within the Company or in its dealings with the persons listed in Clause 2.
- 3.3. The Whistle Blower's role is that of a reporting party with reliable information. They shall not be party to the investigation of complaints, or be involved in deciding what course of remedial action is warranted in a given case. Although, the Whistle Blower is not expected to provide complete evidence in proof of the allegation, he needs to demonstrate to the Ombudsperson that there are sufficient and valid grounds for the concern.
- 3.4. This Policy does not cover issues relating to grievances such as Performance Management Process (PMP) promotions and transfers. These are dealt with separately under the Employee Grievance Policy.
- 3.5. Concerns that may be raised under this Policy include a wide range of issues, some of which are listed below. An illustrative (but by no means comprehensive) list of Concerns that may be raised under this Policy is as follows:
  - (a) any unlawful act, whether criminal (e.g. theft) or giving rise to a civil action (e.g. slander or libel);
  - (b) breach of any policy or manual or code adopted by the Company;
  - (c) health and safety risks, including risks to employees as well as the public in

- general (e.g. faulty electrical equipment);
- (d) Fraud and corruption (e.g. attempts to solicit or receive any gift / reward as a bribe);
  - (e) any instance of failure to comply with legal or statutory obligations either for and on behalf of the Company or in any personal capacity in the course of discharging duties of the Company;
  - (f) any instance of any kind of financial malpractice;
  - (g) abuse of power (e.g. sullyng / harassment); and
  - (h) any other unethical or improper conduct.

#### 4. OMBUDSPERSON

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- 4.1. A senior level employee / consultant of the GMR Group will be nominated as Ombudsperson to:
- (a) ensure that Concerns received under this Policy are investigated in a fair manner and that decisions are reported appropriately to all concerned, within the stipulated time limits;
  - (b) ensure that this Policy is administered appropriately;
  - (c) oversee and provide perspective to investigations;
  - (d) be available as a 'listening post' for any member of Company, who may wish to speak with them in relation to any Concern;
  - (e) provide coaching and counseling to individuals in furtherance of this Policy;
  - (f) act as an information resource with respect to applicable guidelines and policies; and
  - (g) carry out visits and undertake road shows to bring awareness about this Policy.
- 4.2. The Ombudsperson shall also periodically report to management on problem areas and trends within the Company so that such issues can be addressed through policies and procedures.
- 4.3. The Ombudsperson shall be nominated by the Group Chairman and will hold the position for a period of three years from the date of appointment.
- 4.4. The details of the Ombudsperson for the Company are given in **Annexure - I**.
- 4.5. The Ombudsperson, as described above, will be the process owner of this Policy.
- 4.6. The Business Chairman (Institution Building & Governance) of the GMR Group, acting on the directions of the Audit Committee and the Audit Committee of the Company through a Committee, will oversee the implementation and effectiveness of this Policy.

## **5. DISCLOSURE AND FILING OF COMPLAINTS**

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### **5.1. Anonymous Disclosure**

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This Policy has adequate safeguards to ensure that no complainant is victimized on account of usage of this Policy. Accordingly, this Policy encourages Whistle Blowers to mention their names while making the Disclosure.

Concerns expressed anonymously / pseudonymously will not ordinarily be acted upon. However, where an anonymous Disclosure contains references to verifiable facts and figures, such cases will be taken up for investigation.

### **5.2. Frivolous, Fictitious And Mala fide Disclosures**

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If a Whistle Blower makes an allegation, which he / she knows or has reason to believe is untrue, or with an intent to defame or cause inconvenience, appropriate action will be taken against such Whistle Blower.

In case a person habitually makes false / frivolous complaints, appropriate disciplinary action will be initiated against such person. Further, the subsequent complaints / disclosures made by him/her may not be considered.

### **5.3. Filing Of Complaints**

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Any Whistle Blower making a complaint under this Policy may make a Disclosure to the Ombudsperson through the following communication modes:

#### **(a) Oral Complaints**

If a Whistle Blower desires to raise a Concern orally, she / he may do so through teleconference or by personally meeting the Ombudsperson, or by calling 1800-1020-467 or such other number as is set out on the Group's website at [www.gmrgroup.in](http://www.gmrgroup.in).

#### **(b) Complaints filed through Electronic Means**

If a Whistle Blower desires to raise a concern through electronic means, she / he may send an e-mail to [gmr@ethicshelpline.in](mailto:gmr@ethicshelpline.in) to raise a concern under the Policy.

## **6. ASSURANCES UNDER THIS POLICY**

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### **6.1. To The Whistle Blower**

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- 6.1.1. All possible precautions will be taken to maintain the confidentiality of the identity of the Whistle Blower, barring where such disclosure is required strictly for the purpose of law or to facilitate the investigation process.
- 6.1.2. The Company will not tolerate any harassment or victimization (including informal pressures) against a Whistle Blower and will take appropriate action to protect a Whistle Blower who has raised a Concern in good faith.
- 6.1.3. The Company will provide adequate and timely support and protection to Whistle Blowers in the event she / he faces any civil or criminal action in consequence of a bona fide Concern raised under this Policy.
- 6.1.4. If a Whistle Blower believes that she/he has been victimized for raising a Concern under this Policy, she / he may file a written complaint to the Ombudsperson requesting an appropriate remedy. The Ombudsperson shall investigate such complaint and take such actions as it may deem fit to ensure that the complainant is not victimized for having raised a Concern under this Policy.

### **6.2. On Whom The Investigation Is Made**

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All possible precautions will be taken to maintain the confidentiality of the person on whom an enquiry is carried out except as may be required by law or to facilitate the investigation process.

## 7. PROCEDURE FOR RECEIPT AND INVESTIGATION OF COMPLAINT

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- 7.1. Once any Disclosure of a Concern has been made by a Whistle Blower to the Ombudsperson, the following procedure will be followed:
- (a) The Ombudsperson shall acknowledge receipt of the complaint through ethics helpline within seven (7) working days of receipt of the complaint.
  - (b) The Ombudsperson shall review the complaint received and decide on the next course of action (including entrusting the matter to an appropriate investigating agency) within seven (7) working days of receipt of the complaint. For this purpose, the Ombudsperson will maintain a list of investigating agencies and in consultation with Group Head, Management Assurance Group or Group Head, Ethics & Intelligence, will decide on the appropriate investigating agency.
  - (c) In determining whether to pursue an investigation, or at any stage during the investigation, personal meetings, if required, will be conducted with the Whistle Blower provided the Whistle Blower is willing to disclose his identity with the investigation agency.
  - (d) The Ombudsperson may with the permission of the complainant, instead of or prior to initiating an investigation, act as an intermediary to clarify issues and resolve them through mediation.
  - (e) Where the complaint is found to be frivolous or bereft of verifiable information, further action will not be initiated. Further, the Ombudsperson may decide to initiate appropriate disciplinary action against such person if the complaint is found to have been made without a bona fide basis.
  - (f) Where a complaint is referred to an investigating agency, it will investigate and submit its report within forty five (45) days of receipt of the complaint by it.
  - (g) The Ombudsperson will review the report of the investigating agency and forward it to the concerned Chief Executive Officer with a copy to the concerned Business Chairman, Business Chairman (Institution Building & Governance) and Group President-HR, within seven (7) working days of receipt of the report.
  - (h) The relevant Chief Executive Officer / Business Chairman will take appropriate action with relevant departments / agency to ensure closure.

- (i) The Ombudsperson will provide a quarterly update to the Business Chairman (Institution Building & Governance) and to the Group Head - Ethics & Intelligence.
  - (j) The Group Head - Ethics & Intelligence will make a half yearly presentation to the Audit Committee on the implementation of this Policy.
  - (k) The Ombudsperson / Group Head - Ethics & Intelligence will inform the Whistle Blower of the action taken on his / her complaint within two (2) months from the date of receipt of the complaint.
- 7.2. Where the complaint is against the Director, Ombudsperson, a Business Chairman, or Group Head -Ethics and Intelligence or the Board of Directors, the Whistle Blower may file the complaint directly to the Chairman of the Audit Committee. Where the complaint is against the Chairman of the Audit Committee, the Whistle Blower shall file the complaint with the Chairman of the Board of Directors and if such person is also the Chairman of the Audit Committee shall file the complaint with any member of the Board of Directors.
- 7.3. The detail of the Chairman of the Audit Committee of the Company is given in **Annexure - II**.
- 7.4. A complaint received by the Chairman of the Audit Committee, the Chairman of the Board of Directors, or a member of the Board of Directors as aforesaid, shall be dealt with, as far as possible, in the manner set out for the handling of complaints received by the Ombudsperson.

## 8. APPEAL AGAINST THE DECISION OF THE CEO / BCM TO THE GCM

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If the Whistle Blower is not satisfied with the decision of the Ombudsperson in not initiating an investigation into the complaint, she / he may prefer an appeal against such decision before the relevant Chief Executive Officer / Business Chairman.

If either the Whistle Blower or the person complained against is not satisfied with the decision of the Chief Executive Officer / Business Chairman, then either of the parties could prefer an appeal against the decision before the Group Chairman in accordance with the procedure set out in **Annexure – III**.

The decision of the Group Chairman shall be final and binding on all the parties. The Group President HR / Business Chairman (Institution Building & Governance) will be kept informed.

## 9. DOCUMENTATION

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The Ombudsperson / Group Head, Ethics and Intelligence jointly shall be responsible for documenting each complaint received, the material gathered in relation to such complaint, and a reasoned record of the course of action taken on such complaint. All other persons involved in the procedure for the evaluation of complaints received under this Policy shall forward all such material to the office of the Ombudsperson / Group Head, Ethics and Intelligence for his records.

## 10. AMENDMENT

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This Policy may at any time, and without any prior notice to any person whatsoever, be changed or modified or rescinded or abrogated by the Business Chairman (Institution Building & Governance) with due approval of the Board of Directors and the Audit Committee.

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## ANNEXURE - I

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The Ombudsperson for the Company shall be:

| Ombudsperson   | Company                                      |
|----------------|----------------------------------------------|
| Mr. H. J. Dora | Delhi International Airport Private. Limited |

Group Chairman may review the name of Ombudsperson from time to time and modify the same as required.

## ANNEXURE - II

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The contact details of the Chairman of the Audit Committee of the Company shall be:

| Chairman         | Email ID               | Communication Address                                                                                                                                                                          |
|------------------|------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Mr. G. Subba Rao | Subbarao.G@gmrgroup.in | Delhi International Airport<br>Private Limited<br>Airport Building 301,<br>New Udaan Bhawan Complex,<br>Opp. Terminal-3<br>Indira Gandhi International<br>Airport<br><u>New Delhi - 110037</u> |

In case the Chairman of the Audit Committee changes, same will be updated in the policy from time to time.

## ANNEXURE - III

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### APPEAL PROCEDURE AGAINST THE DECISION OF THE CEO/ BCM

1. On receipt of the decision of the Chief Executive Officer / Business Chairman, in consultation with the Group President-HR, either the Whistle Blower or the person complained against can prefer an appeal against the decision before the Group Chairman within 30 days of receipt of intimation of the decision.
2. The Group Chairman in co-ordination with the Group President-HR may:
  - Have a personal discussion with all required.
  - Request for necessary documentations, evidence and explanations to ensure that drawn opinions / identified gaps are correct.
  - Propose an additional investigation / review to ensure effective closure of the complaint.
3. On review of all documentation or on receipt of revised investigation report, the Group Chairman, in consultation with the Group President-HR will give a decision and the Group Chairman's decision in this matter will be final and binding on all the parties.

**ANNEXURE - I**

**PARTICULARS OF TOP TEN EMPLOYEES AS PER RULE 5 (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

| S.No | Name                   | Age<br>(Yrs.) | Designation              | Date of<br>Commence<br>ment of<br>Employment | Gross<br>Remunerati<br>on<br>(Rs. Lacs) | Qualifications                     | Experienc<br>e<br>(Yrs.) | Name of Previous Employer                                                                            |
|------|------------------------|---------------|--------------------------|----------------------------------------------|-----------------------------------------|------------------------------------|--------------------------|------------------------------------------------------------------------------------------------------|
| 1    | Srinivas Bommidala     | 53            | Managing Director        | 19.04.2006*                                  | 247.43                                  | Commerce Graduate                  | 32                       | Vemagiri Power Generation Limited, Managing Director                                                 |
| 2    | Grandhi Kiran Kumar    | 41            | Executive Director       | 19.04.2006*                                  | 247.43                                  | Commerce Graduate                  | 18                       | GMR Hyderabad International Airport Limited                                                          |
| 3    | Indana Prabhakara Rao  | 57            | CEO                      | 09.05.2011**                                 | 190.07                                  | B.E, M.E                           | 32                       | Prudhvi Industries                                                                                   |
| 4    | Prasanna C             | 56            | President                | 17.07.2010                                   | 119.37                                  | B.Com(Hons)MBA                     | 31                       | NAGARJUNA FERTILIZERS AND CHEMICALS LTD.                                                             |
| 5    | Radhakrishna Babu Gadi | 56            | CFO                      | 01.08.2011                                   | 109.12                                  | B.Com C.A C.S LLB MBA              | 35                       | ICOMN Tele Ltd                                                                                       |
| 6    | Ashwani Khanna         | 51            | VP                       | 12.11.2008                                   | 105.21                                  | B.Tech MBA                         | 28                       | Kingfisher Airlines Ltd                                                                              |
| 7    | Marcel Hungerbuehler   | 66            | COO - Airport Operations | 15.07.2011                                   | 204.02                                  | Management Prog, PGD (Switzerland) | 48                       | Swissair and swiss international airlines, Swissport Jurich, Bangalore International Airport Limited |
| 8    | Shyam Sundar           | 44            | VP                       | 14.07.2014                                   | 118.95                                  | B.E                                | 20                       | MICROSOFT INDIA                                                                                      |
| 9    | K Narayana Rao         | 61            | Whole Time Director      | 17.04.2007*                                  | 88.61***                                | B.Com C.A C.S ICWA CIMA            | 37                       | GMR Industries Limited, Managing Director                                                            |
| 10   | Sushil Joshi           | 52            | VP                       | 14.04.2014                                   | 90.20                                   | MBABSc                             | 29                       | Tata Motors.                                                                                         |

Note -

1. The nature of employment of all employees above is contractual regular and terms and conditions are as per the policy/rules of the Company and in case of Directors additionally as approved by Board of Directors and Shareholders.

2. Remuneration as shown above includes salary, allowances, leave travel assistance, superannuation, PF

3. None of the employees holds by himself or along with his spouse and dependent children any Equity Shares in the Company.

Hence, no disclosure is required in accordance with the provisions of Rule 5(2)(iii) of The Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014.

4. None of the employees are relative of any Director or Manager of the Company except Mr. Grandhi Kiran Kumar and Mr. Srinivas Bommidala

\*Date of appointment on DIAL's Board.

\*\* Date of Appointment as CEO of DIAL by DIAL Board

\*\*\* The above amount does not include the VPP of Rs. 18 Lacs for the Financial Year 2015 -16, actually paid in July, 2016.

**For and on behalf of Board of Directors**

**Sd/-**  
**Srinivas Bommidala**  
 Managing Director  
 DIN-00061464  
 Place : Delhi

**Sd/-**  
**K. Narayana Rao**  
 Whole Time Director  
 DIN-00016262  
 Date: August 16, 2016

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

Chartered Accountants

Golf View corporate Tower-B

Sector-42, Sector Road

Gurgaon- 122002, Haryana, India

**Brahmayya & Co.**

Chartered Accountants

10/2, Khivraj Mansion

Kasturba Road

Bengaluru 560 001, India

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Delhi International Airport Private Limited

**Report on the Financial Statements**

We have audited the accompanying standalone financial statements of Delhi International Airport Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2016, its profit, and its cash flows for the year ended on that date.



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

Chartered Accountants  
Golf View corporate Tower-B  
Sector-42, Sector Road  
Gurgaon- 122002, Haryana, India

**Brahmayya & Co.**

Chartered Accountants  
10/2, Khivraj Mansion  
Kasturba Road  
Bengaluru 560 001, India

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016;
  - (e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 35 to the financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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



per Yogesh Midha  
Partner

Membership Number: 94941  
Place: Gurgaon  
Date: April 28, 2016



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



per G Srinivas  
Partner  
Membership Number: 86761  
Place: New Delhi  
Date : April 28, 2016



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

Chartered Accountants  
Golf View corporate Tower-B  
Sector-42, Sector Road  
Gurgaon- 122002, Haryana, India

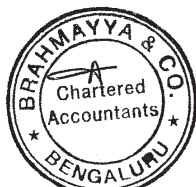
**Brahmayya & Co.**

Chartered Accountants  
10/2, Khivraj Mansion  
Kasturba Road  
Bengaluru 560 001, India

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

Re: Delhi International Airport Private Limited ("the Company")

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



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

Chartered Accountants

Golf View corporate Tower-B

Sector-42, Sector Road

Gurgaon- 122002, Haryana, India

**Brahmayya & Co.**

Chartered Accountants

10/2, Khivraj Mansion

Kasturba Road

Bengaluru 560 001, India

| Name of the statute  | Nature of Dues                                                                                                                                                                                                                                                                                              | Amount (Rs. in Crores) | Period to which amount relates           | Forum where dispute is pending                     |
|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------------------------|----------------------------------------------------|
| Income Tax Act, 1961 | Taxability of Passenger Service Fee (Security Component), Disallowance on account of capital expenditure, Disallowance of payment of gratuity, Disallowance under section 40(a)(ia) of the Act, Disallowance of club expenses, Disallowance under Section 14A of the Act, Issue of SFIS Duty Credit Scrips. | 3.66                   | Assessment Year: 2008-09                 | Commissioner of Income Tax (CIT) Appeals.          |
| Income Tax Act, 1961 | Taxability of Passenger Service Fee (Security Component), Disallowance on account of capital expenditure, Disallowance under Section 14A of the Act Disallowance of club expenses, Disallowance under section 40(a)(ia) on issue related non deduction of TDS, Issue of SFIS Duty Credit Scrips.            | 0.43                   | Assessment Year: 2009-10                 | Commissioner of Income Tax (CIT) Appeals.          |
| Income Tax Act, 1961 | Tax Deducted at Source/Tax Collected at Source.                                                                                                                                                                                                                                                             | 0.03                   | Various Years                            | Deputy Commissioner of Income Tax ((New Delhi).    |
| Finance Act 1994     | Service tax on Development Fees (DF) receipt.                                                                                                                                                                                                                                                               | 275.64                 | March 2009 to September 2013.            | Commissioner, Service tax.                         |
| Finance Act 1994     | i) Non payment of Service tax under reverse charge mechanism for the alleged 'Management or Business Consultants'.<br>ii) Wrong and Excess Utilization of CENVAT credit<br>iii) Non Payment of Service Tax on License Fees / lease rentals.                                                                 | 35.44                  | Financial year 2006-07 to 2009-10        | Commissioner, Service tax, New Delhi               |
| Finance Act 1994     | Non-payment of Service Tax on License Fees / lease rentals.                                                                                                                                                                                                                                                 | 7.74                   | Financial year 2011-12 (Apr – June'2010) | Commissioner of Service Tax, New Delhi.            |
| Finance Act 1994     | Wrong availment of service tax on the payment made towards employee's medical insurance.                                                                                                                                                                                                                    | 0.11                   | Financial year 2011-12.                  | Additional Commissioner of Service Tax, New Delhi. |



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Bengaluru 560 001, India

| Name of the statute | Nature of Dues                                                                                                                              | Amount (Rs. in Crores) | Period to which amount relates      | Forum where dispute is pending                     |
|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------|------------------------|-------------------------------------|----------------------------------------------------|
| Finance Act 1994    | i) Service tax on the supply of electricity and water<br>ii) Denial of CENVAT on Central Industrial Security Force (CISF) related expenses. | 25.22                  | Financial year: 2009 -10 to 2012-13 | Commissioner of Service tax                        |
| Finance Act 1994    | Non-payment of service tax on Advance Development Costs ('ADC').                                                                            | 59.91                  | Financial year: 2010-11 to 2011-12  | Commissioner of Service Tax                        |
| Finance Act 1994    | Service tax -non charging of ST by DIAL.                                                                                                    | 0.22                   | Financial year 2007-08              | Additional Commissioner of Service Tax, New Delhi. |

\* Dispute under Income Tax Act 1961, wherein disallowances resulting in reduction in 'returned loss' as per return of income have not been considered for above disclosure. Tax impact of reduction in loss amounts to Rs. 50.17 crores.

- (viii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution and bank. The Company did not have any outstanding dues in respect of debenture holders during the year .
- (ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management and on an overall examination of the balance sheet, we report that monies raised by way of term loans were applied for the purposes for which those were raised. The Company has not raised any funds by way of initial public offer or further public offer or debt instruments.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the year.
- (xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xi) of the order are not applicable to the Company and hence not commented upon.
- (xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. (Refer note 31 of the financial statements)
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.



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- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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



**per Yogesh Midha**  
**Partner**  
Membership Number: 94941  
Place: Gurgaon  
Date: April 28, 2016



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



**per G Srinivas**  
**Partner**  
Membership Number: 86761  
Place: New Delhi  
Date : April 28, 2016



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

Chartered Accountants  
Golf View corporate Tower-B  
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**ANNEXURE-2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE  
STANDALONE FINANCIAL STATEMENTS OF DELHI INTERNATIONAL AIRPORT PRIVATE  
LIMITED LIMITED****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the  
Companies Act, 2013 ("the Act")**

To the Members of Delhi International Airport Private Limited

We have audited the internal financial controls over financial reporting of Delhi International Airport Private Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.



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Kasturba Road  
Bengaluru 560 001, India

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

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

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

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Explanatory paragraph**

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the standalone financial statements of Delhi International Airport Private Limited, which comprise the Balance Sheet as at March 31, 2016 and the related Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated April 28, 2016 expressed unqualified opinion.

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



per Yogesh Midha  
Partner  
Membership Number: 94941  
Place: Gurgaon  
Date: April 28, 2016



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



per G Srinivas  
Partner  
Membership Number: 86761  
Place: New Delhi  
Date : April 28, 2016

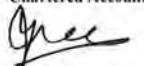


Delhi International Airport Private Limited  
CIN. U63033DL2006PTC146936  
Standalone Balance Sheet as at March 31, 2016  
(All amounts in Rupees Crores, except otherwise stated)

|                                                                                   | Notes | March 31, 2016          | March 31, 2015          |
|-----------------------------------------------------------------------------------|-------|-------------------------|-------------------------|
| <b>Equity and liabilities</b>                                                     |       |                         |                         |
| <b>Shareholders' funds</b>                                                        |       |                         |                         |
| Share capital                                                                     | 4     | 2,450.00                | 2,450.00                |
| Reserves and surplus:                                                             | 5     |                         |                         |
| Deficit in statement of profit and loss                                           |       | (233.09)                | (741.95)                |
|                                                                                   |       | <u>2,216.91</u>         | <u>1,708.05</u>         |
| <b>Non-current liabilities</b>                                                    |       |                         |                         |
| Long-term borrowings (Secured)                                                    | 6     | 5,363.43                | 5,436.94                |
| Deferred tax liability (net)                                                      | 7     | 27.28                   | -                       |
| Other long-term liabilities                                                       | 8     | 1,950.91                | 1,998.95                |
| Long-term provisions                                                              | 9     | 34.90                   | 52.50                   |
|                                                                                   |       | <u>7,376.52</u>         | <u>7,488.39</u>         |
| <b>Current liabilities</b>                                                        |       |                         |                         |
| Trade payables                                                                    | 10    |                         |                         |
| Total outstanding dues of micro, small and medium enterprises                     |       | 0.67                    | 1.02                    |
| Total outstanding dues of creditors other than micro small and medium enterprises |       | 389.71                  | 424.62                  |
| Other current liabilities                                                         | 11    | 1,201.56                | 1,456.63                |
| Short-term provisions                                                             | 9     | 57.59                   | 42.44                   |
|                                                                                   |       | <u>1,649.53</u>         | <u>1,924.71</u>         |
| <b>TOTAL</b>                                                                      |       | <u><b>11,242.96</b></u> | <u><b>11,121.15</b></u> |
| <b>Assets</b>                                                                     |       |                         |                         |
| <b>Non-current assets</b>                                                         |       |                         |                         |
| <b>Fixed assets</b>                                                               |       |                         |                         |
| Tangible assets                                                                   | 12    | 7,999.58                | 8,355.69                |
| Intangible assets                                                                 | 13    | 412.94                  | 433.50                  |
| Capital work-in-progress                                                          |       | 63.87                   | 50.65                   |
| Non-current investments                                                           | 14    | 138.01                  | 138.01                  |
| Loans and advances                                                                | 15    | 98.55                   | 89.53                   |
| Other non-current assets                                                          | 16    | 54.68                   | 170.01                  |
|                                                                                   |       | <u>8,767.63</u>         | <u>9,237.39</u>         |
| <b>Current assets</b>                                                             |       |                         |                         |
| Current investments                                                               | 17    | 989.87                  | 287.27                  |
| Inventories                                                                       | 18    | 8.11                    | 8.65                    |
| Trade receivables                                                                 | 19    | 787.93                  | 652.22                  |
| Cash and bank balances                                                            | 20    | 483.88                  | 320.27                  |
| Loans and advances                                                                | 15    | 59.57                   | 62.34                   |
| Other current assets                                                              | 16    | 145.97                  | 553.01                  |
|                                                                                   |       | <u>2,475.33</u>         | <u>1,883.76</u>         |
| <b>TOTAL</b>                                                                      |       | <u><b>11,242.96</b></u> | <u><b>11,121.15</b></u> |
| Summary of significant accounting policies                                        | 3     |                         |                         |

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

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



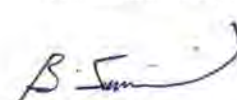
per Yogesh Midha  
Partner  
Membership no: 94941  
Place : Gurgaon  
Date : April 28, 2016

As per our report of even date  
For Brahmaya & Co.  
ICAI Firm Registration No. : 000515S  
Chartered Accountants



per G. Srinivas  
Partner  
Membership no: 86761  
Place : New Delhi  
Date : April 28, 2016

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



Srinivas Bommidala  
Managing Director  
DIN-00061464

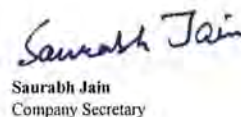


Narayana Rao  
Whole Time Director  
DIN-00016262



Radhakrishnababu G.  
Chief Financial Officer

Place : New Delhi  
Date : April 28, 2016



Saurabh Jain  
Company Secretary

Place : New Delhi  
Date : April 28, 2016



**Delhi International Airport Private Limited**

CIN. U63033DL2006PTC146936

**Standalone Statement of Profit and Loss for the year ended March 31, 2016**

(All amounts in Rupees Crores, except otherwise stated)

| Particulars                                                                                                 | Notes | For the Year ended<br>March 31, 2016 | For the Year ended<br>March 31, 2015 |
|-------------------------------------------------------------------------------------------------------------|-------|--------------------------------------|--------------------------------------|
| <b>Income</b>                                                                                               |       |                                      |                                      |
| Revenue from operations                                                                                     | 21    | 4,861.63                             | 4,195.50                             |
| Other income                                                                                                | 22    | 154.35                               | 84.42                                |
| <b>Total Revenue (i)</b>                                                                                    |       | <b>5,015.98</b>                      | <b>4,279.92</b>                      |
| <b>Expenses</b>                                                                                             |       |                                      |                                      |
| Annual fee to Airports Authority of India (AAI)                                                             |       | 2,304.15                             | 1,967.80                             |
| Employee benefits expense                                                                                   | 23    | 125.34                               | 132.12                               |
| Other expenses                                                                                              | 24    | 700.15                               | 697.47                               |
| <b>Total Expenses (ii)</b>                                                                                  |       | <b>3,129.64</b>                      | <b>2,797.39</b>                      |
| <b>Earnings before interest, tax, depreciation and amortization and exception items (EBITDA) (i) - (ii)</b> |       | <b>1,886.34</b>                      | <b>1,482.53</b>                      |
| Depreciation and amortization expenses                                                                      | 25    | 646.96                               | 624.28                               |
| Finance costs                                                                                               | 26    | 571.24                               | 556.19                               |
| <b>Profit before tax and exceptional items</b>                                                              |       | <b>668.14</b>                        | <b>302.06</b>                        |
| Exceptional items (net)                                                                                     | 27    | -                                    | 74.15                                |
| <b>Profit before tax</b>                                                                                    |       | <b>668.14</b>                        | <b>227.91</b>                        |
| <b>Tax expenses</b>                                                                                         |       |                                      |                                      |
| Current Tax                                                                                                 |       | 129.07                               | -                                    |
| Deferred Tax charge                                                                                         |       | 27.28                                | -                                    |
| MAT credit entitlement for earlier years written off                                                        |       | 2.93                                 | -                                    |
| <b>Total tax expense</b>                                                                                    |       | <b>159.28</b>                        | <b>-</b>                             |
| <b>Profit for the period</b>                                                                                |       | <b>508.86</b>                        | <b>227.91</b>                        |
| <b>Earning per equity share [nominal value of share Rs. 10 (March 31, 2015: Rs. 10)]</b>                    |       |                                      |                                      |
| <b>Basic and Diluted (In Rupees)</b>                                                                        | 28    | <b>2.08</b>                          | <b>0.93</b>                          |
| Computed on basis of total profit for the year                                                              |       |                                      |                                      |
| Summary of significant accounting policies                                                                  | 3     |                                      |                                      |

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

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP

ICAI Firm Registration No. : 101049W/E300004

Chartered Accountants

per Yogesh Midha

Partner

Membership no: 94941

Place : Gurgaon

Date : April 28, 2016

As per our report of even date

For Brahmayya & Co.

ICAI Firm Registration No. : 000515S

Chartered Accountants

per G. Srinivas

Partner

Membership no: 86761

Place : New Delhi

Date : April 28, 2016

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

Srinivas Bommidala

Managing Director

DIN-00061464

K. Narayana Rao

Whole Time Director

DIN-00016262

Radhakrishnababu G.

Chief Financial Officer

Saurabh Jain

Company Secretary

Place : New Delhi

Date : April 28, 2016

Place : New Delhi

Date : April 28, 2016

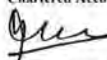


|                                                                                                      | March 31, 2016  | March 31, 2015    |
|------------------------------------------------------------------------------------------------------|-----------------|-------------------|
| <b>Cash flow from operating activities</b>                                                           |                 |                   |
| Profit before tax                                                                                    | 668.14          | 227.91            |
| Adjustment to reconcile profit before tax to net cash flows                                          |                 |                   |
| Depreciation and amortization expenses                                                               | 646.96          | 624.28            |
| Provision for Bad debts / Bad Debts Written off                                                      | 0.03            | 9.01              |
| Provision for Doubtful advances / Advances Written off                                               | 0.43            | 0.20              |
| Interest income on deposits/current investment                                                       | (27.11)         | (5.52)            |
| Exchange differences unrealised (net)                                                                | 0.84            | (0.18)            |
| Net Gain on sale of current investments                                                              | (47.99)         | (20.47)           |
| Income from sale of non-current investment (Refer note no. 27)                                       | -               | (17.68)           |
| Profit on Sale of Fixed Assets                                                                       | (0.05)          | (0.28)            |
| Dividend Income on long term investments                                                             | (35.52)         | (19.31)           |
| Other borrowing costs including amortisation                                                         | 14.17           | 27.15             |
| Loss on discard of fixed assets                                                                      | 0.18            | 2.18              |
| Breakage cost of Interest Rate Swap (IRS) (Refer note no. 27)                                        | -               | 91.83             |
| Interest on Borrowings                                                                               | 486.55          | 499.38            |
| Other interest                                                                                       | 68.10           | -                 |
| Operating profit before working capital changes                                                      | 1,774.73        | 1,418.50          |
| Movements in working capital                                                                         |                 |                   |
| (Decrease) / Increase in trade payables                                                              | (35.75)         | 126.88            |
| Decrease in other long term liabilities                                                              | (39.62)         | (73.27)           |
| Increase in other current liabilities                                                                | 62.04           | 42.87             |
| (Increase) / Decrease in trade receivables                                                           | (136.10)        | 68.13             |
| Decrease in inventories                                                                              | 0.54            | 2.41              |
| Decrease / (Increase) in other current assets                                                        | 38.26           | (30.32)           |
| Decrease / (Increase) in long term loans and advances                                                | (0.29)          | 3.40              |
| Decrease in short term loans and advances                                                            | 2.76            | 1.08              |
| Increase in short-term provisions                                                                    | 0.52            | 4.40              |
| <b>Cash generated from operations</b>                                                                | <b>1,667.09</b> | <b>1,564.08</b>   |
| Direct taxes paid (net)                                                                              | (117.01)        | (9.91)            |
| <b>Net cash flow from operating activities (A)</b>                                                   | <b>1,550.08</b> | <b>1,554.17</b>   |
| <b>Cash flows from investing activities</b>                                                          |                 |                   |
| Purchase of fixed assets, including CWIP and capital advances                                        | (216.40)        | (355.67)          |
| Development fee (DF) realised                                                                        | 413.37          | 384.39            |
| Proceeds from sale of fixed assets                                                                   | 0.05            | 0.55              |
| Proceeds from sale of non-current investments                                                        | -               | 33.52             |
| Purchase of non-current investments                                                                  | -               | (2.60)            |
| Purchase of current investments                                                                      | (12,145.62)     | (6,921.96)        |
| Proceeds from sale/maturity of current investments                                                   | 11,491.01       | 6,804.58          |
| Dividend Income                                                                                      | 35.52           | 19.31             |
| Interest received                                                                                    | 23.89           | (0.87)            |
| Decrease in margin money deposit                                                                     | (11.45)         | (30.64)           |
| Redemption / (Investments) in margin money deposits with original maturity of more than three months | 135.88          | (169.73)          |
| <b>Net cash flow used in investing activities (B)</b>                                                | <b>(273.75)</b> | <b>(239.12)</b>   |
| <b>Cash flows from financing activities</b>                                                          |                 |                   |
| Proceeds from long-term borrowings                                                                   | -               | 1,778.78          |
| Repayment of long-term borrowings                                                                    | (497.22)        | (2,283.19)        |
| Repayment of short-term borrowings                                                                   | -               | (125.19)          |
| Other borrowing costs paid                                                                           | (5.40)          | (52.06)           |
| Collection of interest on DF loans from airlines                                                     | 39.15           | 83.58             |
| Interest paid                                                                                        | (524.82)        | (658.49)          |
| <b>Net cash flow used in financing activities (C)</b>                                                | <b>(988.29)</b> | <b>(1,256.57)</b> |
| <b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>                              | <b>288.04</b>   | <b>58.48</b>      |
| Cash and cash equivalents at the beginning of the period                                             | 119.70          | 61.22             |
| <b>Cash and cash equivalents at the end of the period</b>                                            | <b>407.74</b>   | <b>119.70</b>     |
| <b>Components of cash and cash equivalents</b>                                                       |                 |                   |
| Cash on hand                                                                                         | 0.11            | 0.14              |
| Cheques/ drafts on hand                                                                              | 15.78           | 5.28              |
| With banks                                                                                           |                 |                   |
| - on current account                                                                                 | 41.85           | 76.17             |
| - on deposit account                                                                                 | 350.00          | 38.11             |
| <b>Total cash and cash equivalents</b>                                                               | <b>407.74</b>   | <b>119.70</b>     |

**Explanatory notes annexed**

- The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 on Cash Flow Statements notified under section 133 of the Companies Act, 2013, read together with rule 7 of the Companies (Accounts) Rules, 2014.
- The above cash flow statement has been compiled from and is based on the Standalone Balance Sheet as at March 31, 2016 and the related Standalone Profit and Loss for the year ended on that date.
- Cash and cash equivalents include Rs. 2.31 crores (March 31, 2015: Rs. 5.75 crores), pertaining to Marketing Fund, to be used for sales promotional activities.
- Previous period figures have been regrouped and reclassified to conform to those of the current period.

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

  
per Yogesh Midia  
Partner  
Membership no. 94941  
Place - Gurgaon  
Date - April 28, 2016

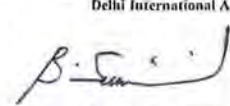


As per our report of even date  
For Brahmayya & Co.  
ICAI Firm Registration No. : 000515S  
Chartered Accountants

  
per G. Srinivas  
Partner  
Membership no. 80761  
Place - New Delhi  
Date - April 28, 2016



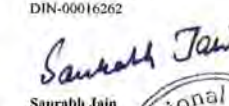
For and on behalf of the Board of Directors of  
Delhi International Airport Private Limited

  
Srinivas Bommalada  
Managing Director  
DIN-00061464

  
Radhakrishnababu G.  
Chief Financial Officer

Place - New Delhi  
Date - April 28, 2016

  
Narayana Rao  
Whole Time Director  
DIN-00016262

  
Saurabh Jain  
Company Secretary

Place - New Delhi  
Date - April 28, 2016



**1. Corporate Information**

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

**2. A) Basis of preparation**

The financial statements of the Company for the year ended March 31, 2016 have been prepared by the Company in accordance with generally accepted accounting principles in India, mandatory accounting standards notified under Section 133 of the Companies Act 2013, read together with rule 7 of the Companies (Accounts) Rules 2014, issued by the Ministry of Corporate Affairs. The financial statements have been prepared under the historical cost convention on an accrual basis.

The accounting policies adopted in the preparation of financial statements are consistent with those of the previous year except for change in accounting policy as explained in note 3 (i).

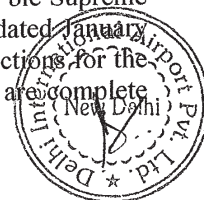
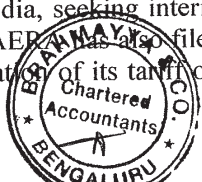
**Going concern**

- (i) The Company's accumulated losses as at March 31, 2016 of Rs. 233.09 crores (March 31, 2015: Rs. 741.95 crores) have resulted in part erosion of net worth of the Company as at the year end. However, the Company has earned profit of Rs.508.86 crores and Rs. 227.91 crores during the year ended March 31, 2016 and March 31, 2015 respectively and has met all its obligations as at March 31, 2016.
- (ii) The Airport Economic Regulatory Authority ("AERA") vide its powers conferred by Section 13(1) (a) of the AERA Act, 2008 passed an Aeronautical tariff order Viz. 03/2012-13 issued on April 24, 2012 which determined the Aeronautical tariff to be levied at Delhi Airport for the fourth and fifth year of tariff period of first five year control period (i.e. 2009 - 2014). The first five year control period referred to above ended on March 31, 2014.

However, earlier DIAL had filed a writ petition before the Hon'ble Delhi High Court seeking extension of existing tariff as allowed vide AERA order no. 03/2012-13 issued on April 24, 2012 till disposal of DIAL's appeal pending before AERAAT. Subsequently, Hon'ble Delhi High Court vide its final order dated January 22, 2015 ordered that the tariff determined by AERA for the First Control Period vide Tariff Order No.03/2012-13 issued on April 24, 2012, shall continue till the disposal of the appeals pending against the said Tariff Order, by AERAAT. The tariff matters have been listed for hearing by AERAAT on May 02, 2016.

DIAL has also filed an appeal against the AERA order No. 40/2015-16 dated December 08, 2015 (issued on December 10, 2015), with AERAAT on January 11, 2016. In view of above petitions on the implementation of AERA order for second control period, the said order cannot be implemented till the disposal of all legal issues associated with the order. The revenue so collected by DIAL during this interim period shall be adjusted from the aggregate revenue requirement for the Second control period w.e.f. April 1, 2014.

Further, AERA has also filed a Special Leave Petition (SLP) dated April 24, 2015 in Hon'ble Supreme Court of India, seeking interim relief from the final order of Hon'ble Delhi High Court dated January 22, 2015. AERA has also filed an application before Hon'ble Supreme Court seeking directions for the implementation of its tariff order for second control period. The pleadings of the parties are complete.



and now listed for arguments on SLP and applications in due course. Tentative date of listing is May 09, 2016.

Recently, AERA has released the tariff order No. 40/2015-16 ('AERA order') dated December 08, 2015 (issued on December 10, 2015) for second control period i.e. 2014 -2019, which as per AERA order would be implemented upon the final outcome of the legal proceedings attached to that order. As per AERA order, tariff for aeronautical revenue will be reduced by 89.40% of the existing tariff (i.e. tariff as compared to the first control period).

Based on the above, the profit earned over the last three financial years, Company's business plans and cash projections prepared by the management for the next one year, the management expects to earn sufficient cash profits and do not foresee any difficulty in continuing its business / operations and meeting its financial obligations and accordingly, these financial results continue to be prepared on a going concern basis.

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

#### **(i) Change in accounting policy**

##### **Component Accounting**

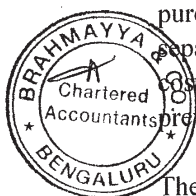
The Company has adopted component accounting as required under Schedule II to the Companies Act, 2013 from April 1, 2015. The Company was previously not identifying components of fixed asset separately for depreciation purposes; rather, a single useful life/ depreciation rate was used to depreciate each item of fixed asset.

Due to application of Schedule II to the Companies Act, 2013, the Company has changed the manner of depreciation for its fixed asset. Now, the Company identifies and determines cost of each component / part of the asset separately, if the component / part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset. The Company has used transitional provisions of Schedule II to adjust the impact of component accounting arising on its first application. If a component has zero remaining useful life on the date of component accounting becoming effective, i.e., April 1, 2015, its carrying amount, after retaining any residual value, is charged to the statement of profit and loss. The carrying amount of other components, i.e., components whose remaining useful life is not nil on April 1, 2015, is depreciated over their remaining useful lives.

The Company has also changed its policy on recognition of cost of major inspection/ overhaul. Earlier Company used to charge such cost directly to statement of profit and loss. On application of component accounting, the major inspection/ overhaul is identified as a separate component of the asset at the time of purchase of new asset and subsequently. The cost of such major inspection/ overhaul is depreciated separately over the period till next major inspection/ overhaul. Upon next major inspection/ overhaul, the costs of new major inspection/ overhaul are added to the asset's cost and any amount remaining from the previous inspection/ overhaul is derecognized.

The Company, based on technical review, has assessed the components except in case of Runways and Taxiways which is pending issuance of final notification by Airport Economic Regulatory Authority (AERA).

Had the Company continued to use the earlier policy of depreciating fixed asset, its financial statements for the period would have been impacted as below:



**Delhi International Airport Private Limited**

**CIN. U63033DL2006PTC146936**

**Notes to the standalone financial statements for the year ended March 31, 2016**

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

Depreciation for the current period would have been lower by Rs. 14.59 crores. Profit before tax for the current period would have been higher by Rs. 14.59 crores and fixed asset would have been higher by Rs. 14.59 crores.

On the date of component accounting becoming applicable, i.e., April 1, 2015, there was no component having zero remaining useful life.

**(ii) Change in accounting estimate**

**Amortization of Intangible Assets**

Upto March 31, 2015, the Company amortised upfront fee and other costs paid to Airport Authority of India ('AAI') over the initial and extended periods of OMDA i.e. 60 years.

However, the Company, considering the prevalent regulatory and economic conditions, have revisited and revised the estimate for amortising the upfront fees and other cost paid to AAI over the initial period of 30 years of OMDA prospectively.

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

Amortization for the current period would have been lower by Rs. 11.93 crores. Profit before tax for the current period would have been higher by Rs. 11.93 crores and intangible assets would have been higher by Rs. 11.93 crores.

**a. Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

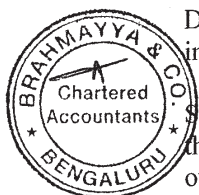
**b. Tangible fixed assets**

Tangible fixed assets are stated at cost, net of cenvat credit and other duty drawbacks less accumulated depreciation and impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

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

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

The Company adjusts exchange differences arising on translation / settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with MCA



August 9, 2012 exchange differences adjusted to the cost of fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the Company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

Collection charges on development fund (DF) are added to the fixed assets and are being depreciated over the remaining useful life of the asset.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

**c. Depreciation on tangible fixed assets**

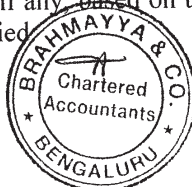
Depreciation is calculated on a straight line basis using the useful lives prescribed under Schedule II to the Companies Act, 2013 except for assets individually costing less than Rs. 5,000/-, which are fully depreciated in the year of acquisition and certain assets class i.e. Internal Approach Roads, Electric Panels and Transformers/Sub-station, the Company, based on a technical evaluation, believes that the useful life of such assets is different from the useful life specified in Schedule II to Companies Act 2013. The following is a comparison of the useful lives of these assets as adopted by the Company and those prescribed under Schedule II to the Companies Act, 2013:

| Type of Assets                           | Useful life as estimated by the Company based on technical evaluation | Useful life as prescribed in Schedule II to the Companies Act, 2013 |
|------------------------------------------|-----------------------------------------------------------------------|---------------------------------------------------------------------|
| Internal Approach Roads – Other than RCC | 10 years                                                              | 5 years                                                             |
| Transformers/Power Sub-Stations          | 15 years                                                              | 10 years                                                            |
| Electric Panels                          | 15 years                                                              | 10 years                                                            |

Also refer note 3(i) of the significant accounting policies.

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

On June 12, 2014, the Airport Economic Regulatory Authority (“the Authority”) has issued a consultation paper viz.05/2014-15 in the matter of Normative Approach to Building Blocks in Economic Regulation of Major Airports wherein it, interalia, mentioned that the Authority proposes to lay down, to the extent required, the depreciation rates for airport assets, taking into account the provisions of the useful life of assets given in Schedule II of the Companies Act, 2013, for such assets that have not been clearly mentioned in the Schedule II of the Companies Act, 2013 or may have a useful life justifiably different than that indicated in the Companies Act, 2013 in the specific context to the airport sector. The Authority has initiated the process to enable it to issue a notification as appropriate, pursuant to the provisions of Part B of Schedule II of the Companies Act, 2013 for this purpose. Pending issuance of final notification by AERA of the useful lives of airport specific assets i.e. Runways, Taxiways and Apron, the Company, in the absence of any specific mention of useful lives of these assets in Schedule II to the Companies Act, 2013, continues to depreciate these assets over their estimated useful lives of 30 years as determined by the management based on an internal technical evaluation. The impact, if any, based on the useful lives as may be notified by the Authority will be adjusted as and when notified.



**d. 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.

The amortisation period and the amortisation method are reviewed at the end of each financial year. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern.

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.

The Company amortises, upfront fee and other costs paid to AAI referred to above are recognized and amortized over the initial period of OMDA.

Other intangible assets are amortised over the useful life of asset or six years whichever is lower.

**e. Impairment of tangible and intangible 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 net selling price 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 groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for individual assets. These budgets and forecast calculations are generally covering 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.

After impairment, depreciation or amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

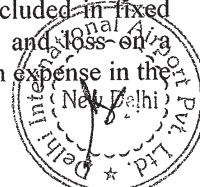
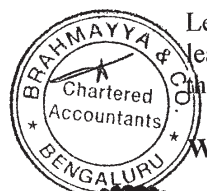
**f. Leases**

**Where the Company is lessee:**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of profit and loss on a straight-line basis over the lease term.

**Where the Company is lessor:**

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets given under operating leases are included in fixed assets. Lease income on an operating lease is recognized in the Statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the Statement of profit and loss on a straight-line basis over the lease term.



Statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of profit and loss.

**g. Government grants**

Grants and subsidies including airport development fee from the Government or any regulatory authority are recognized when there is reasonable assurance that the grant / subsidy will be received / utilized and the Company will comply with the conditions attached to them.

In case of grants related to an asset, the grant amount (net of direct amount incurred to earn aforesaid grant) is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.

Capital Work In Progress (CWIP) relating to the development fund are being net off from the Development fee accrued (to the extent not utilized) and are not included in CWIP.

Government grants related to revenue are recognized on a systematic basis in the statement of profit and loss statement over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense.

**h. Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of profit and loss.

**i. Inventories**

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

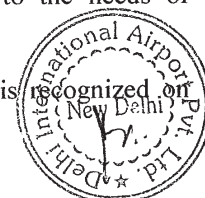
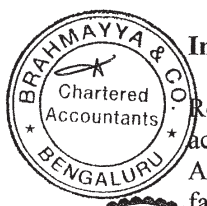
**j. Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

**Income from Services**

Revenue from airport operations i.e. Aeronautical and Non Aeronautical operations are recognised on accrual basis, net of service tax, collection charges and applicable discounts when services are rendered. Aeronautical operations include user development fees (UDF), landing and parking of aircraft, fuel farm, operation and maintenance of passenger boarding and other allied services. Non-aeronautical operations include granting rights to use land and space primarily for catering to the needs of passengers, air traffic services and air transport services.

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



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

#### **Interest**

Revenue 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.

#### **Dividends**

Dividend income is recognised when the Company's right to receive dividend is established by the reporting date.

#### **Claims**

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

#### **k. Borrowing costs**

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

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

#### **l. Foreign currency translation**

##### **(i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

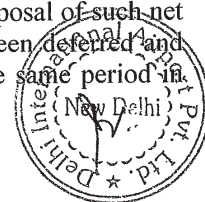
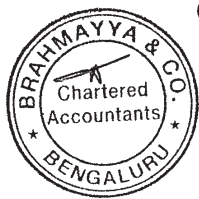
##### **(ii) Conversion**

Foreign currency monetary items are reported using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

##### **(iii) Exchange differences**

The Company accounts for exchange differences arising on translation / settlement of foreign currency monetary items as below:

1. Exchange differences arising on a monetary item that, in substance, forms part of the Company's net investment in a non-integral foreign operation is accumulated in the foreign currency translation reserve until the disposal of the net investment. On the disposal of such net investment, the cumulative amount of the exchange differences which have been deferred and which relate to that investment is recognized as income or as expenses in the same period in which the gain or loss on disposal is recognized.



2. Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.
3. Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortized over the remaining life of the concerned monetary item.
4. All other exchange differences are recognized as income or as expenses in the period in which they arise.

For the purpose of 2 and 3 above, the Company treats a foreign currency monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination. In accordance with MCA circular dated August 9, 2012, exchange differences for this purpose, are total differences arising on long-term foreign currency monetary items for the period. In other words, the Company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange differences.

**(iv) Forward Exchange Contracts not intended for trading or speculations purposes**

The premium or discount arising at the inception of forward exchange contracts is amortized and recognized as an expense / income over the life of the contract. Exchange differences on such contracts, except the contracts which are long-term foreign currency monetary items, are recognized in the Statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the year.

**m. Retirement and other employee benefits:**

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

Retirement benefits in the form of Superannuation Fund and Employees State Insurance are defined contribution schemes and the contributions are charged to the Statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

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

Short term compensated absences including sick leave are provided for based on estimates. Long term compensated absences including sick leave are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.

Actuarial gains/losses are recognised in full, in the year in which they occur, in the Statement of profit and loss.



**n. Income taxes**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. 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 recognized directly in equity is recognized in equity and not in the Statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the Statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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 tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of profit and loss as current tax. The Company recognizes 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 recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961 issued by the Institute of Chartered Accountants of India, the said asset is created by way of credit to the Statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

**o. Segment information**

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



**p. Earnings per share**

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**q. Provisions**

A provision is recognized when the Company has a present obligation as a result of 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**r. Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

**s. Corporate Social Responsibility ('CSR')**

The Company has opted to charge its Corporate Social Responsibility (CSR) expenditure to the Statement of Profit & Loss Account.

**t. Cash and cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

**u. Derivative Instruments**

As per the announcement made by ICAI, accounting for derivative contracts, other than those covered under Accounting Standards 11 'The Effect of Changes in Foreign Exchange Rates', are marked to market on a portfolio basis, and the net loss after considering the offsetting effect on the underlying hedge item is charged to the statement of profit and loss. Net gains are ignored.

**v. Measurement of EBITDA**

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956 issued by the Institute of Chartered Accountants of India, the Company has elected to present earnings interest, tax, depreciation and amortization and exceptional items (EBITDA), but including other income, as a separate line item on the face of the Statement of profit and loss. The Company measures EBITDA on basis of profit from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance costs, exceptional items and tax expense.



**Delhi International Airport Private Limited**

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Notes to the standalone financial statements for the Year ended March 31, 2016

(All amounts in Rupees in Crores, except otherwise stated)

**4 Share capital**

Authorised shares (No. in crores)

300 (March 31, 2015: 300) equity shares of Rs. 10 each

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

245 (March 31, 2015: 245) equity shares of Rs.10 each fully paid up

Total issued, subscribed and fully paid-up share capital

| March 31, 2016 | March 31, 2015 |
|----------------|----------------|
| 3,000.00       | 3,000.00       |
| 2,450.00       | 2,450.00       |
| 2,450.00       | 2,450.00       |

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year  
Equity Shares

At the beginning of the year

Issued during the year

Outstanding at the end of the year

| March 31, 2016 |                 | March 31, 2015 |                 |
|----------------|-----------------|----------------|-----------------|
| No. Crores     | (Rs. in Crores) | No. Crores     | (Rs. in Crores) |
| 245            | 2,450.00        | 245            | 2,450.00        |
| -              | -               | -              | -               |
| 245            | 2,450.00        | 245            | 2,450.00        |

b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. Further the shareholders have entered into share holders agreement whereby special rights have been assigned to the Airports Authority of India (AAI) in respect of appointment of the nominee director in the Board of Directors, approval of reserved Shareholders and Board matters by affirmative vote of the AAI. Further in case if any shareholder intends to the transfer its shares subject to restriction of lock in period in Operation, Management and Development Agreement between shareholders, other shareholders will have first right of refusal in accordance with the terms of the shareholders agreement.

(c) Shares held by holding/ intermediate holding company and its subsidiaries

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

GMR Infrastructure Limited, the intermediate holding company  
100 (March 31, 2015: 100) equity shares of Rs.10 each fully paid up

GMR Energy Limited, Subsidiary of the intermediate holding company  
100 (March 31, 2015: 100) equity shares of Rs.10 each fully paid up

GMR Airports Limited, the holding company  
156.80 Crores (March 31, 2015: 132.30 Crores) equity shares of Rs.10 each fully paid up

| March 31, 2016 | March 31, 2015 |
|----------------|----------------|
| 0.00           | 0.00           |
| 0.00           | 0.00           |
| 1,568.00       | 1,323.00       |

(d) Details of shareholders holding more than 5% shares in the Company [Refer note 48]

Equity shares of Rs. 10 each fully paid  
Airports Authority of India  
GMR Airports Limited  
Malaysia Airports (Mauritius) Private Limited  
Fraport AG Frankfurt Airport Services Worldwide  
Total

| March 31, 2016 |                        | March 31, 2015 |                        |
|----------------|------------------------|----------------|------------------------|
| Numbers        | % holding in the class | Numbers        | % holding in the class |
| 63,70,00,000   | 26%                    | 63,70,00,000   | 26%                    |
| 1,56,79,99,800 | 64%                    | 1,32,29,99,800 | 54%                    |
| -              | 0%                     | 24,50,00,000   | 10%                    |
| 24,50,00,000   | 10%                    | 24,50,00,000   | 10%                    |
| 2,44,99,99,800 | 100%                   | 2,44,99,99,800 | 100%                   |

As per records of the Company, including its register of shareholders/ members, the above shareholding represent legal ownership of shares as at balance sheet date.

**5 Reserves and surplus**

Deficit in the statement of profit and loss

Balance as per last financial statements

Profit for the year

Net deficit in the statement of profit and loss

Total reserves and surplus

| March 31, 2016 | March 31, 2015 |
|----------------|----------------|
| (741.95)       | (969.86)       |
| 508.86         | 227.91         |
| (233.09)       | (741.95)       |
| (233.09)       | (741.95)       |

**6 Long-term borrowings**

Term loans

Indian rupee loan from banks (secured)

Indian rupee loan from financial institution (secured)

Foreign currency loan from banks (secured)

Indian rupee loan against Development fees ('DF') receipts from Banks (secured)

6.125% senior secured foreign currency notes

| Non-current portion |                | Current maturities |                |
|---------------------|----------------|--------------------|----------------|
| March 31, 2016      | March 31, 2015 | March 31, 2016     | March 31, 2015 |
| 2,120.03            | 1,109.44       | 50.34              | 2.86           |
| 772.00              | 1,854.94       | 22.00              | 4.73           |
| 543.42              | 562.64         | 33.82              | 12.75          |
| -                   | 89.06          | 84.00              | 456.20         |
| 1,927.98            | 1,820.86       | -                  | -              |
| 5,363.43            | 5,436.94       | 190.16             | 476.54         |
| 5,363.43            | 5,436.94       | 190.16             | 476.54         |
| -                   | -              | (190.16)           | (476.54)       |
| 5,363.43            | 5,436.94       | -                  | -              |

The above amount includes

Secured borrowings

Amount disclosed under the head "other current liabilities" (note 11)

Net amount



- a. Rupee Term Loan (RTL) of Rs. 2,170.37 crores (March 31, 2015: Rs. 1,112.30 crores) from Banks carries interest at Base rate plus agreed spread, which is subject to reset at the end of agreed interval. The interest rate during the period ranging from 10.65% to 11.75% p.a. (March 31, 2015: 11.50% to 11.75% per annum). The loan of Rs. 1109.44 crores is repayable in 48 quarterly unequal installments as per repayment schedule from June 2016 and ending on March, 2028. The loan of Rs. 1060.93 crores (March 31, 2015: Rs. 1063.67 crores); which was reclassified from Indian Rupee Loan from Financial Institutions (secured) in March 31, 2015 to Indian Rupee loan from Bank (secured) in March 31, 2016, is repayable in 48 quarterly installments from June 2016 to March 2028.
- b. Rupee Term Loan (RTL) of Rs. 794 crores (March 31, 2015: Rs. 1,859.67 crores) from financial institutions carries interest at Base rate plus agreed spread, which is subject to reset at the end of agreed interval. The interest rate during the period ranging from 10.50% to 10.70% p.a. (March 31, 2015: 10.70% to 11.50% p.a). The loan is repayable in 32 quarterly unequal installments as per repayment schedule starting from June 2016 and ending on September, 2023.
- c. Foreign currency term loan of USD 86.45 million (March 31, 2015 : USD 91.24 million ) carries interest at 6 months LIBOR plus agreed spread of 480 bps. The loan is repayable in 18 unequal half yearly installments from June, 2016 and will end on December, 2024.
- d. The above loans are secured by first rank pari-passu charge on all the future revenues, receivables, Trust and Retention account, Debt Service Reserve, Major maintainance reserve, 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. The loans are further secured by the pledge of requisite shares held by consortium of GMR Airports Limited and Fraport AG Frankfurt Airport Services Worldwide (shareholders of the company).
- e. 6.125% Senior Secured Foreign Currency Notes (Notes) of USD 288.75 million (March 31, 2015: USD 288.75 million) from International capital market carrying a fixed interest rate of 6.125% p.a. plus applicable withholding tax. The Notes are due for repayment in February, 2022. The loan is secured by first rank pari-passu charge on all the future revenues, receivables, Trust and Retention account, any other reserve, other bank accounts and insurance proceeds of the Company and all the rights, titles, interests, permits in respect of the project documents as detailed in the lenders agreements, to the extent permissible under OMDA.
- f. Indian Rupee Loan against Development Fees (DF) receipts from banks and financial institutions carries interest at fixed rate of Interest of 11.95% p.a. (March 31, 2015: 11.50% per annum). The loan is repayable from collection of DF receipts and repayment commitments are as per the loan agreement. The aforesaid loan is secured by pari passu first charge on DF receipts by the company

## 7 Deferred tax liability (net)

|                                                                                                                                 | March 31, 2016 | March 31, 2015 |
|---------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| Deferred tax liabilities                                                                                                        |                |                |
| Fixed assets : Impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting. | (1,063.68)     | 1,001.58       |
|                                                                                                                                 | (1,063.68)     | 1,001.58       |
| Deferred tax assets                                                                                                             |                |                |
| Unabsorbed depreciation                                                                                                         | 867.84         | 890.86         |
| Others Disallowances                                                                                                            | 8.98           | 8.37           |
| Intangibles (Airport Concession rights)                                                                                         | 73.84          | 77.73          |
| Carry Forward Losses                                                                                                            | 85.74          | 24.62          |
|                                                                                                                                 | 1,036.40       | 1,001.58       |
| Net deferred tax liability*                                                                                                     | 27.28          | -              |

\* The Company had timing differences between accounting and tax records which required accounting for deferred tax assets. Since, there was no evidence of virtual certainty of profit as required by AS 22 "Accounting for Taxes on Income", the Management had decided not to recognize deferred tax assets over and above the deferred tax liability as at March 31, 2015.

## 8 Other long-term liabilities

|                                                              | March 31, 2016 | March 31, 2015 |
|--------------------------------------------------------------|----------------|----------------|
| Security Deposits (unsecured)                                |                |                |
| Security Deposits from trade concessionaires                 | 322.26         | 299.45         |
| Security Deposits from commercial property developers        | 1,471.51       | 1,471.51       |
| Advances from commercial property developers (Refer note 44) | 121.77         | 175.85         |
| Unearned revenue                                             | 0.56           | 1.41           |
| Retention money - Non-trade                                  | 2.46           | 3.38           |
| Capital Creditors                                            | 7.50           | 15.00          |
| Advance from customers                                       | 24.85          | 32.35          |
|                                                              | 1,950.91       | 1,998.95       |

## 9 Provisions

|                                             | Long-term      |                | Short-term     |                |
|---------------------------------------------|----------------|----------------|----------------|----------------|
|                                             | March 31, 2016 | March 31, 2015 | March 31, 2016 | March 31, 2015 |
| Provision for employee benefits             |                |                |                |                |
| Provision for leave benefits                | -              | -              | 15.17          | 14.29          |
| Provision for Superannuation                | -              | -              | 0.27           | -              |
| Provision for gratuity [Refer note 36(c)]   | -              | -              | -              | 0.61           |
|                                             | -              | -              | 15.44          | 14.90          |
| Other provision                             |                |                |                |                |
| Provision for taxation                      | -              | -              | 24.54          | 9.27           |
| Provision for wealth tax                    | -              | -              | -              | 0.01           |
| Provision for Airports Authority of India - |                |                |                |                |
| - Voluntary retirement scheme cost          | 34.90          | 52.50          | 17.61          | 18.26          |
|                                             | 34.90          | 52.50          | 42.15          | 27.54          |
|                                             | 34.90          | 52.50          | 57.59          | 42.44          |

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**Delhi International Airport Private Limited**

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Notes to the standalone financial statements for the Year ended March 31, 2016

(All amounts in Rupees in Crores, except otherwise stated)

**10 Trade payable**

Trade payable [Refer note 39]  
Total outstanding dues of micro, small and medium enterprises  
Total outstanding dues of creditors other than micro, small and medium enterprises

| March 31, 2016 | March 31, 2015 |
|----------------|----------------|
| 0.67           | 1.02           |
| 389.71         | 424.62         |
| 390.38         | 425.64         |

**11 Other current liabilities**

**Other liabilities**

Current maturities of long-term borrowings (Refer note 6)  
Interest accrued but not due on borrowings  
Capital creditors  
Advance from customers  
Advances from commercial property developers (Refer note 44)  
Earnest money deposits  
Unearned revenue  
Retention money :  
Trade  
Non-trade  
Service tax payable  
Withholding tax payable  
Other statutory dues  
Other liabilities  
Marketing Fund Liability (Refer note 45)  
Security Deposits from trade concessionaires  
Development Fee Accrued (to the extent of not utilized) [Refer note 29 (a) ]

| March 31, 2016 | March 31, 2015 |
|----------------|----------------|
| 190.16         | 476.54         |
| 28.86          | 25.07          |
| 38.41          | 38.32          |
| 7.01           | 15.81          |
| 97.65          | 93.41          |
| 3.90           | 3.53           |
| 8.48           | 9.25           |
| 9.25           | 10.22          |
| 31.14          | 28.73          |
| 0.60           | 1.61           |
| 43.25          | 33.85          |
| 3.36           | 3.22           |
| 19.21          | 16.22          |
| 39.54          | 25.59          |
| 676.59         | 634.09         |
| 4.15           | 41.17          |
| 1,201.56       | 1,456.63       |

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Notes to the standalone financial statements for the year ended March 31, 2016

12 Tangible assets

|                                            | Buildings | Bridges, Culverts, Bunders, etc. | Electrical Installations and Equipment | Roads-Other than RCC | Runways, Taxiways & Apron etc. | Plant and Machinery | Office Equipment | Computer and data processing units | Furniture and Fittings | Vehicles | Total     |
|--------------------------------------------|-----------|----------------------------------|----------------------------------------|----------------------|--------------------------------|---------------------|------------------|------------------------------------|------------------------|----------|-----------|
| <b>Cost</b>                                |           |                                  |                                        |                      |                                |                     |                  |                                    |                        |          |           |
| At March 31, 2014                          | 4,946.79  | -                                | -                                      | -                    | 2,168.39                       | 3,080.95            | 35.18            | 61.14                              | 170.41                 | 28.51    | 10,491.37 |
| Reclassification (refer note (b) below)    | (606.87)  | 394.19                           | 925.46                                 | 210.98               | (20.77)                        | (874.40)            | (14.56)          | (14.66)                            | 0.07                   | -        | (0.56)    |
| Additions                                  | 3.55      | -                                | 12.24                                  | -                    | 7.01                           | 24.72               | 0.59             | 2.23                               | 2.07                   | 1.22     | 53.63     |
| Disposals                                  | (0.18)    | -                                | -                                      | -                    | -                              | (1.11)              | (0.21)           | (0.41)                             | (1.28)                 | (0.36)   | (3.55)    |
| Adjustments (refer note (a) below)         | (24.47)   | -                                | -                                      | -                    | -                              | -                   | -                | -                                  | -                      | -        | (24.47)   |
| AS - 11 adjustments (refer note (c) below) | 48.94     | 2.17                             | 7.65                                   | 2.24                 | 11.40                          | 25.67               | -                | -                                  | 1.49                   | -        | 99.56     |
| Development fund (Collection Charges)      | 2.39      | 0.11                             | 0.37                                   | 0.11                 | 0.56                           | 1.26                | -                | -                                  | 0.07                   | -        | 4.87      |
| [Refer note 29 (b) (i)]                    |           |                                  |                                        |                      |                                |                     |                  |                                    |                        |          |           |
| At March 31, 2015                          | 4,370.15  | 396.47                           | 945.72                                 | 213.33               | 2,166.59                       | 2,257.09            | 21.00            | 48.30                              | 172.83                 | 29.37    | 10,620.85 |
| Reclassification (refer note (b) below)    | 14.60     | -                                | 22.27                                  | -                    | -                              | (17.97)             | -                | -                                  | -                      | (18.90)  | -         |
| Additions                                  | 26.10     | -                                | 7.82                                   | 0.74                 | 13.92                          | 42.98               | 0.58             | 14.50                              | 18.82                  | 0.09     | 125.55    |
| Disposals                                  | -         | -                                | -                                      | -                    | -                              | (0.31)              | -                | -                                  | -                      | (0.33)   | (0.64)    |
| Adjustments                                | (0.36)    | -                                | -                                      | (0.57)               | -                              | (0.09)              | -                | -                                  | -                      | -        | (1.02)    |
| AS - 11 adjustments (refer note (c) below) | 68.76     | 3.04                             | 10.75                                  | 3.15                 | 16.01                          | 36.07               | -                | -                                  | 2.09                   | -        | 139.88    |
| Development fund (Collection Charges)      | 2.46      | 0.11                             | 0.39                                   | 0.11                 | 0.57                           | 1.29                | -                | -                                  | 0.08                   | -        | 5.01      |
| [Refer note 29 (b) (i)]                    |           |                                  |                                        |                      |                                |                     |                  |                                    |                        |          |           |
| At March 31, 2016                          | 4,481.71  | 399.62                           | 986.95                                 | 216.76               | 2,197.09                       | 2,319.06            | 21.58            | 62.80                              | 193.82                 | 10.23    | 10,889.62 |
| <b>Depreciation</b>                        |           |                                  |                                        |                      |                                |                     |                  |                                    |                        |          |           |
| At March 31, 2014                          | 624.81    | -                                | -                                      | -                    | 363.48                         | 557.71              | 9.30             | 43.57                              | 44.87                  | 13.77    | 1,657.51  |
| Reclassification (refer note (b) below)    | (82.35)   | 60.79                            | 200.90                                 | 24.59                | 3.65                           | (190.17)            | (3.70)           | (13.32)                            | (0.87)                 | -        | (0.48)    |
| Charge for the year                        | 143.12    | 13.17                            | 109.70                                 | 30.39                | 93.19                          | 171.17              | 13.87            | 8.79                               | 20.66                  | 6.02     | 610.08    |
| Disposals                                  | (0.18)    | -                                | -                                      | -                    | -                              | (0.30)              | (0.09)           | (0.15)                             | (0.87)                 | (0.36)   | (1.95)    |
| At March 31, 2015                          | 685.40    | 73.96                            | 310.60                                 | 54.98                | 460.32                         | 538.41              | 19.38            | 38.89                              | 63.79                  | 19.43    | 2,265.16  |
| Reclassification (refer note (b) below)    | 3.69      | -                                | 4.97                                   | -                    | -                              | 6.02                | -                | -                                  | -                      | (14.68)  | -         |
| Charge for the year                        | 150.07    | 13.36                            | 118.17                                 | 31.53                | 93.60                          | 187.25              | 0.87             | 5.38                               | 22.37                  | 2.74     | 625.34    |
| Disposals                                  | -         | -                                | -                                      | -                    | -                              | (0.13)              | -                | -                                  | -                      | (0.33)   | (0.46)    |
| At March 31, 2016                          | 839.16    | 87.32                            | 433.74                                 | 86.51                | 553.92                         | 731.55              | 20.25            | 44.27                              | 86.16                  | 7.16     | 2,890.04  |
| <b>Net Block</b>                           |           |                                  |                                        |                      |                                |                     |                  |                                    |                        |          |           |
| At March 31, 2015                          | 3,684.75  | 322.51                           | 635.12                                 | 158.35               | 1,706.27                       | 1,718.68            | 1.62             | 9.41                               | 109.04                 | 9.94     | 8,355.69  |
| At March 31, 2016                          | 3,642.55  | 312.30                           | 553.21                                 | 130.25               | 1,643.17                       | 1,587.51            | 1.33             | 18.53                              | 107.66                 | 3.07     | 7,999.58  |

a. Rs. Nil (March 31, 2015: Rs. 24.47 Crores) adjusted towards reduction in liability during final settlement with the vendor in respect to Terminal 3 capitalized on provisional basis by the Company during the financial year ended March 31, 2011.

b. Pursuant to the Schedule II of the Companies Act, 2013, the Company has reclassified some of its assets to new categories.

c. Relates to capitalisation of foreign exchange fluctuations on long term borrowings in accordance with AS-11 read with MCA circular.

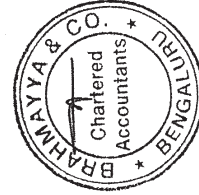
d. Buildings include space given on operating lease.

Gross block Rs. 210.09 Crores (31st March 2015: Rs. 208.55 Crores).

Depreciation charge for the year Rs. 6.99 Crores (31st March 2015: Rs. 6.74 Crores).

Accumulated depreciation Rs. 40.17 Crores (31st March 2015: Rs. 33.18 Crores).

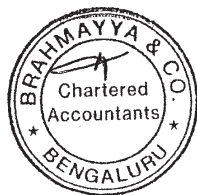
Net book value Rs. 169.92 Crores (31st March 2015: Rs. 175.37 Crores)



## 13 Intangible assets

|                          | Rs. in Crores                    |                      |               |
|--------------------------|----------------------------------|----------------------|---------------|
|                          | Airport<br>concessionaire rights | Computer<br>software | Total         |
| <b>Cost</b>              |                                  |                      |               |
| At March 31, 2014        | 490.52                           | 38.56                | 529.08        |
| Reclassification#        | -                                | 0.56                 | 0.56          |
| Additions                | -                                | 0.45                 | 0.45          |
| At March 31, 2015        | 490.52                           | 39.57                | 530.09        |
| Additions                | -                                | 1.06                 | 1.06          |
| <b>At March 31, 2016</b> | <b>490.52</b>                    | <b>40.63</b>         | <b>531.15</b> |
| <b>Amortisation</b>      |                                  |                      |               |
| At March 31, 2014        | 51.48                            | 30.43                | 81.91         |
| Reclassification #       | -                                | 0.48                 | 0.48          |
| Charge for the year      | 8.57                             | 5.63                 | 14.20         |
| At March 31, 2015        | 60.05                            | 36.54                | 96.59         |
| Charge for the year      | 20.50                            | 1.12                 | 21.62         |
| <b>At March 31, 2016</b> | <b>80.55</b>                     | <b>37.66</b>         | <b>118.21</b> |
| <b>Net Block</b>         |                                  |                      |               |
| At March 31, 2015        | 430.47                           | 3.03                 | 433.50        |
| <b>At March 31, 2016</b> | <b>409.97</b>                    | <b>2.97</b>          | <b>412.94</b> |

#Pursuant to the Schedule II of the Companies Act 2013, the Company has reclassified some of its assets to new categories.



**Delhi International Airport Private Limited**

CIN. U63033DL2006PTC146936

Notes to the standalone financial statements for the Year ended March 31, 2016

(All amounts in Rupees in Crores, except otherwise stated)

**14 Non-current investments**

Trade investments (valued at cost unless stated otherwise)  
Investments in equity shares (Un-quoted)

**Investment in subsidiaries**

Delhi Aerropolis Private Limited

100,000 shares of Rs 10 each (March 2015 : 100,000 shares of Rs 10 each)

0.10

0.10

**Investment in associate**

East Delhi Waste Processing Company Private Limited

7,839 shares of Rs 10 each (March 2015 : 7,839 shares of Rs 10 each )

0.01

0.01

**Investment in joint ventures**

Delhi Aviation Services Private Limited

12,500,000 shares of Rs. 10 each (March 2015 : 12,500,000 shares of Rs. 10 each)

12.50

12.50

Celebi Delhi Cargo Terminal Management India Private Limited

2,91,20,000 shares of Rs. 10 each (March 2015 : 2,91,20,000 shares of Rs. 10 each)

29.12

29.12

Delhi Aviation Fuel Facility Private Limited

42,640,000 shares of Rs. 10 each (March 2015 : 42,640,000 shares of Rs. 10 each)

42.64

42.64

Wipro Airport IT Services Limited

1,300,000 shares of Rs. 10 each (March 2015 : 1,300,000 shares of Rs. 10 each)

1.30

1.30

Delhi Duty Free Services Private Limited

39,920,000 shares of Rs. 10 each (March 2015 : 39,920,000 shares of Rs. 10 each)

39.92

39.92

Travel Food services (Delhi Terminal 3) Private Limited

3,200,000 shares of Rs. 10 each (March 2015 : 3,200,000 shares of Rs. 10 each)

3.20

3.20

TIM Delhi Airport Advertising Private Limited

9,222,505 shares of Rs. 10 each (March 2015 : 9,222,505 shares of Rs. 10 each)

9.22

9.22

138.01

138.01

Aggregate amount of non current un-quoted investments

138.01

138.01

**15 Loans and advances**

**Capital advances**

Unsecured, considered good

**Non-current**

March 31, 2016

March 31, 2015

**Current**

March 31, 2016

March 31, 2015

10.93

2.26

-

-

(A)

10.93

2.26

-

-

**Security deposit**

Unsecured, considered good

7.02

6.69

1.73

1.91

(B)

7.02

6.69

1.73

1.91

**Loan and advances to related parties**

Unsecured, considered good [Refer note 31 (b)]

-

-

14.72

13.19

Doubtful

2.82

2.82

-

-

Less: provision for doubtful advances

2.82

2.82

-

-

(C)

(2.82)

(2.82)

-

-

**Advances recoverable in cash or kind**

Unsecured considered good

-

-

5.71

7.40

Doubtful

0.45

0.65

-

-

Less: provision for doubtful advances

0.45

0.65

5.71

7.40

(D)

(0.45)

(0.65)

-

-

**Other loans and advances**

Unsecured, considered good

Advance income-tax (net of provision for taxation Rs. 93.80 crores : March 31, 2015 Nil )

80.12

76.90

-

-

MAT credit entitlement

-

2.93

-

-

CENVAT Receivable (Net)

-

-

1.26

3.46

Gratuity fund balance (Net) [Refer note 36 (c)]

-

-

0.36

-

Prepaid Expenses

0.48

0.75

5.13

5.72

Deposit with government authorities including paid under protest [Refer note 35(a)]

-

-

30.66

30.66

(E)

80.60

80.58

37.41

39.84

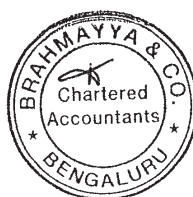
Total (A+B+C+D+E)

98.55

89.53

59.57

62.34



**Delhi International Airport Private Limited**
**CIN. U63033DL2006PTC146936**
**Notes to the standalone financial statements for the Year ended March 31, 2016**
**(All amounts in Rupees in Crores, except otherwise stated)**
**16 Other assets**
**Others**

Interest accrued on fixed deposits &amp; others

Development fund receivable [Refer note 29]

Non-trade receivable

Net of Provision of Doubtful Debts Rs. 1.23 Crores (March 31, 2015 : Rs. 3.40 Crores)

Unbilled revenue

Other borrowing cost to the extent not amortised

**Total**

|                                                                                       | Non-current    |                | Current        |                |
|---------------------------------------------------------------------------------------|----------------|----------------|----------------|----------------|
|                                                                                       | March 31, 2016 | March 31, 2015 | March 31, 2016 | March 31, 2015 |
| Interest accrued on fixed deposits & others                                           | -              | -              | 9.63           | 6.42           |
| Development fund receivable [Refer note 29]                                           | -              | 106.35         | 83.99          | 456.20         |
| Non-trade receivable                                                                  | -              | -              | -              | -              |
| Net of Provision of Doubtful Debts Rs. 1.23 Crores (March 31, 2015 : Rs. 3.40 Crores) | -              | -              | 17.67          | 27.10          |
| Unbilled revenue                                                                      | -              | -              | 25.72          | 54.55          |
| Other borrowing cost to the extent not amortised                                      | 54.68          | 63.66          | 8.96           | 8.74           |
| <b>Total</b>                                                                          | <b>54.68</b>   | <b>170.01</b>  | <b>145.97</b>  | <b>553.01</b>  |

**17 Current investments**

Trade investments (valued at cost unless otherwise stated)

Unquoted investments

Investment in joint ventures

Investments in equity shares

Delhi Airport Parking Services Private Limited#

40,638,560 shares of Rs 10 each (March 2015 : 40,638,560 shares of Rs 10 each)

Other Current investments (valued at lower of cost and fair value, unless otherwise stated)

Unquoted investments

ICICI Prudential Liquid Regular Plan Growth

[10,534,675.60 units ( March 2015 : 1,230,627.04 ) Units of Rs. 100 each ]

Baroda Pioneer Liquid Fund - Plan A - Growth

[NIL Units ( March 2015 : 250,204.70 ) Units of Rs. 1000 each ]

Axis Liquid Fund Growth

[797,658.28 units (March 2015 :578,845.39 ) Units of Rs. 1000 each ]

Birla Sunlife Cash Plus- Inst.- Growth

[2,359,115.02 ( March 2015 : Nil) Units of Rs. 100 each ]

IDFC Cash Fund Growth Regular Plan

[54,713.55 units (March 2015 :259,782.04 ) Units of Rs. 1000 each ]

HDFC Liquid Fund

[381,494.63 units (March 2015 : Nil ) Units of Rs. 1000 each ]

Kotak Liquid Scheme

[204,511.87 units ( March 2015 : Nil) Units of Rs. 1000 each ]

Sundaram Money Fund Regular - Growth

[12,525,663.49 units (March 2015 : 3,974,724.83 ) Units of Rs. 1000 each ]

SBI Premier Liquid Fund - REGULAR PLAN -Growth

[823,193.45 (March 2015 : 91,131.37 ) Units of Rs. 1000 each ]

DSP Mutual Fund

[155,806.74 (March 2015 : Nil ) Units of Rs. 1000 each ]

Tata Liquid Fund Plan A - Growth

[ NIL Units (March 2015 : 62,345.08 ) Units of Rs. 1000 each ]

Commercial Papers

SREI Infrastructure Finance Limited

[1500 units (March 2015 : Nil ) Units of Rs. 500000 each ]

|                                                                                                                      | March 31, 2016 | March 31, 2015 |
|----------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| Investment in equity shares                                                                                          | 40.64          | 40.64          |
| Delhi Airport Parking Services Private Limited#                                                                      | 40.64          | 40.64          |
| 40,638,560 shares of Rs 10 each (March 2015 : 40,638,560 shares of Rs 10 each)                                       | (A)            |                |
| ICICI Prudential Liquid Regular Plan Growth                                                                          | 233.10         | 25.40          |
| [10,534,675.60 units ( March 2015 : 1,230,627.04 ) Units of Rs. 100 each ]                                           | -              | 40.00          |
| Baroda Pioneer Liquid Fund - Plan A - Growth                                                                         | 132.88         | 89.46          |
| [NIL Units ( March 2015 : 250,204.70 ) Units of Rs. 1000 each ]                                                      | 56.87          | -              |
| Axis Liquid Fund Growth                                                                                              | 10.00          | 44.03          |
| [797,658.28 units (March 2015 :578,845.39 ) Units of Rs. 1000 each ]                                                 | 112.03         | -              |
| Birla Sunlife Cash Plus- Inst.- Growth                                                                               | 62.60          | -              |
| [2,359,115.02 ( March 2015 : Nil) Units of Rs. 100 each ]                                                            | 39.90          | 11.70          |
| IDFC Cash Fund Growth Regular Plan                                                                                   | 194.57         | 20.00          |
| [54,713.55 units (March 2015 :259,782.04 ) Units of Rs. 1000 each ]                                                  | 33.27          | -              |
| HDFC Liquid Fund                                                                                                     | -              | 16.04          |
| [381,494.63 units (March 2015 : Nil ) Units of Rs. 1000 each ]                                                       | 74.01          | -              |
| Kotak Liquid Scheme                                                                                                  | (B)            |                |
| [204,511.87 units ( March 2015 : Nil) Units of Rs. 1000 each ]                                                       | 949.23         | 246.63         |
| Sundaram Money Fund Regular - Growth                                                                                 | 989.87         | 287.27         |
| [12,525,663.49 units (March 2015 : 3,974,724.83 ) Units of Rs. 1000 each ]                                           |                |                |
| SBI Premier Liquid Fund - REGULAR PLAN -Growth                                                                       |                |                |
| [823,193.45 (March 2015 : 91,131.37 ) Units of Rs. 1000 each ]                                                       |                |                |
| DSP Mutual Fund                                                                                                      |                |                |
| [155,806.74 (March 2015 : Nil ) Units of Rs. 1000 each ]                                                             |                |                |
| Tata Liquid Fund Plan A - Growth                                                                                     |                |                |
| [ NIL Units (March 2015 : 62,345.08 ) Units of Rs. 1000 each ]                                                       |                |                |
| Aggregate amount of other current investments [Market value Rs. 956.71 Crores (March 31, 2015 : Rs. 247.03 Crores) ] | 956.71         | 247.03         |

# The company has proposed to divest its interest in Delhi Airport Parking Services Private Limited; hence the investment has been classified as current investments.

**18 Inventories (valued at lower of cost and net realizable value)**

Stores and spares

|                   | March 31, 2016 | March 31, 2015 |
|-------------------|----------------|----------------|
| Stores and spares | 8.11           | 8.65           |
|                   | 8.11           | 8.65           |

**19 Trade receivables**

Unsecured, considered good unless stated otherwise

Outstanding for a period exceeding six months from the date they are due for payment

Secured, considered good

Unsecured, considered good

Unsecured, considered, doubtful

Provision for doubtful trade receivables

Other receivables

Secured, considered good

Unsecured, considered good

**Total (A+B)**

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

|                                                                                      | Non-current    |                | Current        |                |
|--------------------------------------------------------------------------------------|----------------|----------------|----------------|----------------|
|                                                                                      | March 31, 2016 | March 31, 2015 | March 31, 2016 | March 31, 2015 |
| Unsecured, considered good unless stated otherwise                                   |                |                |                |                |
| Outstanding for a period exceeding six months from the date they are due for payment | -              | -              | 55.81          | 105.42         |
| Secured, considered good                                                             | -              | -              | 321.85         | 218.80         |
| Unsecured, considered good                                                           | 1.38           | 8.03           | -              | -              |
| Unsecured, considered, doubtful                                                      | 1.38           | 8.03           | 377.66         | 324.22         |
| Provision for doubtful trade receivables                                             | (1.38)         | (8.03)         | -              | -              |
| (A)                                                                                  | -              | -              | 377.66         | 324.22         |
| Other receivables                                                                    |                |                |                |                |
| Secured, considered good                                                             | -              | -              | 209.44         | 143.14         |
| Unsecured, considered good                                                           | -              | -              | 200.83         | 184.86         |
| (B)                                                                                  | -              | -              | 410.27         | 328.00         |
| <b>Total (A+B)</b>                                                                   | -              | -              | 787.93         | 652.22         |

**20 Cash and bank balances**

Cash and cash equivalents

Balances with banks:

- On current accounts #

- Deposits with original maturity of less than three months

Cheques / drafts on hand

Cash on hand

Other bank balances

- Margin money deposit\*

- Deposits with original maturity of more than 3 month but less than 12 months #

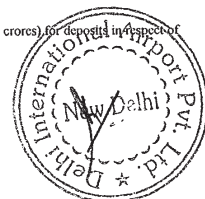
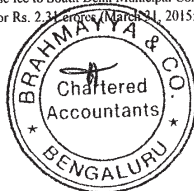
**Total (A+B)**

\* Rs. 42.09 Crores (March 31, 2015: Rs. 30.62 Crores) against Debt Service Reserve Account (DSRA) as per financing agreement.

Rs 0.20 Crores (March 31, 2015: Rs. 0.22 Crores) against License fee to South Delhi Municipal Corporation.

# Cash and cash equivalents includes amount on current account for Rs. 2.34 Crores (March 31, 2015: Rs. 5.75 crores) and other bank balances includes Rs. 33.85 crores (March 31, 2015: Rs. 18.73 crores) for deposits in respect of Marketing Fund.

|                                                                                  | Non-current    |                | Current        |                |
|----------------------------------------------------------------------------------|----------------|----------------|----------------|----------------|
|                                                                                  | March 31, 2016 | March 31, 2015 | March 31, 2016 | March 31, 2015 |
| Cash and cash equivalents                                                        |                |                |                |                |
| Balances with banks:                                                             |                |                |                |                |
| - On current accounts #                                                          | -              | -              | 41.85          | 76.17          |
| - Deposits with original maturity of less than three months                      | -              | -              | 350.00         | 38.11          |
| Cheques / drafts on hand                                                         | -              | -              | 15.78          | 5.28           |
| Cash on hand                                                                     | -              | -              | 0.11           | 0.14           |
| (A)                                                                              | -              | -              | 407.74         | 119.70         |
| Other bank balances                                                              |                |                |                |                |
| - Margin money deposit*                                                          | -              | -              | 42.29          | 30.84          |
| - Deposits with original maturity of more than 3 month but less than 12 months # | -              | -              | 33.85          | 169.73         |
| (B)                                                                              | -              | -              | 76.14          | 200.57         |
| <b>Total (A+B)</b>                                                               | -              | -              | 483.88         | 320.27         |



**Delhi International Airport Private Limited**

CIN: U63033DL2006PTC146936

Notes to the standalone financial statements for the Year ended March 31, 2016

(All amounts in Rupees in Crores, except otherwise stated)

**21 Revenue from operations**

|                                             | For the Year ended<br>March 31, 2016 | For the Year ended<br>March 31, 2015 |
|---------------------------------------------|--------------------------------------|--------------------------------------|
| Revenue from operations                     |                                      |                                      |
| Sale of services                            |                                      |                                      |
| Aeronautical                                | 3,407.58                             | 2,950.92                             |
| Non - Aeronautical*                         | 1,359.94                             | 1,146.34                             |
| Other operating income                      |                                      |                                      |
| Income from commercial property development | 94.11                                | 98.24                                |
|                                             | <u>4,861.63</u>                      | <u>4,195.50</u>                      |

\*Non-Aeronautical income is net off of reversal of revenue amounting to Rs NIL (March 31, 2015:Rs. 5.69 crores) of earlier years.

**22 Other income**

|                                          | For the Year ended<br>March 31, 2016 | For the Year ended<br>March 31, 2015 |
|------------------------------------------|--------------------------------------|--------------------------------------|
| Interest income on :                     |                                      |                                      |
| - Bank Deposit                           | 26.86                                | 5.52                                 |
| - Current Investment                     | 0.25                                 | -                                    |
| - Others                                 | 43.47                                | 25.24                                |
| Net Gain on sale of current investments  | 47.99                                | 20.47                                |
| Dividend Income on long term investments | 35.52                                | 19.31                                |
| Exchange differences (net)               | -                                    | 0.81                                 |
| Management Fees                          | -                                    | 11.55                                |
| Miscellaneous income                     | 0.22                                 | 1.24                                 |
| Profit on Sale of Fixed Assets           | 0.05                                 | 0.28                                 |
|                                          | <u>154.35</u>                        | <u>84.42</u>                         |

**23 Employee benefits expense**

|                                           | For the Year ended<br>March 31, 2016 | For the Year ended<br>March 31, 2015 |
|-------------------------------------------|--------------------------------------|--------------------------------------|
| Salaries, wages and bonus                 | 111.32                               | 113.30                               |
| Operation support cost                    | -                                    | 2.77                                 |
| Contribution to provident and other funds | 8.39                                 | 8.55                                 |
| Gratuity expense [Refer note 36 (c)]      | 1.22                                 | 2.88                                 |
| Staff welfare expenses                    | 4.41                                 | 4.62                                 |
|                                           | <u>125.34</u>                        | <u>132.12</u>                        |

**24 Other expenses**

|                                                        | For the Year ended<br>March 31, 2016 | For the Year ended<br>March 31, 2015 |
|--------------------------------------------------------|--------------------------------------|--------------------------------------|
| Operating :                                            |                                      |                                      |
| Utility expenses                                       | 121.66                               | 112.32                               |
| Repairs and maintenance                                |                                      |                                      |
| Plant and machinery                                    | 83.82                                | 78.34                                |
| Buildings                                              | 32.78                                | 22.92                                |
| IT Systems                                             | 28.95                                | 21.45                                |
| Others                                                 | 6.00                                 | 4.49                                 |
| Manpower hire charges                                  | 85.58                                | 78.21                                |
| Airport operator fee                                   | 128.68                               | 119.90                               |
| Security related expenses                              | 9.89                                 | 9.50                                 |
| Information technology and related expenses            | 18.14                                | 53.00                                |
| Insurance                                              | 9.15                                 | 10.51                                |
| Consumables                                            | 8.85                                 | 7.87                                 |
| Administration and others :                            |                                      |                                      |
| Professional and consultancy expenses                  | 48.76                                | 50.27                                |
| Travelling and conveyance                              | 14.15                                | 13.93                                |
| Office maintenance and other expenses                  | 4.33                                 | 6.56                                 |
| Rates and taxes                                        | 8.32                                 | 11.38                                |
| Rent (including lease rentals)                         | 9.68                                 | 7.41                                 |
| Advertising and sales promotion                        | 8.09                                 | 12.26                                |
| Communication costs                                    | 1.62                                 | 1.87                                 |
| Printing and stationery                                | 1.33                                 | 1.19                                 |
| Directors' sitting fees                                | 0.26                                 | 0.15                                 |
| Payment to auditor (Refer note B below)                | 2.16                                 | 1.11                                 |
| Provision for Bad debts / Bad Debts Written off        | 0.03                                 | 9.01                                 |
| Provision for Doubtful advances / Advances Written off | 0.43                                 | 0.20                                 |
| Exchange difference (net)                              | 0.86                                 | -                                    |
| Corporate cost allocation                              | 54.20                                | 54.20                                |
| Loss on discard of fixed assets                        | 0.18                                 | 2.18                                 |
| Donations                                              | 1.51                                 | 1.15                                 |
| CSR expenditure (refer note A below)                   | 4.21                                 | -                                    |
| Miscellaneous expenses                                 | 6.53                                 | 6.09                                 |
|                                                        | <u>700.15</u>                        | <u>697.47</u>                        |

**A Details of CSR expenditure\***

|                                                                      | For the Year ended<br>March 31, 2016 | For the Year ended<br>March 31, 2015 |
|----------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| (a) Gross amount required to be spent by the Company during the year | 4.63                                 | -                                    |
| (b) Amount spent during the year ending on 31st March, 2016:         |                                      |                                      |
| i) Construction/acquisition of any asset                             | 0.44                                 | 0.44                                 |
| ii) On purposes other than (i) above                                 | 3.62                                 | 0.15                                 |
|                                                                      |                                      | <u>3.77</u>                          |

\*CSR contribution become applicable to the company during current financial year.



**B Payment to auditors****As auditors:**

Audit fee

Tax audit fee

Other services \*

**In other capacity:**

Taxation matters

Other services (including certification fees)

Reimbursement of expenses

|                                               | For the Year ended<br>March 31, 2016 | For the Year ended<br>March 31, 2015 |
|-----------------------------------------------|--------------------------------------|--------------------------------------|
| Audit fee                                     | 0.51                                 | 0.45                                 |
| Tax audit fee                                 | 0.07                                 | 0.08                                 |
| Other services *                              | -                                    | -                                    |
| In other capacity:                            | -                                    | -                                    |
| Taxation matters                              | -                                    | -                                    |
| Other services (including certification fees) | 1.35                                 | 0.40                                 |
| Reimbursement of expenses                     | 0.23                                 | 0.18                                 |
|                                               | <u>2.16</u>                          | <u>1.11</u>                          |

\* Professional fees of Rs NIL (March 31, 2015: RS 0.90 Crores) in connection with 6.125% of senior secured foreign currency notes are amortised over the period of secured notes.

**25 Depreciation and amortization expense**

Depreciation of tangible assets

Amortization of intangible assets

|                                   | For the Year ended<br>March 31, 2016 | For the Year ended<br>March 31, 2015 |
|-----------------------------------|--------------------------------------|--------------------------------------|
| Depreciation of tangible assets   | 625.34                               | 610.08                               |
| Amortization of intangible assets | 21.62                                | 14.20                                |
|                                   | <u>646.96</u>                        | <u>624.28</u>                        |

**26 Finance costs**

Interest on Borrowings

Other interest

Bank charges

Other borrowing costs including amortisation

|                                              | For the Year ended<br>March 31, 2016 | For the Year ended<br>March 31, 2015 |
|----------------------------------------------|--------------------------------------|--------------------------------------|
| Interest on Borrowings                       | 486.55                               | 499.38                               |
| Other interest                               | 68.10                                | 25.01                                |
| Bank charges                                 | 2.42                                 | 4.65                                 |
| Other borrowing costs including amortisation | 14.17                                | 27.15                                |
|                                              | <u>571.24</u>                        | <u>556.19</u>                        |

**27 Exceptional items (Refer note 50)**

Income from sale of non-current investment

Breakage cost of Interest Rate Swap (IRS)

|                                            | For the Year ended<br>March 31, 2016 | For the Year ended<br>March 31, 2015 |
|--------------------------------------------|--------------------------------------|--------------------------------------|
| Income from sale of non-current investment | -                                    | (17.68)                              |
| Breakage cost of Interest Rate Swap (IRS)  | -                                    | 91.83                                |
|                                            | <u>-</u>                             | <u>74.15</u>                         |

**28 Earning per share (EPS)**

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

Total operations for the year

Profit for the year for calculation of Basic EPS and Diluted EPS

|                               | For the Year ended<br>March 31, 2016 | For the Year ended<br>March 31, 2015 |
|-------------------------------|--------------------------------------|--------------------------------------|
| Total operations for the year | 508.86                               | 227.91                               |

Weighted average number of equity shares in calculating basic and diluted EPS (in crores)

245

245



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

(a) The Company had accrued DF amounting to Rs. 350 Crores during the year 2012-13 earmarked for construction of Air Traffic Control (ATC) tower, currently which is under progress as at March 31, 2016. DF amounting to Rs. 345.85 Crores (March 31, 2015 : Rs. 308.83 Crores) has been adjusted against the expenditure on construction of ATC tower incurred till March 31, 2016 and balance DF amounting to Rs. 4.15 Crores (March 31, 2015 : Rs. 41.17 Crores), pending utilization, has been disclosed under Other current liabilities.

(b) While calculating such additional DF amount:

i) In accordance with the earlier Standard Operating Procedure (SOP) approved and issued by the AAI dated February 19, 2009 read with the MoCA order dated February 9, 2009, the Company was adjusting collection charges against DF receipts. However, AERA vide its subsequent order no. 28/2011-12 issued on November 14, 2011 has observed that in terms of Section 22A of the AAI Act, 1994 (amended from time to time) as well as Section 13(1)(b) of the AERA Act, 2008, the function of AERA is limited only to determining the rate/amount of DF and manner of collection and administration cost incurred thereupon is an issue, which had already been prescribed by way of rules by the Central Government. In view of the fact that DF rules notified by the MoCA dated August 2, 2011 do not prescribe adjustment of collection charges from the DF receipts; the Company has capitalised DF collection charges aggregating to Rs. 27.07 Crores till March 31, 2016 (As on March 2015 : Rs. 22.06 Crores) from the DF grant.

ii) The Airport Economic Regulatory Authority of India (AERA) has passed an order vide Order No 03/2012-13 dated December 28, 2012 in respect of levy of Development fee at Delhi Airport. As per the said order, the rate of Airport Development Fee (ADF) has been reduced from Rs. 200 to Rs. 100 and from Rs. 1,300 to Rs. 600 per embarking domestic and international passenger respectively. Further, as per the said order, such revised rates have come into force with effect from January 1, 2013 and estimated DF collection period has been extended up to April 2016. Further, AERA has issued order No.47/2015-16 dated January 25, 2016, restricting cut off date for collection of ADF upto April 30, 2016. As per the order, AERA has granted AAI six months time after cut off date (April 30, 2016) to reconcile and close the account, and to arrive at the over recovery / under recovery of ADF, which will be accounted for on final reconciliation of ADF by AAI.

30. The Company has a receivable of Rs. 516.37 crores as at March 31, 2016 (March 31, 2015: Rs. 405.57 crores) [including unbilled revenue of Rs. 13.15 crores (March 31, 2015: Rs. 27.76 crores)] from Air India Limited and its subsidiaries namely Indian Airlines Limited, Airline Allied Services Limited and Air India Charters Limited collectively referred as 'Air India'. In view of continuing "Airport Enhancement and Financing Service Agreement" with The International Air Transport Association for recovery of dues from Air India, the Company considers its dues from Air India as good and fully recoverable.



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**Delhi International Airport Private Limited**

**CIN. U63033DL2006PTC146936**

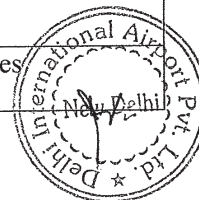
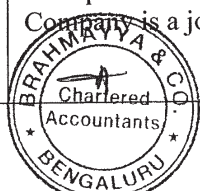
**Notes to the standalone financial statements for the year ended March 31, 2016**

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

**31. Related party transactions:**

a) Names of related parties and description of relationship:

| Sl. No. | Description of relationship                                                                                                             | Name of the related parties                                       |
|---------|-----------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|
| I       | Ultimate holding Company                                                                                                                | GMR Holdings Private Limited                                      |
|         | Intermediate holding Company                                                                                                            | GMR Infrastructure Limited                                        |
|         | Holding Company                                                                                                                         | GMR Airports Limited                                              |
| II      | Subsidiary Company                                                                                                                      | Delhi Aerotropolis Private Limited                                |
| III     | Associate Company                                                                                                                       | East Delhi Waste Processing Company Limited                       |
| IV      | Fellow subsidiaries (including subsidiary companies of the ultimate/intermediate holding Company) (where transactions have taken place) | GMR Energy Limited                                                |
|         |                                                                                                                                         | GMR Badrinath Hydro Power Generation Private Limited              |
|         |                                                                                                                                         | GMR Hyderabad International Airport Limited                       |
|         |                                                                                                                                         | GMR Male International Airport Private Limited                    |
|         |                                                                                                                                         | GMR Airport Developers Limited                                    |
|         |                                                                                                                                         | GMR Krishnagiri SEZ Limited                                       |
|         |                                                                                                                                         | GMR Aviation Private Limited                                      |
|         |                                                                                                                                         | Raxa Security Services Limited                                    |
|         |                                                                                                                                         | GMR Chhattisgarh Energy Limited                                   |
|         |                                                                                                                                         | GMR Kamalanga Energy Limited                                      |
|         |                                                                                                                                         | Kakinada SEZ Private Limited                                      |
|         |                                                                                                                                         | GMR Warora Energy Limited (formerly known as EMCO Energy Limited) |
|         |                                                                                                                                         | GMR Power Corporation Limited                                     |
|         |                                                                                                                                         | GMR Kishangarh Udaipur Ahmedabad Expressways Limited              |
|         |                                                                                                                                         | GMR Tambaram Tinidivanam Expressways Private Limited              |
|         |                                                                                                                                         | GMR Corporate Affairs Private limited                             |
|         |                                                                                                                                         | GMR Sports Private Limited                                        |
|         |                                                                                                                                         | GMR Consulting Services Private Limited                           |
|         |                                                                                                                                         | GMR Aerospace Engineering Limited                                 |
|         |                                                                                                                                         | GMR Bajoli Holi Hydropower Private Limited                        |
|         |                                                                                                                                         | GMR Infrastructure (Singapore) Pte Limited                        |
| V       | Jointly controlled entities (where transactions have taken place)                                                                       | Delhi Aviation Services Private Limited                           |
|         |                                                                                                                                         | Delhi Aviation Fuel Facility Private Limited                      |
|         |                                                                                                                                         | Wipro Airport IT Services Limited                                 |
|         |                                                                                                                                         | Delhi Airport Parking Services Private Limited                    |
|         |                                                                                                                                         | Travel Food Services (Delhi Terminal 3) Private Limited           |
|         |                                                                                                                                         | Delhi Duty Free Services Private Limited                          |
|         |                                                                                                                                         | Delhi Select Services Hospitality Private Limited <sup>1</sup>    |
|         |                                                                                                                                         | Devyani Food Street Private Limited <sup>2</sup>                  |
|         |                                                                                                                                         | Delhi Cargo Service Center Private Limited <sup>2</sup>           |
|         |                                                                                                                                         | Celebi Delhi Cargo Terminal Management India Private Limited      |
|         |                                                                                                                                         | TIM Delhi Airport Advertising Private Limited                     |
|         | Enterprises in respect of which the Company is a joint venture                                                                          | Airports Authority of India                                       |
|         |                                                                                                                                         | Fraport AG Frankfurt Airport Services Worldwide                   |

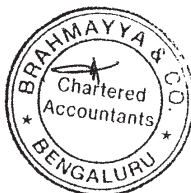


**Delhi International Airport Private Limited****CIN. U63033DL2006PTC146936****Notes to the standalone financial statements for the year ended March 31, 2016****( All amounts in Rupees Crores, except otherwise stated)**

|      |                                                                                              |                                              |
|------|----------------------------------------------------------------------------------------------|----------------------------------------------|
| VII  | Enterprises where significant influence of key Management personnel or their relative exists | GMR Varalakshmi Foundation                   |
| VIII | Key Management personnel                                                                     | Mr. Srinivas Bommidala - Managing Director   |
|      |                                                                                              | Mr. Grandhi Kiran Kumar - Executive Director |
|      |                                                                                              | Mr. K. Narayana Rao - Whole Time Director    |

1. Delhi Select Services Hospitality Private Limited has been merged with Devyani Food Street Private Limited w.e.f. April 1, 2013, pursuant to scheme of merger approved by Hon'ble Delhi High Court vide its order dated May 15, 2014.
2. Devyani Food Street Private Limited and Delhi Cargo Service Center Private Limited ceased to be a jointly controlled entity pursuant to sale of DIAL's stake w.e.f. February 10, 2015 and March 16, 2015 respectively.

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**Delhi International Airport Private Limited**

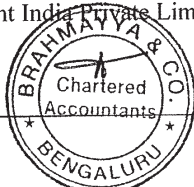
CIN. U63033DL2006PTC146936

Notes to the standalone financial statements for the year ended March 31, 2016

( All amounts in Rupees Crores, except otherwise stated)

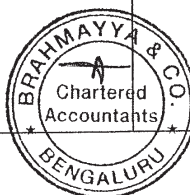
**31 (b) (i) Summary of balances with the above related parties is as follows:**

| Balances as on Date                                                                                              | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b><u>Non-Current Investments</u></b>                                                                            |                         |                         |
| <b>Investments in Equity Share</b>                                                                               |                         |                         |
| <b><u>Subsidiary companies</u></b>                                                                               |                         |                         |
| Delhi Aerotropolis Private Limited                                                                               | 0.10                    | 0.10                    |
| <b><u>Associate companies</u></b>                                                                                |                         |                         |
| East Delhi Waste Processing Company Limited                                                                      | 0.01                    | 0.01                    |
| <b><u>Jointly Controlled Entities</u></b>                                                                        |                         |                         |
| Delhi Aviation Services Private Limited                                                                          | 12.50                   | 12.50                   |
| Celebi Delhi Cargo Terminal Management India Private Limited                                                     | 29.12                   | 29.12                   |
| Delhi Aviation Fuel Facility Private Limited                                                                     | 42.64                   | 42.64                   |
| Wipro Airport IT Services Limited                                                                                | 1.30                    | 1.30                    |
| Delhi Duty Free Services Private Limited                                                                         | 39.92                   | 39.92                   |
| Travel Food services (Delhi Terminal 3) Private Limited                                                          | 3.20                    | 3.20                    |
| TIM Delhi Airport Advertising Private Limited                                                                    | 9.22                    | 9.22                    |
| <b><u>Current Investment</u></b>                                                                                 |                         |                         |
| <b>Investments in Equity Share</b>                                                                               |                         |                         |
| <b><u>Jointly Controlled Entities</u></b>                                                                        |                         |                         |
| Delhi Airport Parking Services Private Limited                                                                   | 40.64                   | 40.64                   |
| <b>Trade Receivables</b>                                                                                         |                         |                         |
| <b>Intermediate holding Company</b>                                                                              |                         |                         |
| GMR Infrastructure Limited                                                                                       | 1.28                    | -                       |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                     |                         |                         |
| Airports Authority of India                                                                                      | -                       | 0.04                    |
| <b><u>Jointly Controlled Entities</u></b>                                                                        |                         |                         |
| Delhi Duty Free Services Private Limited                                                                         | 12.86                   | 12.31                   |
| TIM Delhi Airport Advertising Private Limited                                                                    | 21.76                   | 0.04                    |
| Delhi Aviation Services Private Limited                                                                          | -                       | 0.41                    |
| Delhi Airport Parking Services Private Limited                                                                   | 1.94                    | 1.02                    |
| Travel Food Services (Delhi Terminal 3) Private Limited                                                          | 5.25                    | 6.64                    |
| Celebi Delhi Cargo Terminal Management India Private Limited                                                     | 11.92                   | 9.71                    |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding Company)</u></b> |                         |                         |
| GMR Aviation Private Limited                                                                                     | 0.14                    | 0.03                    |
| GMR Energy Limited                                                                                               | -                       | 1.02                    |
| GMR Badrinath Hydro Power Generation Private Limited                                                             | -                       | 0.61                    |
| GMR Consulting Services Private Limited                                                                          | 1.30                    | -                       |
| GMR Warora Energy Limited (formerly Known as EMCO Energy Limited)                                                | 0.37                    | -                       |
| <b><u>Other Current Assets</u></b>                                                                               |                         |                         |
| <b>Unbilled revenue including Utility recovery not billed</b>                                                    |                         |                         |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                     |                         |                         |
| Airports Authority of India                                                                                      | 1.02                    | 0.66                    |
| <b><u>Jointly Controlled Entities</u></b>                                                                        |                         |                         |
| Delhi Airport Parking Services Private Limited                                                                   | -                       | 0.04                    |
| TIM Delhi Airport Advertising Private Limited                                                                    | -                       | 18.18                   |
| Delhi Duty Free Services Private Limited                                                                         | -                       | 2.17                    |
| Delhi Aviation Services Private Limited                                                                          | -                       | 0.01                    |
| Celebi Delhi Cargo Terminal Management India Private Limited                                                     | -                       | 0.08                    |



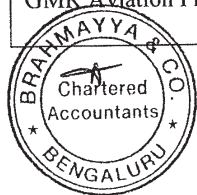
**Delhi International Airport Private Limited**
**CIN. U63033DL2006PTC146936**
**Notes to the standalone financial statements for the year ended March 31, 2016**
**( All amounts in Rupees Crores, except otherwise stated)**

| Balances as on Date                                                                                              | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b><u>Other Current Assets</u></b>                                                                               |                         |                         |
| <b>Reversal of Unbilled revenue</b>                                                                              |                         |                         |
| <b><u>Jointly Controlled Entities</u></b>                                                                        |                         |                         |
| Travel Food Services (Delhi Terminal 3) Private Limited                                                          | -                       | 0.84                    |
| <b><u>Other Current Assets</u></b>                                                                               |                         |                         |
| <b>Non- Trade Receivables (including marketing fund)</b>                                                         |                         |                         |
| <b><u>Intermediate holding Company</u></b>                                                                       |                         |                         |
| GMR Infrastructure Limited                                                                                       | 0.03                    | -                       |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                     |                         |                         |
| Airports Authority of India                                                                                      | 1.37                    | 2.03                    |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding Company)</u></b> |                         |                         |
| GMR Energy Limited                                                                                               | -                       | 0.65                    |
| GMR Consulting Services Private Limited.                                                                         | 0.41                    | -                       |
| GMR Chhattisgarh Energy Limited                                                                                  | 0.02                    | -                       |
| GMR Tambaram Tinidivanam Expressways Private Limited                                                             | 0.02                    | -                       |
| GMR Warora Energy Limited (formerly Known as EMCO Energy Limited)                                                | 0.03                    | -                       |
| <b><u>Jointly Controlled Entities</u></b>                                                                        |                         |                         |
| Travel Food Services (Delhi Terminal 3) Private Limited                                                          | 0.73                    | 0.33                    |
| Celebi Delhi Cargo Terminal Management India Private Limited                                                     | 1.26                    | 0.98                    |
| Delhi Airport Parking Services Private Limited                                                                   | 0.17                    | 0.16                    |
| Delhi Aviation Services Private Limited                                                                          | 1.66                    | 0.47                    |
| TIM Delhi Airport Advertising Private Limited                                                                    | 0.21                    | 2.14                    |
| Delhi Duty Free Services Private Limited                                                                         | 1.25                    | 5.85                    |
| <b><u>Advances recoverable in cash or in kind</u></b>                                                            |                         |                         |
| <b><u>Subsidiary companies</u></b>                                                                               |                         |                         |
| Delhi Aerotropolis Private Limited                                                                               | 0.07                    | 0.07                    |
| <b><u>Jointly Controlled Entities</u></b>                                                                        |                         |                         |
| Delhi Aviation Services Private Limited                                                                          | 0.13                    | 0.07                    |
| Delhi Airport Parking Services Private Limited                                                                   | 0.35                    | 0.17                    |
| Travel Food Services (Delhi Terminal 3) Private Limited                                                          | 0.12                    | 0.06                    |
| Delhi Aviation Fuel Facility Private Limited                                                                     | 0.15                    | 0.15                    |
| Celebi Delhi Cargo Terminal Management India Private Limited                                                     | 0.08                    | 0.06                    |
| Delhi Duty Free Services Private Limited                                                                         | 0.09                    | 0.05                    |
| TIM Delhi Airport Advertising Private Limited                                                                    | 0.26                    | 0.09                    |
| Wipro Airport IT Services Limited                                                                                | 4.62                    | 0.70                    |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                     |                         |                         |
| Airports Authority of India                                                                                      | 6.80                    | 7.80                    |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding Company)</u></b> |                         |                         |
| GMR Kamalanga Energy Limited                                                                                     | 0.05                    | 0.01                    |
| Kakinada SEZ Private Limited                                                                                     | 0.07                    | 0.07                    |
| GMR Hyderabad International Airport Limited                                                                      | 0.12                    | -                       |
| GMR Male International Airport Private Limited                                                                   | 1.40                    | 1.14                    |
| GMR Aerospace Engineering Limited                                                                                | 0.11                    | 0.16                    |
| GMR Power Corporation Limited                                                                                    | -                       | 0.01                    |
| GMR Airport Developers Limited                                                                                   | 0.07                    | -                       |
| GMR Infrastructure (Singapore) Pte Limited                                                                       | 0.21                    | 2.33                    |
| <b><u>Advances recoverable in cash or in kind</u></b>                                                            |                         |                         |
| <b><u>Non-Current</u></b>                                                                                        |                         |                         |
| <b><u>Jointly Controlled Entities</u></b>                                                                        |                         |                         |
| Wipro Airport IT Services Limited                                                                                |                         | 2.82                    |



**Delhi International Airport Private Limited**
**CIN. U63033DL2006PTC146936**
**Notes to the standalone financial statements for the year ended March 31, 2016**
**( All amounts in Rupees Crores, except otherwise stated)**

| Balances as on Date                                                                                                  | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|----------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b><u>Trade payable (including marketing fund)</u></b>                                                               |                         |                         |
| <b><u>Intermediate holding Company</u></b>                                                                           |                         |                         |
| GMR Infrastructure Limited                                                                                           | 7.71                    | 3.98                    |
| <b><u>Holding Company</u></b>                                                                                        |                         |                         |
| GMR Airports Limited                                                                                                 | 10.23                   | 7.20                    |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                         |                         |                         |
| Fraport AG Frankfurt Airport services Worldwide                                                                      | 68.35                   | 55.01                   |
| Airports Authority of India                                                                                          | 63.46                   | 50.42                   |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/<br/>Intermediate holding Company)</u></b> |                         |                         |
| GMR Aviation Private Limited                                                                                         | -                       | 0.45                    |
| Raxa Security Services Limited                                                                                       | 0.57                    | 0.47                    |
| GMR Airport Developers Limited                                                                                       | -                       | 0.12                    |
| GMR Hyderabad International Airport Limited                                                                          | -                       | 0.02                    |
| <b><u>Jointly Controlled Entities</u></b>                                                                            |                         |                         |
| TIM Delhi Airport Advertising Private Limited                                                                        | 0.14                    | 0.29                    |
| Delhi Duty Free Services Private Limited                                                                             | 0.97                    | -                       |
| <b><u>Long-term Provision</u></b>                                                                                    |                         |                         |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                         |                         |                         |
| Airports Authority of India                                                                                          | 34.90                   | 52.50                   |
| <b><u>Short-term Provision</u></b>                                                                                   |                         |                         |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                         |                         |                         |
| Airports Authority of India                                                                                          | 17.61                   | 18.26                   |
| <b><u>Current Liabilities</u></b>                                                                                    |                         |                         |
| <b><u>Unearned Revenue</u></b>                                                                                       |                         |                         |
| <b><u>Jointly Controlled Entities</u></b>                                                                            |                         |                         |
| TIM Delhi Airport Advertising Private Limited                                                                        | 0.08                    | 0.05                    |
| -                                                                                                                    |                         |                         |
| <b><u>Other Long Term Liabilities</u></b>                                                                            |                         |                         |
| <b><u>Deposits from Trade Concessionaires</u></b>                                                                    |                         |                         |
| <b><u>Non-Current</u></b>                                                                                            |                         |                         |
| <b><u>Jointly Controlled Entities</u></b>                                                                            |                         |                         |
| Delhi Duty Free Services Private Limited                                                                             | 234.75                  | 234.72                  |
| Travel Food Services (Delhi Terminal 3) Private Limited                                                              | 2.19                    | 1.55                    |
| Delhi Airport Parking Services Private Limited                                                                       | 3.14                    | 3.00                    |
| TIM Delhi Airport Advertising Private Limited                                                                        | 35.47                   | 35.47                   |
| <b><u>Deposits from Trade Concessionaires</u></b>                                                                    |                         |                         |
| <b><u>Current</u></b>                                                                                                |                         |                         |
| <b><u>Jointly Controlled Entities</u></b>                                                                            |                         |                         |
| Celebi Delhi Cargo Terminal Management India Private Limited                                                         | 137.55                  | 127.93                  |
| Delhi Aviation Fuel Facility Private Limited                                                                         | 158.66                  | 158.66                  |
| Delhi Airport Parking Services Private Limited                                                                       | -                       | 0.13                    |
| Delhi Duty Free Services Private Limited                                                                             | -                       | 0.33                    |
| Delhi Aviation Services Private Limited                                                                              | 15.10                   | 15.03                   |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/<br/>Intermediate holding Company)</u></b> |                         |                         |
| GMR Aviation Private Limited                                                                                         | 0.11                    | 0.11                    |



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**Delhi International Airport Private Limited**

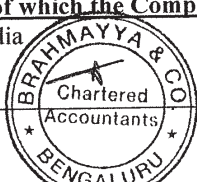
CIN. U63033DL2006PTC146936

Notes to the standalone financial statements for the year ended March 31, 2016

( All amounts in Rupees Crores, except otherwise stated)

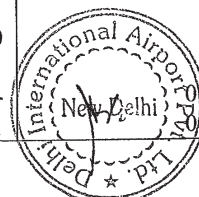
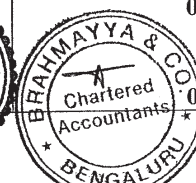
**31 (b) (ii) Summary of transaction with the above related parties is as follows:**

| Transactions During the year                                                 | For the Year ended<br>March 31, 2016 | For the Year ended<br>March 31, 2015 |
|------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b><u>Non-current investments</u></b>                                        |                                      |                                      |
| <b><u>Investment made in Equity Share</u></b>                                |                                      |                                      |
| <b><u>Jointly Controlled Entities</u></b>                                    |                                      |                                      |
| Celebi Delhi Cargo Terminal Management India Private Limited                 | -                                    | 10.40                                |
| <b><u>Non-current Investments</u></b>                                        |                                      |                                      |
| <b><u>Sale of investments in Preference Share</u></b>                        |                                      |                                      |
| <b><u>Jointly Controlled Entities</u></b>                                    |                                      |                                      |
| Delhi Cargo Service Center Private Limited                                   | -                                    | 10.92                                |
| Delhi Select Service Hospitality Private Limited                             | -                                    | 2.60                                 |
| Devyani Food Street Private Limited                                          | -                                    | 1.52                                 |
| <b><u>Sale of Non-current Investments in preference shares</u></b>           |                                      |                                      |
| <b><u>Jointly Controlled Entities</u></b>                                    |                                      |                                      |
| Devyani Food Street Private Limited                                          | -                                    | 0.80                                 |
| <b><u>Deposits from trade concessionaires</u></b>                            |                                      |                                      |
| <b><u>Security Deposits Received</u></b>                                     |                                      |                                      |
| <b><u>Jointly Controlled Entities</u></b>                                    |                                      |                                      |
| Delhi Aviation Fuel Facility Private Limited                                 | -                                    | 2.28                                 |
| Delhi Airport Parking Services Private Limited                               | 0.01                                 | -                                    |
| Delhi Cargo Service Center Private Limited                                   | -                                    | 0.03                                 |
| Delhi Aviation Services Private Limited                                      | 0.07                                 | -                                    |
| Celebi Delhi Cargo Terminal Management India Private Limited                 | 9.63                                 | -                                    |
| Travel Food Services (Delhi Terminal 3) Private Limited                      | 0.64                                 | -                                    |
| Delhi Duty Free Services Private Limited                                     | -                                    | 0.04                                 |
| <b><u>Deposits from trade concessionaires</u></b>                            |                                      |                                      |
| <b><u>Deposits Refunded</u></b>                                              |                                      |                                      |
| <b><u>Jointly Controlled Entities</u></b>                                    |                                      |                                      |
| Delhi Duty Free Services Private Limited                                     | 0.30                                 | 0.65                                 |
| <b><u>Transfer of Assets/CWIP</u></b>                                        |                                      |                                      |
| <b><u>Jointly Controlled Entities</u></b>                                    |                                      |                                      |
| Wipro Airport IT Services Limited                                            | -                                    | 0.43                                 |
| <b><u>Sale of Assets</u></b>                                                 |                                      |                                      |
| <b><u>Jointly Controlled Entities</u></b>                                    |                                      |                                      |
| Wipro Airport IT Services Limited                                            | -                                    | 0.39                                 |
| <b><u>Key Managerial Remuneration paid/ payable</u></b>                      |                                      |                                      |
| <b><u>Employee Benefits for Key Management Personnel</u></b>                 |                                      |                                      |
| Mr. Grandhi Kiran Kumar                                                      | 2.47                                 | 2.25                                 |
| Mr. Srinivas Bommidala                                                       | 2.47                                 | 2.25                                 |
| Mr. K. Narayana Rao                                                          | 1.24                                 | 1.14                                 |
| <b><u>Revenue share paid</u></b>                                             |                                      |                                      |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b> |                                      |                                      |
| Airports Authority of India                                                  | 2,304.15                             | 1,967.80                             |



**Delhi International Airport Private Limited**
**CIN. U63033DL2006PTC146936**
**Notes to the standalone financial statements for the year ended March 31, 2016**
**( All amounts in Rupees Crores, except otherwise stated)**

| Transactions During the year                                                                                     | For the Year ended<br>March 31, 2016 | For the Year ended<br>March 31, 2015 |
|------------------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b><u>Interest on Revenue share</u></b>                                                                          |                                      |                                      |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                     |                                      |                                      |
| Airports Authority of India                                                                                      | 2.10                                 | -                                    |
| <b><u>Operational support cost paid</u></b>                                                                      |                                      |                                      |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                     |                                      |                                      |
| Airports Authority of India                                                                                      | -                                    | 2.77                                 |
| <b><u>CSR activities</u></b>                                                                                     |                                      |                                      |
| <b><u>Enterprises where significant influence of key Management personnel or their relative exists</u></b>       |                                      |                                      |
| GMR Varalakshmi Foundation                                                                                       | 1.94                                 | -                                    |
| <b><u>Interest Received</u></b>                                                                                  |                                      |                                      |
| <b><u>Jointly Controlled Entities</u></b>                                                                        |                                      |                                      |
| Delhi Airport Parking Services Private Limited                                                                   | 1.26                                 | -                                    |
| Delhi Duty Free Services Private Limited                                                                         | 0.15                                 | -                                    |
| Celebi Delhi Cargo Terminal Management India Private Limited                                                     | 0.81                                 | -                                    |
| Delhi Aviation Services Private Limited                                                                          | 2.76                                 | -                                    |
| Delhi Aviation Fuel Facility Private Limited                                                                     | -                                    | 0.82                                 |
| Devyani Food Street Private Limited                                                                              | -                                    | 2.86                                 |
| Delhi Cargo Service Center Private Limited                                                                       | -                                    | 4.87                                 |
| <b><u>Consultancy fees paid</u></b>                                                                              |                                      |                                      |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                     |                                      |                                      |
| Fraport AG Frankfurt Airport Services Worldwide                                                                  | 0.28                                 | 0.43                                 |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding Company)</u></b> |                                      |                                      |
| GMR Corporate Affairs Private Limited                                                                            | 0.26                                 | -                                    |
| <b><u>Jointly Controlled Entities</u></b>                                                                        |                                      |                                      |
| Wipro Airport IT Services Limited                                                                                | -                                    | 0.01                                 |
| <b><u>Staff welfare/ Training expenses</u></b>                                                                   |                                      |                                      |
| <b><u>Holding Company</u></b>                                                                                    |                                      |                                      |
| GMR Airports Limited                                                                                             | 0.07                                 | 0.20                                 |
| <b><u>Manpower hire charges</u></b>                                                                              |                                      |                                      |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding Company)</u></b> |                                      |                                      |
| GMR Airport Developers Limited                                                                                   | 36.37                                | 33.34                                |
| <b><u>Airport Operator fees</u></b>                                                                              |                                      |                                      |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                     |                                      |                                      |
| Fraport AG Frankfurt Airport Services Worldwide                                                                  | 128.68                               | 119.90                               |
| <b><u>Expenses incurred by Company on behalf of related parties</u></b>                                          |                                      |                                      |
| <b><u>Intermediate Holding Company</u></b>                                                                       |                                      |                                      |
| GMR Infrastructure Limited                                                                                       | 0.02                                 | 0.02                                 |
| <b><u>Holding Company</u></b>                                                                                    |                                      |                                      |
| GMR Airports Limited                                                                                             | 6.29                                 | 1.59                                 |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                     |                                      |                                      |
| Airports Authority of India                                                                                      | 0.60                                 | -                                    |
| <b><u>Jointly Controlled Entities</u></b>                                                                        |                                      |                                      |
| Devyani Food Street Private Limited                                                                              | -                                    | 0.12                                 |
| Celebi Delhi Cargo Terminal Management India Private Limited                                                     | 0.41                                 | 0.37                                 |



**Delhi International Airport Private Limited**

CIN. U63033DL2006PTC146936

Notes to the standalone financial statements for the year ended March 31, 2016

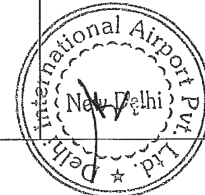
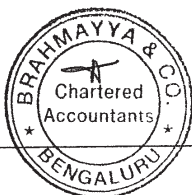
( All amounts in Rupees Crores, except otherwise stated)

| Transactions During the year                                                                                     | For the Year ended<br>March 31, 2016 | For the Year ended<br>March 31, 2015 |
|------------------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| TIM Delhi Airport Advertising Private Limited                                                                    | 0.58                                 | 0.43                                 |
| Delhi Aviation Services Private Limited                                                                          | 0.43                                 | 0.40                                 |
| Delhi Airport Parking Services Private Limited                                                                   | 0.68                                 | 0.63                                 |
| Travel Food Services (Delhi Terminal 3) Private Limited                                                          | 0.40                                 | 0.37                                 |
| Delhi Duty Free Services Private Limited                                                                         | 0.30                                 | 0.38                                 |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding Company)</u></b> |                                      |                                      |
| GMR Airport Developers Limited                                                                                   | 0.14                                 | 0.18                                 |
| GMR Male International Airport Private Limited                                                                   | 0.06                                 | 0.13                                 |
| GMR Corporate Affairs Private Limited                                                                            | -                                    | 0.01                                 |
| GMR Hyderabad International Airport Limited                                                                      | 0.22                                 | 0.12                                 |
| Raxa Security Services Limited                                                                                   | 0.90                                 | 0.97                                 |
| GMR Krishnagiri SEZ Limited                                                                                      | -                                    | 0.01                                 |
| GMR Tambaram Tinidivanam Expressways Private Limited                                                             | -                                    | 0.01                                 |
| Kakinada SEZ Private Limited                                                                                     | 0.18                                 | 0.07                                 |
| GMR Bajoli Holi Hydropower Private Limited                                                                       | -                                    | 0.01                                 |
| GMR Kamalanga Energy Limited                                                                                     | 0.04                                 | 0.01                                 |
| GMR Power Corporation Limited                                                                                    | -                                    | 0.01                                 |
| <b><u>Expenses incurred by related parties on behalf of Company</u></b>                                          |                                      |                                      |
| <b><u>Intermediate holding Company</u></b>                                                                       |                                      |                                      |
| GMR Infrastructure Limited                                                                                       | -                                    | 0.06                                 |
| <b><u>Holding Company</u></b>                                                                                    |                                      |                                      |
| GMR Airports Limited                                                                                             | 0.84                                 | 0.10                                 |
| <b><u>Jointly Controlled Entities</u></b>                                                                        |                                      |                                      |
| Travel Food Services (Delhi Terminal 3) Private Limited                                                          | 0.04                                 | 0.01                                 |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding Company)</u></b> |                                      |                                      |
| GMR Hyderabad International Airport Limited                                                                      | -                                    | 0.14                                 |
| GMR Krishnagiri SEZ Limited                                                                                      | -                                    | 0.01                                 |
| GMR Aviation Private Limited                                                                                     | -                                    | 0.21                                 |
| GMR Kamalanga Energy Limited                                                                                     | -                                    | 0.08                                 |
| Raxa Security Services Limited                                                                                   | -                                    | 0.02                                 |
| GMR Kishangarh Udaipur Ahmedabad Expressways Limited                                                             | -                                    | 0.05                                 |
| GMR Sports Private Limited                                                                                       | -                                    | 0.01                                 |
| <b><u>Corporate Cost Allocation</u></b>                                                                          |                                      |                                      |
| <b><u>Intermediate Holding Company</u></b>                                                                       |                                      |                                      |
| GMR Infrastructure Limited                                                                                       | 33.55                                | 36.67                                |
| <b><u>Holding Company</u></b>                                                                                    |                                      |                                      |
| GMR Airports Limited                                                                                             | 20.65                                | 17.53                                |
| <b><u>Provision for Doubtful debts/ Bad debt written off</u></b>                                                 |                                      |                                      |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                     |                                      |                                      |
| Airports Authority of India                                                                                      | -                                    | 0.09                                 |
| <b><u>Services Received</u></b>                                                                                  |                                      |                                      |
| <b><u>Chartering Cost :</u></b>                                                                                  |                                      |                                      |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding Company)</u></b> |                                      |                                      |
| GMR Aviation Private Limited                                                                                     | 3.47                                 | 4.30                                 |



**Delhi International Airport Private Limited**
**CIN. U63033DL2006PTC146936**
**Notes to the standalone financial statements for the year ended March 31, 2016**
**( All amounts in Rupees Crores, except otherwise stated)**

| Transactions During the year                                                                                     | For the Year ended<br>March 31, 2016 | For the Year ended<br>March 31, 2015 |
|------------------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b><u>Security related expenses:</u></b>                                                                         |                                      |                                      |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding Company)</u></b> |                                      |                                      |
| Raxa Security Services Limited                                                                                   | 13.78                                | 11.65                                |
| <b><u>Information technology and related expenses:</u></b>                                                       |                                      |                                      |
| <b><u>Jointly Controlled Entities</u></b>                                                                        |                                      |                                      |
| Wipro Airport IT Services Limited                                                                                | 18.14                                | 53.00                                |
| <b><u>Repair and Maintenance - IT System</u></b>                                                                 |                                      |                                      |
| <b><u>Jointly Controlled Entities</u></b>                                                                        |                                      |                                      |
| Wipro Airport IT Services Limited                                                                                | 1.52                                 | 3.22                                 |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate holding Company)</u></b>               |                                      |                                      |
| GMR Hyderabad International Airport Limited                                                                      | -                                    | 0.04                                 |
| Raxa Security Services Limited                                                                                   | -                                    | 0.02                                 |
| <b><u>Rent (including lease rentals)</u></b>                                                                     |                                      |                                      |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                     |                                      |                                      |
| Airports Authority of India                                                                                      | 0.03                                 | -                                    |
| <b><u>Electricity charges recovered</u></b>                                                                      |                                      |                                      |
| <b><u>Intermediate holding Company</u></b>                                                                       |                                      |                                      |
| GMR Infrastructure Limited                                                                                       | 0.07                                 | -                                    |
| <b><u>Jointly Controlled Entities</u></b>                                                                        |                                      |                                      |
| Delhi Aviation Services Private Limited                                                                          | 10.02                                | 6.16                                 |
| Delhi Airport Parking Services Private Limited                                                                   | 1.64                                 | 1.53                                 |
| Delhi Cargo Service Center Private Limited                                                                       | -                                    | 3.06                                 |
| Celebi Delhi Cargo Terminal Management India Private Limited                                                     | 14.08                                | 13.43                                |
| TIM Delhi Airport Advertising Private Limited                                                                    | 3.27                                 | 3.09                                 |
| Travel Food Services (Delhi Terminal 3) Private Limited                                                          | 3.56                                 | 3.18                                 |
| Delhi Duty Free Services Private Limited                                                                         | 2.72                                 | 2.56                                 |
| Delhi Aviation Fuel Facility Private Limited                                                                     | -                                    | 0.01                                 |
| Devyani Food Street Private Limited                                                                              | -                                    | 2.17                                 |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding Company)</u></b> |                                      |                                      |
| GMR Aviation Private Limited                                                                                     | 0.01                                 | 0.01                                 |
| GMR Energy Limited                                                                                               | 0.21                                 | 0.57                                 |
| GMR Chhattisgarh Energy Limited                                                                                  | 0.22                                 | -                                    |
| GMR Warora Energy Limited (formerly Known as EMCO Energy Limited)                                                | 0.19                                 | -                                    |
| GMR Tambaram Tinidivanam Expressways Private Limited                                                             | 0.07                                 | -                                    |
| GMR Consulting Services Private Limited.                                                                         | 0.48                                 | -                                    |
| GMR Badrinath Hydro Power Generation Private Limited                                                             | -                                    | 0.09                                 |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                     |                                      |                                      |
| Airports Authority of India                                                                                      | 14.10                                | 10.49                                |
| <b><u>Water charges recovered</u></b>                                                                            |                                      |                                      |
| <b><u>Jointly Controlled Entities</u></b>                                                                        |                                      |                                      |
| Delhi Aviation Services Private Limited                                                                          | 0.10                                 | 0.10                                 |
| Delhi Airport Parking Services Private Limited                                                                   | 0.40                                 | 0.37                                 |
| Devyani Food Street Private Limited                                                                              | -                                    | 0.23                                 |



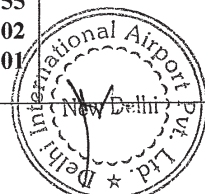
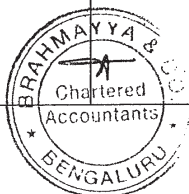
**Delhi International Airport Private Limited**

CIN. U63033DL2006PTC146936

Notes to the standalone financial statements for the year ended March 31, 2016

( All amounts in Rupees Crores, except otherwise stated)

| Transactions During the year                                                                                     | For the Year ended<br>March 31, 2016 | For the Year ended<br>March 31, 2015 |
|------------------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| Travel Food Services (Delhi Terminal 3) Private Limited                                                          | 0.43                                 | 0.40                                 |
| Delhi Cargo Service Center Private Limited                                                                       | -                                    | 0.53                                 |
| Celebi Delhi Cargo Terminal Management India Private Limited                                                     | 1.00                                 | 1.01                                 |
| Delhi Duty Free Services Private Limited                                                                         | 0.01                                 | 0.01                                 |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding Company)</u></b> |                                      |                                      |
| GMR Energy Limited                                                                                               | 0.01                                 | 0.01                                 |
| GMR Chhattisgarh Energy Limited                                                                                  | 0.01                                 | -                                    |
| GMR Warora Energy Limited (formerly Known as EMCO Energy Limited)                                                | 0.02                                 | -                                    |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                     |                                      |                                      |
| Airports Authority of India                                                                                      | 0.39                                 | -                                    |
| <b><u>Space Rental &amp; Land Licence fee.</u></b>                                                               |                                      |                                      |
| <b><u>Intermediate holding Company</u></b>                                                                       |                                      |                                      |
| GMR Infrastructure Limited                                                                                       | 1.14                                 | -                                    |
| <b><u>Jointly Controlled Entities</u></b>                                                                        |                                      |                                      |
| TIM Delhi Airport Advertising Private Limited                                                                    | 1.39                                 | 1.43                                 |
| Delhi Cargo Service Center Private Limited                                                                       | -                                    | 9.23                                 |
| Delhi Aviation Fuel Facility Private Limited                                                                     | 15.98                                | 14.95                                |
| Celebi Delhi Cargo Terminal Management India Private Limited                                                     | 25.05                                | 23.31                                |
| Delhi Duty Free Services Private Limited                                                                         | 1.56                                 | 1.26                                 |
| Delhi Aviation Services Private Limited                                                                          | 0.09                                 | 0.06                                 |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate Holding Company)</u></b>               |                                      |                                      |
| GMR Badrinath Hydro Power Generation Private Limited                                                             | -                                    | 0.95                                 |
| GMR Energy Limited                                                                                               | 0.88                                 | 2.95                                 |
| GMR Aviation Private Limited                                                                                     | 0.07                                 | 0.10                                 |
| GMR Chhattisgarh Energy Limited                                                                                  | 1.47                                 | -                                    |
| GMR Consulting Services Private Limited.                                                                         | 1.47                                 | -                                    |
| GMR Tambaram Tinidivanam Expressways Private Limited                                                             | 1.14                                 | -                                    |
| GMR Warora Energy Limited (formerly Known as EMCO Energy Limited)                                                | 1.47                                 | -                                    |
| <b><u>Concession fees received</u></b>                                                                           |                                      |                                      |
| <b><u>Jointly Controlled Entities</u></b>                                                                        |                                      |                                      |
| Delhi Airport Parking Services Private Limited                                                                   | 16.10                                | 10.28                                |
| TIM Delhi Airport Advertising Private Limited                                                                    | 118.26                               | 102.50                               |
| Delhi Aviation Services Private Limited                                                                          | 6.38                                 | 4.40                                 |
| Delhi Cargo Service Center Private Limited                                                                       | -                                    | 21.32                                |
| Delhi Duty Free Services Private Limited                                                                         | 305.13                               | 258.11                               |
| Devyani Food Street Private Limited                                                                              | -                                    | 10.14                                |
| Celebi Delhi Cargo Terminal Management India Private Limited                                                     | 111.41                               | 114.46                               |
| Travel Food Services (Delhi Terminal 3) Private Limited                                                          | 15.01                                | 12.51                                |
| <b><u>Airport Service, Common Area Maintenance , Screening &amp; Other Charges</u></b>                           |                                      |                                      |
| <b><u>Intermediate holding Company</u></b>                                                                       |                                      |                                      |
| GMR Infrastructure Limited                                                                                       | 0.18                                 | -                                    |
| <b><u>Jointly Controlled Entities</u></b>                                                                        |                                      |                                      |
| Travel Food Services (Delhi Terminal 3) Private Limited                                                          | 2.46                                 | 1.14                                 |
| Devyani Food Street Private Limited                                                                              | -                                    | 0.93                                 |
| Celebi Delhi Cargo Terminal Management India Private Limited                                                     | 0.78                                 | 1.06                                 |
| TIM Delhi Airport Advertising Private Limited                                                                    | 0.15                                 | -                                    |
| Delhi Duty Free Services Private Limited                                                                         | 4.55                                 | 4.03                                 |
| Delhi Airport Parking Services Private Limited                                                                   | 0.02                                 | 0.03                                 |
| Delhi Aviation Services Private Limited                                                                          | 0.01                                 | 0.02                                 |



**Delhi International Airport Private Limited**

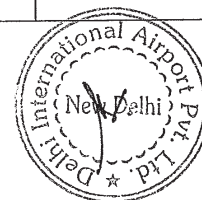
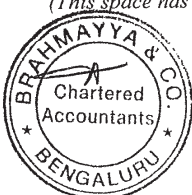
CIN. U63033DL2006PTC146936

Notes to the standalone financial statements for the year ended March 31, 2016

( All amounts in Rupees Crores, except otherwise stated)

| Transactions During the year                                                                                    | For the Year ended<br>March 31, 2016 | For the Year ended<br>March 31, 2015 |
|-----------------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/Intermediate holding Company)</u></b> |                                      |                                      |
| GMR Energy Limited                                                                                              | 0.09                                 | -                                    |
| GMR Consulting Services Private Limited.                                                                        | 0.16                                 | -                                    |
| GMR Chhattisgarh Energy Limited                                                                                 | 0.16                                 | -                                    |
| GMR Tambaram Tinidivanam Expressways Private Limited                                                            | 0.18                                 | -                                    |
| GMR Warora Energy Limited (formerly Known as EMCO Energy Limited)                                               | 0.16                                 | -                                    |
| <b><u>Aeronautical Income</u></b>                                                                               |                                      |                                      |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/Intermediate holding Company)</u></b> |                                      |                                      |
| GMR Aviation Private Limited                                                                                    | 0.25                                 | 0.35                                 |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                    |                                      |                                      |
| Airports Authority of India                                                                                     | 0.06                                 | 0.07                                 |
| <b><u>Management Fees</u></b>                                                                                   |                                      |                                      |
| <b><u>Jointly Controlled Entities</u></b>                                                                       |                                      |                                      |
| TIM Delhi Airport Advertising Private Limited                                                                   | -                                    | 3.30                                 |
| Delhi Duty Free Services Private Limited                                                                        | -                                    | 8.25                                 |
| <b><u>Income from Non current Investments-</u></b>                                                              |                                      |                                      |
| <b><u>Dividend Income</u></b>                                                                                   |                                      |                                      |
| <b><u>Jointly Controlled Entities</u></b>                                                                       |                                      |                                      |
| Delhi Duty Free Services Private Limited                                                                        | 22.36                                | 7.99                                 |
| TIM Delhi Airport Advertising Private Limited                                                                   | 7.84                                 | 5.99                                 |
| Delhi Aviation Fuel Facility Private Limited                                                                    | 5.33                                 | 5.33                                 |
| <b><u>Marketing Fund Billed</u></b>                                                                             |                                      |                                      |
| <b><u>Jointly Controlled Entities</u></b>                                                                       |                                      |                                      |
| Delhi Duty Free Services Private Limited                                                                        | 9.83                                 | 8.24                                 |
| Delhi Airport Parking Services Private Limited                                                                  | 0.01                                 | 0.01                                 |
| Travel Food Services (Delhi Terminal 3) Private Limited                                                         | 0.68                                 | -                                    |
| <b><u>Marketing Fund Utilised</u></b>                                                                           |                                      |                                      |
| <b><u>Jointly Controlled Entities</u></b>                                                                       |                                      |                                      |
| Delhi Duty Free Services Private Limited                                                                        | 2.19                                 | -                                    |
| TIM Delhi Airport Advertising Private Limited                                                                   | 0.39                                 | 0.41                                 |
| <b><u>Utilization of CPD Advance</u></b>                                                                        |                                      |                                      |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/Intermediate holding Company)</u></b> |                                      |                                      |
| GMR Airport Developers Limited                                                                                  | 1.60                                 | 1.26                                 |
| Raxa Security Services Limited                                                                                  | 2.12                                 | 1.52                                 |
| <b><u>ATC Development Fund utilization</u></b>                                                                  |                                      |                                      |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                    |                                      |                                      |
| Airports Authority of India                                                                                     | 10.00                                | 80.00                                |

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**Delhi International Airport Private Limited**

CIN. U63033DL2006PTC146936

Notes to the standalone financial statements for the year ended March 31, 2016

(All amounts in Rupees Crores, except otherwise stated)

**32. Leases:****Assets taken on operating Lease**

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

| Particulars                                  | As at<br>March 31, 2016 | As at<br>March 31, 2015 |
|----------------------------------------------|-------------------------|-------------------------|
| Lease payment for the year (excluding taxes) | 9.68                    | 7.41                    |
| <b>Minimum Lease Payments:</b>               |                         |                         |
| Within one year                              | 3.43                    | 5.28                    |
| After one year but not more than five years  | 6.62                    | 8.41                    |
| More than five years                         | -                       | -                       |
| <b>Total</b>                                 | <b>10.05</b>            | <b>13.69</b>            |

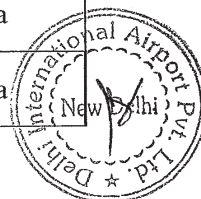
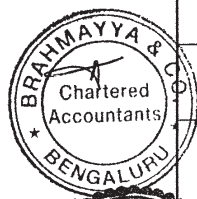
The Company has taken office and residential space, information technology equipment under operating lease arrangements. Office premises are obtained on operating lease for terms ranging from 0-5 years and are renewable upon agreement of both the Company and the lessor. There are no sub leases.

**33. Interest in Joint ventures entities:**

The Company has interest in following joint venture entities:

**a) List of Jointly Controlled entities**

| Name of Joint Venture                                        | Nature of Operations     | Ownership interest | Date of incorporation | Country of incorporation |
|--------------------------------------------------------------|--------------------------|--------------------|-----------------------|--------------------------|
| Celebi Delhi Cargo Terminal Management India Private Limited | Cargo                    | 26%                | June 18, 2009         | India                    |
| Delhi Aviation Fuel Facility Private Limited                 | Fuel farm                | 26%                | August 11, 2009       | India                    |
| Delhi Airport Parking Services Private Limited               | Vehicle parking          | 49.90%             | February 11, 2010     | India                    |
| Delhi Aviation Services Private Limited                      | Bridge mounted equipment | 50%                | June 28, 2007         | India                    |
| Delhi Cargo Service Centre Private Limited*                  | Cargo                    | 26%                | November 18, 2009     | India                    |
| Delhi Duty Free Services Private Limited                     | Duty free shops          | 49.90%             | July 7, 2009          | India                    |
| Devyani Food Street Private Limited*                         | Food and beverages       | 40%                | September 7, 2009     | India                    |
| Travel Food Services (Delhi Terminal 3) Private Limited      | Food and beverages       | 40%                | December 4, 2009      | India                    |
| TIM Delhi Airport Advertising Private Limited                | Advertising              | 49.90%             | June 1, 2010          | India                    |
| Wipro Airport IT Services Limited                            | Information Technology   | 26%                | October 22, 2009      | India                    |



**Delhi International Airport Private Limited**
**CIN. U63033DL2006PTC146936**
**Notes to the standalone financial statements for the year ended March 31, 2016**
**( All amounts in Rupees Crores, except otherwise stated)**

\*Devyani Food Street Private Limited and Delhi Cargo Service Center Private Limited ceased to be a jointly controlled entity pursuant to sale of DIAL's stake w.e.f. February 10, 2015 and March 16, 2015 respectively.

**b) Financial interest in Jointly Controlled Entity**

| S. No.    | Name of Joint Venture                                                                | DIAL's Share |                                           |                                 |                                     |                        |                     |
|-----------|--------------------------------------------------------------------------------------|--------------|-------------------------------------------|---------------------------------|-------------------------------------|------------------------|---------------------|
|           |                                                                                      | Assets       | Liabilities (excluding shareholders fund) | Income (including other income) | Expenditure (including tax expense) | Contingent liabilities | Capital commitments |
| <b>1</b>  | <b>Travel Food Services (Delhi Terminal 3) Private Limited (TFS)</b>                 |              |                                           |                                 |                                     |                        |                     |
|           | Mar-15                                                                               | 9.96         | 10.69                                     | 18.15                           | 17.28                               | 0.57                   | -                   |
|           | Mar-16                                                                               | 11.56        | 10.62                                     | 21.27                           | 19.60                               | 0.57                   | 0.10                |
| <b>2</b>  | <b>Devyani Food Street Private Limited<sup>3</sup></b>                               |              |                                           |                                 |                                     |                        |                     |
|           | Mar-15                                                                               | -            | -                                         | 17.72                           | 16.87                               | -                      | -                   |
|           | Mar-16                                                                               | -            | -                                         | -                               | -                                   | -                      | -                   |
| <b>3</b>  | <b>Delhi Duty Free Services Private Limited</b>                                      |              |                                           |                                 |                                     |                        |                     |
|           | Mar-15                                                                               | 215.78       | 161.82                                    | 406.87                          | 381.37                              | 0.13                   | 0.57                |
|           | Mar-16                                                                               | 225.00       | 150.14                                    | 474.37                          | 430.67                              | 0.05                   | 0.24                |
| <b>4</b>  | <b>Delhi Aviation Fuel Facility Private Limited</b>                                  |              |                                           |                                 |                                     |                        |                     |
|           | Mar-15                                                                               | 100.22       | 47.83                                     | 25.09                           | 18.18                               | -                      | 0.23                |
|           | Mar-16                                                                               | 98.17        | 45.26                                     | 29.07                           | 19.31                               | -                      | 1.89                |
| <b>5</b>  | <b>Wipro Airport IT Services Limited</b>                                             |              |                                           |                                 |                                     |                        |                     |
|           | Mar-15                                                                               | 12.90        | 10.51                                     | 10.43                           | 10.19                               | -                      | -                   |
|           | Mar-16                                                                               | 22.48        | 19.93                                     | 10.20                           | 10.04                               | 0.19                   | 0.16                |
| <b>6</b>  | <b>Delhi Airport Parking Services Private Limited (DAPSL)</b>                        |              |                                           |                                 |                                     |                        |                     |
|           | Mar-15                                                                               | 114.23       | 73.21                                     | 32.14                           | 30.80                               | 0.03                   | 0.01                |
|           | Mar-16                                                                               | 118.68       | 77.34                                     | 38.71                           | 35.94                               | -                      | -                   |
| <b>7</b>  | <b>TIM Delhi Airport Advertising Private Limited</b>                                 |              |                                           |                                 |                                     |                        |                     |
|           | Mar-15                                                                               | 53.13        | 26.73                                     | 93.12                           | 81.53                               | -                      | 0.12                |
|           | Mar-16                                                                               | 58.25        | 28.82                                     | 106.77                          | 94.30                               | -                      | 0.69                |
| <b>8</b>  | <b>Celebi Delhi Cargo Terminal Management India Private Limited</b>                  |              |                                           |                                 |                                     |                        |                     |
|           | Mar-15                                                                               | 112.02       | 57.22                                     | 82.42                           | 77.20                               | 3.08                   | -                   |
|           | Mar-16                                                                               | 109.29       | 50.59                                     | 81.60                           | 77.71                               | 3.34                   | -                   |
| <b>9</b>  | <b>Delhi Cargo Service Centre Private Limited<sup>4</sup></b>                        |              |                                           |                                 |                                     |                        |                     |
|           | Mar-15                                                                               | -            | -                                         | 27.00                           | 30.49                               | -                      | -                   |
|           | Mar-16                                                                               | -            | -                                         | -                               | -                                   | -                      | -                   |
| <b>10</b> | <b>Delhi Aviation Services Private Limited (Formerly DIAL Cargo Private Limited)</b> |              |                                           |                                 |                                     |                        |                     |
|           | Mar-15                                                                               | 43.17        | 25.41                                     | 17.04                           | 16.50                               | -                      | -                   |
|           | Mar-16                                                                               | 48.50        | 29.44                                     | 24.55                           | 21.74                               | -                      | -                   |

**Notes:**

1. Current year financial information is as per the audited financial statements furnished by the respective joint venture entities except for DAPSL & TFS; whose financial information is as per the management certified financial statement.
2. Previous year financial information is as per the audited financial statement furnished by respective joint venture entities.

In respect of Devyani Food Street Private Limited information above (other than contingent liabilities and capital commitments) have been disclosed till the date of sale (based on management certified financial statements) which is till February 10, 2015.



4. In respect of Delhi Cargo Service Centre Private Limited, information above (other than contingent liabilities and capital commitments) have been disclosed till March 31, 2015 as per the audited financials.

### **34. Capital and Other Commitments:**

#### **Capital Commitments:**

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

#### **Other Commitments:**

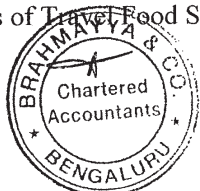
- i. As per the terms of OMDA, the Company is required to pay annual fees to AAI at 45.99% of the revenue (as defined in OMDA) of the Company for an initial term of 30 years starting from May 2006 and which can be extended by another 30 years on satisfaction of certain terms and conditions pursuant to the provisions of OMDA.
- ii. As per the terms of Airport Operator Agreement, the Company is required to pay every year 3% of previous year's gross revenue as operator fee to Fraport AG Frankfurt Airport Services Worldwide.
- iii. The Company has taken Interest Rate Swap ('IRS') of USD 90.23 millions, fixing LIBOR at 1.94% p.a. (on notional amount payable semi-annually and receive USD 6 months LIBOR semi-annually), which are effective from June 30, 2015 and maturity date is June 29, 2018. (to be read with note 37).

#### **With respect to Jointly controlled entities:**

- iv. DIAL entered into a tripartite Master Service Agreement (MSA) with Wipro Airport IT Services Limited (WAISL) and WIPRO Limited by which DIAL is committed to pay annually to WAISL if the receivable of WAISL falls short of subsistence level (as defined in the said MSA). During the year ended March 31, 2016, the Company accounted for Rs. 18.14 Crores (Year ended March 31, 2015: Rs. 53.00 Crores) towards such short fall of subsistence level over receivables of WAISL and this is disclosed as "Information technology and related expenses" in Note 25 – Other expenses.

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

- v. In respect of its equity investment in Delhi Aviation Fuel Facility Private Limited, the Company cannot transfer/dispose off its shares for an initial period of 5 years starting from July 2010.
- vi. In respect of its equity investment in WAISL, the Company has to maintain minimum 26% of equity shareholding directly or indirectly until the expiry of next 5 years from January 2010 and thereafter minimum 20% of equity shareholding directly or indirectly until the expiry of next 5 years.
- vii. The Company has committed to provide financial support to Travel Food Services (Delhi Terminal 3) Private Limited (Jointly Controlled Entity) in proportion to its shareholding to meet the liabilities of Travel Food Services (Delhi Terminal 3) Private Limited, as and when required.



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

| Company Name                                            | As at March 31,2016 |              | As at March 31,2015 |              |
|---------------------------------------------------------|---------------------|--------------|---------------------|--------------|
|                                                         | No. of Shares       | Amount (Rs.) | No. of Shares       | Amount (Rs.) |
| Delhi Duty Free Services Private Limited                | 11,976,000          | 119,760,000  | 11,976,000          | 119,760,000  |
| Delhi Airport Parking Services Private Limited          | 18,853,703          | 188,537,030  | 18,853,703          | 188,537,030  |
| Travel Food Services (Delhi Terminal 3) Private Limited | 960,000             | 9,600,000    | 960,000             | 9,600,000    |

- ix. In respect of the Company's investment in Joint Venture ('JV') entities, other JV partners have the first right of refusal in case any of the JV partners intend to sell its stake subject to other terms and conditions of respective joint venture agreements.

**With respect to Associate Company:**

- x. In respect of its equity investment in East Delhi Waste Processing Company Private Limited, the Company along with SELCO International Limited has to maintain minimum 51% shareholding for a period of 2 years from the commissioning of the project and thereafter minimum 26% shareholding for next 10 years. The project is not yet commissioned.

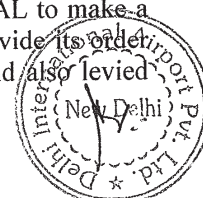
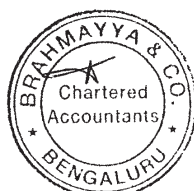
**35. Contingent liabilities not provided for:**

| S.No  | Particulars                                                              | As at March 31, 2016 | As at March 31, 2015 |
|-------|--------------------------------------------------------------------------|----------------------|----------------------|
| (ii)  | In respect of Income tax matters                                         | 68.41                | 91.47                |
| (ii)  | In respect of Indirect tax matters                                       | 3.99                 | 3.98                 |
| (iii) | Claim against the Company not acknowledged as debt [Refer note 43 below] | 41.47                | 41.47                |
| (iv)  | In respect of other matters [Refer note below]                           | Nil                  | Nil                  |

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

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

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



The Company had provided Rs. 60.96 crores till March 31, 2016 (March 31, 2015: Rs. 60.96 crores). Further, till March 31, 2016 interest of Rs 24.99 crores had also been provided (March 31, 2015: Rs. 24.99 crores), making the total provision of Rs 81.87 crores (March 31, 2015: Rs. 81.87 crores) [net of self-assessment tax paid of Rs. 4.08 crores in earlier years]. The Company is still contesting on the tax and interest demand. The matter is pending with the Hon'ble Delhi High Court and is now listed for hearing on July 12, 2016.

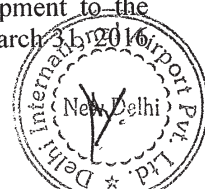
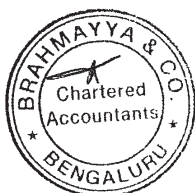
- b) The Airports Authority of India (AAI) had claimed service tax on the monthly annual fee (MAF) payable to them considering the same as rental from immovable property w.e.f. June 1, 2007. The Company has disputed the grounds of the levy under relevant provisions of the OMDA and based on a legal opinion obtained in this regard, is of the view that transaction between AAI and DIAL is neither a franchisee agreement nor a Renting of Immovable Property, which are specified taxable services under Section 65(105) of Service Tax Act. The Company has filed a writ petition with Hon'ble Delhi High Court and was heard on November 17, 2015 and judgment has been reserved. Based on an internal assessment and legal opinion obtained, the Management is of the view that no adjustments are required to be made to these Financial Statements.
- c) The Ministry of Civil Aviation (MoCA) issued a Circular No. AV 13028/001/2009-AS dated January 8, 2010 giving fresh guidelines regarding the expenditure which could be met out of the PSF (SC) and subsequently clarified by MoCA vide order dated April 16, 2010. Based on the said circular, the Company is not debiting such security expenditure to PSF (SC) escrow account. Further, vide circular No. AV 13024/43/2003-SS (AD) dated May 17, 2012, it was further directed that any such expenditure already debited was required to be credited back to PSF(SC) account. However, security expenditure amounting to Rs. 24.48 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 Delhi High Court by way of a Writ Petition. The Hon'ble Court, vide its order dated December 21, 2012, had restrained MoCA from taking any coercive measures in the form of initiation of criminal proceedings against the Company and the matter is now listed for hearing on May 4, 2016. Based on an internal assessment and aforesaid order of the Hon'ble High Court, the Management is confident that no liability in this regard would be payable and as such no provision has been made in these Financial Statements.

- d) MoCA issued an order no. AV 13024 /03/2011-AS (Pt. I) dated February 18, 2014 requiring the Airport Operators to reverse the expenditure incurred, since inception to till date, towards procurement and maintenance of security systems/equipment and on creation of fixed assets out of PSF (SC) escrow account opened and maintained by DIAL (the Airport Operator) in a fiduciary capacity. The Company incurred Rs. 296.90 crores towards capital expenditure (excluding related maintenance expense and interest thereon) till March 31, 2016 (March 31, 2015: Rs. 296.90 crores) out of PSF (SC) escrow account as per Standard Operating Procedure (SOPs), guidelines and clarification issued by MoCA from time to time on the subject of utilization of PSF (SC) funds.

In the opinion of the management of the Company, the above order is contrary to and inconsistent with SOPs, guidelines and clarification issued by MoCA from time to time in this regard and as such had challenged the said order before Hon'ble Delhi High court. The Hon'ble High Court, vide its order dated March 14, 2014, stayed recovery of amount already utilized by the Company from PSF (SC) Escrow Account till date. The matter is now listed for hearing on May 4, 2016.

Based on an internal assessment, the management of the Company is of the view that no adjustments are required to be made in the books of accounts. Further, as directed by the Hon'ble High Court and pending further orders, the Company has charged Rs. 35.62 crores from April 1, 2014 till March 31, 2016 towards the expenditure incurred on repair and maintenance of security equipment to the Statement of Profit and Loss which includes Rs. 20.64 crores during the year ended March 31, 2016 (year ended March 31, 2015: Rs 14.98 crores).



- e) The Director General of Central Excise Intelligence, New Delhi has issued a Show Cause Notice F. NO. 574/CE/41/2014/Inv./PT.II/11327 dated October 10, 2014 on the Company, proposing a demand of service tax of Rs. 59.91 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'. However, based on an internal assessment and legal opinions obtained by 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.

Further, the Management of the Company has replied to the show cause notice referred to above with appropriate authority on April 17, 2015 and is of the view that no adjustments are required to be made to these Financial Statements.

### 36. Retirement Benefit Plan:

Disclosure as per Accounting Standard 15 (Revised 2005) on "Employee Benefits" issued by the Institute of Chartered Accountants of India:

#### Employees Benefit

##### Defined contribution plans

##### (a) Superannuation fund

| Particulars                                     | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
|-------------------------------------------------|--------------------------------------|--------------------------------------|
| Employer's contribution to Superannuation fund* | 3.10                                 | 3.17                                 |

\*Transfer to Capital work-in-progress ('CWIP') & CPD Rs. 0.09 Crore (March 31, 2015 Rs.0.11 Crore)

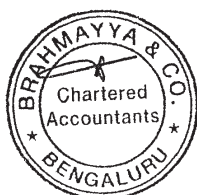
##### (b) Provident and other funds

| Particulars                                           | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
|-------------------------------------------------------|--------------------------------------|--------------------------------------|
| Employer's contribution to Provident and other funds* | 5.51                                 | 5.66                                 |

\*Transfer to CWIP & CPD Rs. 0.14 Crore (March 31, 2015 Rs. 0.17 Crore)

The Guidance on Implementing of Accounting Standard 15, Employee Benefits (revised 2005) issued by Accounting Standard Board (ASB) of the Institute of Chartered Accountants of India, states that benefits involving employer established provident funds, which require interest shortfalls to be re-compensated, are to be considered as defined benefit plans. Based on the actuarial valuation and on the assumptions provided below there is cumulative short-fall of Rs. Nil Crores (March 31, 2015: Rs. Nil Crores) which has been provided in the financial statements and is included in Note 9 – Provisions.

| Particulars                                     | As at<br>March 31, 2016 | As at<br>March 31, 2015 |
|-------------------------------------------------|-------------------------|-------------------------|
| Plan assets at the year end, at fair value      | 82.23                   | 76.41                   |
| Present value of benefit obligation at year end | 82.23                   | 76.41                   |
| Net (liability) recognized in the balance sheet | -                       | -                       |



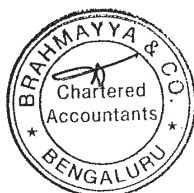
**Delhi International Airport Private Limited****CIN. U63033DL2006PTC146936****Notes to the standalone financial statements for the year ended March 31, 2016****( All amounts in Rupees Crores, except otherwise stated)**

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

| Particulars     | As at<br>March 31, 2016                                        | As at<br>March 31, 2015                                        |
|-----------------|----------------------------------------------------------------|----------------------------------------------------------------|
| Discount rate   | 7.8%                                                           | 7.8%                                                           |
| Fund rate       | 9.30%                                                          | 9.30%                                                          |
| PFO rate        | 8.75% for the next one<br>year and 8.60%<br>thereafter         | 8.75% for the next one<br>year and 8.60%<br>thereafter         |
| Withdrawal rate | 5.00%                                                          | 5.00%                                                          |
| Mortality       | Indian Assured Lives<br>Mortality (2006-08)<br>(modified)Ult * | Indian Assured Lives<br>Mortality (2006-08)<br>(modified)Ult * |

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

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Notes to the standalone financial statements for the year ended March 31, 2016

(All amounts in Rupees Crores, except otherwise stated)

**(c) Gratuity expense****Statement of profit and loss**

Net employee benefit expense:

| Particulars                                 | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
|---------------------------------------------|--------------------------------------|--------------------------------------|
| Current service cost                        | 1.41                                 | 1.25                                 |
| Interest cost on benefit obligation         | 0.72                                 | 0.64                                 |
| Expected return on plan assets              | (0.92)                               | (0.79)                               |
| Net actuarial loss recognized in the period | 0.02                                 | 1.78                                 |
| <b>Net benefit expense</b>                  | <b>1.23</b>                          | <b>2.88</b>                          |

**Balance sheet**

| Particulars                     | As at<br>March 31, 2016 | As at<br>March 31, 2015 |
|---------------------------------|-------------------------|-------------------------|
| Defined benefit obligation      | (10.66)                 | (9.92)                  |
| Fair value of plan assets       | 11.02                   | 9.31                    |
| <b>Plan asset / (liability)</b> | <b>0.36</b>             | <b>(0.61)</b>           |

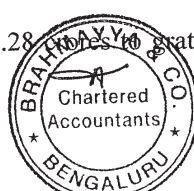
Changes in the present value of the defined benefit obligation are as follows:

| Gratuity                                  | As at<br>March 31, 2016 | As at<br>March 31, 2015 |
|-------------------------------------------|-------------------------|-------------------------|
| Opening defined benefit obligation        | 9.92                    | 7.23                    |
| Interest cost                             | 0.72                    | 0.64                    |
| Current service cost                      | 1.41                    | 1.25                    |
| Acquisition cost                          | 0.05                    | 0.05                    |
| Benefits paid (including transfer)        | (1.36)                  | (0.70)                  |
| Actuarial losses/ (gain) on obligation    | (0.08)                  | 1.45                    |
| <b>Closing defined benefit obligation</b> | <b>10.66</b>            | <b>9.92</b>             |

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

| Particulars                              | As at<br>March 31, 2016 | As at<br>March 31, 2015 |
|------------------------------------------|-------------------------|-------------------------|
| Opening fair value of plan assets        | 9.31                    | 7.94                    |
| Acquisition Adjustment                   | (0.02)                  | -                       |
| Expected return                          | 0.92                    | 0.79                    |
| Contributions by employer                | 2.28                    | 1.62                    |
| Benefits paid (including transfer)       | (1.37)                  | (0.70)                  |
| Actuarial gains / (loss)                 | (0.10)                  | (0.34)                  |
| <b>Closing fair value of plan assets</b> | <b>11.02</b>            | <b>9.31</b>             |

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



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

| Particulars                            | As at<br>March 31, 2016 | As at<br>March 31, 2015 |
|----------------------------------------|-------------------------|-------------------------|
|                                        | (%)                     | (%)                     |
| Investments with insurer managed funds | 100                     | 100                     |

The Principal assumptions used in determining gratuity for the Company's plan are shown below:

| Particulars                                     | As at<br>March 31, 2016 | As at<br>March 31, 2015 |
|-------------------------------------------------|-------------------------|-------------------------|
| Discount rate                                   | 7.80%                   | 7.80%                   |
| Expected rate of return on assets               | 9.40%                   | 9.40%                   |
| Expected rate of increase in compensation level | 6.00%                   | 6.00%                   |
| Attrition rate                                  | 5.00%                   | 5.00%                   |

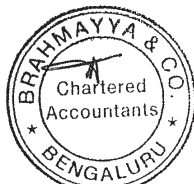
Experience adjustments for the current and previous years are as follows:

|                                                   | As at<br>March 31,<br>2016 | As at<br>March 31,<br>2015 | As at<br>March 31,<br>2014 | As at<br>March 31,<br>2013 | As at<br>March 31,<br>2012 |
|---------------------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Defined benefit obligation                        | (10.66)                    | (9.92)                     | (7.23)                     | (6.67)                     | (4.86)                     |
| Plan assets                                       | 11.02                      | 9.31                       | 7.94                       | 8.19                       | 4.68                       |
| Funded status                                     | 0.36                       | (0.61)                     | 0.71                       | 1.52                       | (0.18)                     |
| Experience (loss) adjustment on plan liabilities  | 0.08                       | (0.38)                     | (0.42)                     | (0.23)                     | (0.99)                     |
| Experience gain/ (loss) adjustment on plan assets | (0.10)                     | (0.34)                     | (0.01)                     | 0.01                       | -                          |
| Actuarial gain due to change on assumptions       | -                          | (1.07)                     | 0.70                       | (0.22)                     | 0.21                       |

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on plan assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

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**37. Derivative Instruments:****Interest rate swaps outstanding as at the balance sheet date:**

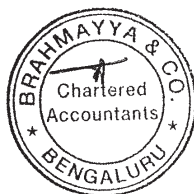
As per the conditions precedent to disbursement of loan, the Company has entered into interest rate swap (IRS) agreements from floating rate of interest to fixed rate of interest against its outstanding foreign currency loan of USD 86.453 million (March 31, 2015: USD 90.23 Million).

| Particulars of Derivatives                                                                                  | Purpose                                                                                                                                                                                       |                              |                       |                |
|-------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------|----------------|
| Interest rate swap outstanding as at Balance sheet date: USD 86.453 million (March 2015: USD 90.23 million) | Hedge of variable interest outflow on External Commercial Borrowing. Swap to pay fixed rate of interest as mentioned below tranche wise and receive a variable rate equal to 6 months' LIBOR: |                              |                       |                |
|                                                                                                             | <b>March 31, 2016</b>                                                                                                                                                                         | March 31, 2015               | <b>March 31, 2016</b> | March 31, 2015 |
|                                                                                                             | <b>ECB Amount (USD in Millions)</b>                                                                                                                                                           | ECB Amount (USD in Millions) | <b>Interest Rate</b>  | Interest Rate  |
|                                                                                                             | <b>86.453</b>                                                                                                                                                                                 | 90.230                       | <b>1.94%</b>          | 1.94%          |

However these IRS of USD 86.453 million (March 31, 2015: USD 90.230 million) [1.94% p.a. on notional amount payable semiannually and receive USD 6 months LIBOR, semi-annually] were effective from June 30, 2015.

Since the critical terms of the IRS and those of the principal term loan are same, based on the internal assessment carried out by the management, the net impact of the marked to market valuation of the IRS, net of gain/loss on the underlying loan, is not expected to be material and accordingly no adjustment has been made in the financial statements.

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Notes to the standalone financial statements for the year ended March 31, 2016

( All amounts in Rupees Crores, except otherwise stated)

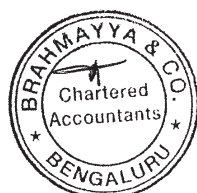
38. Particulars of un-hedged foreign currency exposure as at the Balance sheet date are as under:

| Particulars                                      | As at March 31, 2016         |          |                                  | As at March 31, 2015      |          |                                  |
|--------------------------------------------------|------------------------------|----------|----------------------------------|---------------------------|----------|----------------------------------|
|                                                  | Amount<br>(Rs. In<br>Crores) | Currency | Foreign<br>Currency<br>in Crores | Amount<br>(Rs. In Crores) | Currency | Foreign<br>Currency<br>in Crores |
| Other Current<br>& Non-current<br>Liabilities    | 3.55                         | EUR      | 0.05                             | 2.42                      | EUR      | 0.04                             |
|                                                  | 0.12                         | GBP      | 0.00                             | 0.12                      | GBP      | 0.00                             |
|                                                  | 0.05                         | SGD      | 0.00                             | 0.04                      | SGD      | 0.00                             |
|                                                  | 0.14                         | AUD      | 0.00                             | -                         | AUD      | -                                |
|                                                  | 33.09                        | USD      | 0.50                             | 43.02                     | USD      | 0.68                             |
| Borrowings(In<br>cluding<br>Current<br>Maturity) | 2505.23                      | USD      | 37.52                            | 2396.25                   | USD      | 38.00                            |
| Trade<br>Receivable                              | 12.86                        | USD      | 0.19                             | 12.40                     | USD      | 0.20                             |
| Non-Trade<br>Receivables                         | 1.01                         | USD      | 0.02                             | 0.89                      | USD      | 0.01                             |
| Advance<br>recoverable in<br>cash or kind        | 1.83                         | USD      | 0.03                             | 3.60                      | USD      | 0.06                             |

Closing exchange rates in Rs:

| Currency | As at<br>March 31, 2016 | As at<br>March 31, 2015 |
|----------|-------------------------|-------------------------|
| EUR      | 75.78                   | 67.19                   |
| GBP      | 96.15                   | 92.47                   |
| SGD      | 49.55                   | 45.48                   |
| AUD      | 51.41                   | 48.40                   |
| USD      | 66.77                   | 63.06                   |

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**39. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006**

As per the available information with the Management, the total dues payable to enterprises registered under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) are as below:

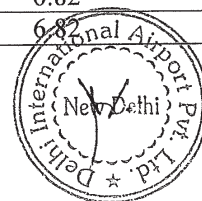
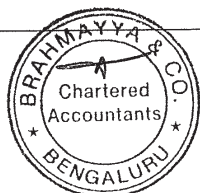
| Particulars                                                                                                                                                                                                                                                                         | As at March 31, 2016 | As at March 31, 2015 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
| The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year                                                                                                                                                            |                      |                      |
| Principal amount due to micro and small enterprises                                                                                                                                                                                                                                 | 0.67                 | 1.02                 |
| Interest due on above                                                                                                                                                                                                                                                               | Nil                  | Nil                  |
|                                                                                                                                                                                                                                                                                     | Nil                  | Nil                  |
| The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year                                                                               | Nil                  | Nil                  |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.                                                            | Nil                  | Nil                  |
| The amount of interest accrued and remaining unpaid at the end of each accounting year                                                                                                                                                                                              | Nil                  | Nil                  |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006 | Nil                  | Nil                  |

**40. Additional information required under Schedule III to the Companies Act, 2013 are stated below:****a) Earnings in foreign currency (On accrual basis, excluding service tax)**

| Particulars                  | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
|------------------------------|--------------------------------------|--------------------------------------|
| Revenue from concessionaires | 305.13                               | 258.11                               |
| Revenue from airlines        | 673.44                               | 608.62                               |
| <b>Total</b>                 | <b>978.57</b>                        | <b>866.73</b>                        |

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

| Particulars                                 | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
|---------------------------------------------|--------------------------------------|--------------------------------------|
| Import of capital goods and other materials | 8.90                                 | 6.82                                 |
| <b>Total</b>                                | <b>8.90</b>                          | <b>6.82</b>                          |



## c) Expenditure in foreign currency (On accrual basis)

|                                                              | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
|--------------------------------------------------------------|--------------------------------------|--------------------------------------|
| Interest on borrowings                                       | 162.29                               | 175.15                               |
| Professional and consultancy expenses                        | 8.40                                 | 3.99                                 |
| Finance costs (Other borrowing costs including amortization) | -                                    | 39.84                                |
| Other expenses                                               | 12.59                                | 6.48                                 |
| Travelling and Conveyance                                    | 1.17                                 | 0.73                                 |
| <b>Total</b>                                                 | <b>184.45</b>                        | <b>226.19</b>                        |

## d) Consumption of stores and spares during the year:

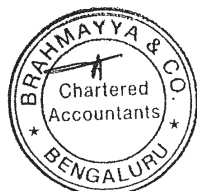
|              | For the year ended |              | For the year ended |              |
|--------------|--------------------|--------------|--------------------|--------------|
|              | March 31, 2016     |              | March 31, 2015     |              |
|              | %                  | Amount       | %                  | Amount       |
| Imported     | 4.44               | 1.04         | 12                 | 2.43         |
| Indigenous   | 95.56              | 22.31        | 88                 | 18.43        |
| <b>Total</b> | <b>100</b>         | <b>23.35</b> | <b>100</b>         | <b>20.86</b> |

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

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

43. 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. As at March 31, 2016 the Company had cumulatively utilized custom duty credit scrip amounting to Rs. 89.60 crores (March 31, 2015: Rs.89.60 crores) in lieu of payment of import duty in respect of import of fixed assets (including capital work in progress).

The Company was of the view that such credit entitlements constitute capital grant and thus, was recording fixed assets (including capital work in progress) imported, at net amount (after excluding the amount of custom duty paid by using these scrips. However, the Expert Advisory Committee ('EAC') of the Institute of Chartered Accountants of India, pursuant to a specific application by the Company in this regard, has clarified vide its opinion viz. TD/EAC/1484/13 dated November 19, 2013 that such scrips should be recognised and accounted as grant related to revenue under Accounting Standard 12 – Accounting for Government Grants.



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

However, Airport Authority of India ('AAI') has expressed different view on this and argued that amount utilized under SFIS should be treated as revenue and accordingly revenue share on amount of Rs 89.60 crores is payable to AAI. Enforcing their view, AAI had written letter to ICICI bank on July 06, 2015 instructing bank to remit Rs. 41.21 crores from Receivable Escrow Account of the Company as revenue share to AAI's bank account as per terms of the escrow agreement. The Company has disputed the contention of AAI and accordingly written to ICICI Bank not to remit the amount as per the provisions of the escrow agreement.

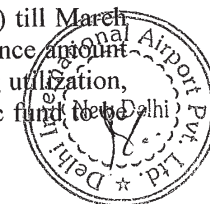
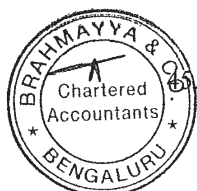
Further, the Company had also filed a writ petition against the AAI's letter in Hon'ble Delhi High Court on July 10, 2015 disputing the demand and the letter unilaterally issued by AAI and prayed for quashing of demand by AAI. Court has granted the interim relief and disposed with a direction to DIAL to seek remedy under the provisions of Arbitration law. Accordingly DIAL filed a petition under section 9 of the Arbitration and Conciliation Act seeking interim restraint to AAI from enforcing its demand which was granted by the court in favour of DIAL. Now DIAL has issued a notice to AAI invoking arbitration under article 15.2 of OMDA where DIAL has nominated its arbitrator and asked AAI to nominate its arbitrator so that further proceedings of arbitration can commence. In the meanwhile Company's petition before Hon'ble Delhi High Court is now listed for hearing on May 04, 2016.

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

Further, the management does not anticipate any further utilization for eligible imports.

44. The Company has received advance development costs of Rs. 653.13 crores (March 31, 2015: Rs. 653.13 crores) from various Developers at Commercial Property District towards facilitating the development of common infrastructure there in. As per the term of the agreement, the Company will facilitate the development of common infrastructure upon receipt of advance towards development cost in accordance with the instructions and specifications in the agreement. Further, the Company has no right to escalate the development cost and in case any portion of the advance development cost is not utilized by the Company towards development of any infrastructure facility, the same shall be returned to the Developers upon earlier of the expiry of the initial term of agreement or upon termination of the development agreement. As at March 31, 2016, the Company has incurred development expenditure of Rs. 433.71 crores (March 31, 2015: Rs. 383.87 crores) which has been adjusted against the aforesaid advance and balance amount is disclosed under other long term liabilities and current liabilities.

The Company is collecting "Marketing Fund" at a specified percentage from various concessionaires as per the agreement with respective concessionaires and to be utilized towards sales promotional activities as defined in such agreements in accordance with the Marketing Fund policy adopted by the Company. The financial statements of such marketing fund are being audited by one of the Joint Statutory auditors. As at March 31, 2016, the Company has billed Rs 71.04 crores (March 31, 2015: Rs. 51.86 Crores) towards such Marketing Fund and has incurred expenditure amounting to Rs. 31.50 crores (net of income on temporary investments) till March 31, 2016 (March 31, 2015: Rs. 26.27 crores) from the amount so collected. The balance amount of Rs. 39.54 crores as at March 31, 2016 (March 31, 2015: Rs. 25.59 crores) pending utilization, against such sales promotion activities is included under "Other liabilities" as specific fund held by Delhi



used for the purposes to be approved by the Marketing fund committee constituted for this purpose.

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

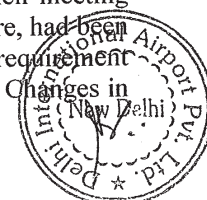
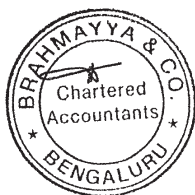
The Management of the Company is of the opinion that the observations in the CAG report and the PAC report do not have any financial impact on the Company.

47. As per the transfer pricing rules prescribed under the Income tax act, 1961, the Company is examining the domestic and international transactions and documentation in respect thereof to ensure compliance with the said rules. The management does not anticipate any material adjustment with regard to the transactions during year ended March 31, 2016.
48. GMR Airports Limited (Holding Company of DIAL) has bought an additional stake of 10% in DIAL from Malaysia Airports (Mauritius) Private Limited on May 25, 2015. Consequent to this, GMR Airports Limited shareholding in DIAL has increased to 64% and Malaysia Airports (Mauritius) Private Limited shareholding in DIAL has reduced to NIL.
49. Airport Economic Regulatory Authority ("AERA") has passed the tariff order No. 40/2015-16 dated December 8, 2015 (issued on December 10, 2015) wherein Authority has decided to adjust DF of Rs. 3,241.37 crore out of allowed DF of Rs. 3,415.35 crore based on the actual expenditure spent towards project. The authority had decided to adjust the balance amount of DF of Rs. 173.98 crore as on March 31, 2014 on utilization basis as and when it is incurred. However, the Company availed Rs.3,415.35 crores of Loan based on the DF Orders and DF collected from passengers is used for payment of interest and principal till March 31, 2016. Accordingly, the differential interest i.e. paid by the Company on DF Loans and considered on actual spent amounting to Rs. 47.90 crores is required to be absorbed by DIAL. Accordingly, during the year ended March 31, 2016 interest expense of Rs. 47.90 crores (March 31, 2015: NIL) has been provided in the books of accounts.

Further, the Company has incurred a sum of Rs. 17.29 crores towards interest from December 2011 to February 2012 which is not allowed by AERA and accordingly interest expense of Rs. 17.29 crores (March 31, 2015: NIL) has also been provided in the books of accounts.

50. (i) During the previous year, the company had issued 6.125% senior secured notes due 2022 of USD 288.75 Million on February 3, 2015 to refinance its existing external commercial borrowings of USD 288.75 Million. As a result of such refinancing, certain Interest rate swap (IRS) which were outstanding on the existing external commercial borrowings of USD 288.75 Million (prior to refinancing) were cancelled and the Company had to pay Rs. 91.83 crores as a result of cancellation of such IRS. The same had been disclosed as an Exceptional item in the statement of Profit & Loss Account, as per the requirement of Accounting Standard – 5 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies' in previous year ended March 31, 2015.

(ii) The company had divested its stake in Delhi Cargo Service Centre Private Limited (DCSC) as on March 16, 2015, which was approved by Board of directors of the Company in their meeting held on February 9, 2015. The profit on sale of investment amounting to Rs. 17.68 crore, had been disclosed as Exceptional item in the statement of Profit & Loss Account, as per the requirement of Accounting Standard – 5 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies' in previous year ended March 31, 2015.



**Delhi International Airport Private Limited**

**CIN. U63033DL2006PTC146936**

**Notes to the standalone financial statements for the year ended March 31, 2016**

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

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51. Previous year's figures have been regrouped and re-arranged wherever necessary to conform to those of current year.

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

As per our report of even date

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



**Per Yogesh Midha**  
Partner  
Membership No. 94941  
Place: Gurgaon  
Date: April 28, 2016



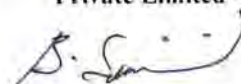
**For Brahmayya & Co.,**  
ICAI Firm Reg. No.: 000515S  
Chartered Accountants



**Per G. Srinivas**  
Partner  
Membership No. 86761  
Place : New Delhi  
Date: April 28, 2016



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



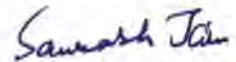
**Srinivas Bommidala**  
Managing Director  
DIN-00061464



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



**Radhakrishnababu G**  
Chief Financial Officer



**Saurabh Jain**  
Company Secretary

Place : New Delhi  
Date: April 28, 2016



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

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Golf View corporate Tower-B  
Sector-42, Sector Road  
Gurgaon- 122002, Haryana, India

**Brahmayya & Co.**

Chartered Accountants  
10/2, Khivraj Mansion  
Kasturba Road  
Bengaluru 560 001, India

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Delhi International Airport Private Limited

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Delhi International Airport Private Limited (hereinafter referred to as "the Holding Company" or "DIAL"), its subsidiary, associate and jointly controlled entities (the Holding Company, its subsidiary, associate and jointly controlled entities together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2016, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

**Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

**Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph (b) of the Other Matters below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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

Chartered Accountants  
Golf View corporate Tower-B  
Sector-42, Sector Road  
Gurgaon- 122002, Haryana, India

**Brahmayya & Co.**

Chartered Accountants  
10/2, Khivraj Mansion  
Kasturba Road  
Bengaluru 560 001, India

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at March 31, 2016, their consolidated profit, and their consolidated cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

As required by section 143 (3) of the Act, we report, to the extent applicable, that:

- (a) We / the other auditors whose reports we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the auditors who are appointed under Section 139 of the Act, of its subsidiary company, associate company and jointly controlled entities incorporated in India, none of the directors of the Group's companies, incorporated in India is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary company, associate company and jointly controlled entities incorporated in India, refer to our separate report in "Annexure-1" to this report;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group – Refer Note 35 to the consolidated financial statements;
  - ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses in long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary, associate and jointly controlled entities incorporated in India.

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

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**Brahmayya & Co.**

Chartered Accountants  
10/2, Khivraj Mansion  
Kasturba Road  
Bengaluru 560 001, India

**Other Matter**

- (a) The accompanying consolidated financial statements include total assets of Rs 379.49 crores (March 31, 2015: Rs. 361.04 crores) as at March 31, 2016, total revenues (including other income) and net cash inflows of Rs 725.88 crores (March 31, 2015: Rs. 631.47 crores) and Rs 8.55 crores (March 31, 2015: Rs. 11.03 crores) for the year ended on that date, in respect of 1 subsidiary, and 5 jointly controlled entities (March 31, 2015: 1 subsidiary and 5 jointly controlled entities), which have been audited by one of us in individual capacity.
- (b) The accompanying consolidated financial statements include total assets of Rs 88.78 crores as at March 31, 2016 (March 31, 2015: Rs. 79.62 crores), total revenues (including other income) and net cash outflows of Rs 55.43 crores (March 31, 2015: Rs. 43.22 crores) and Rs 0.61 crores (March 31, 2015: Rs. 1.02 crores) for the year ended on that date, in respect of 3 jointly controlled entities (March 31, 2015: 3 jointly controlled entities), which have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the associate share of net loss of Rs. 0.01 crores (March 31, 2015: Rs. 0.01 crores) for the year ended March 31, 2016, as considered in the consolidated financial statements, in respect of 1 associate (March 31, 2015: 1 associate), whose financial statement, other financial information have been audited by other auditor and whose report have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these jointly controlled entities and associate, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid jointly controlled entities and associate, is based solely on the report(s) of such other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

For **Brahmayya & Co.,**

Chartered Accountants

ICAI Firm Registration Number: 000515S

-Sd/-

**per Yogesh Midha**

Partner

Membership Number: 94941

Place: New Delhi

Date: July 20, 2016

-Sd/-

**per G Srinivas**

Partner

Membership Number: 86761

Place: New Delhi

Date: July 20, 2016

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

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**ANNEXURE-1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF DELHI INTERNATIONAL AIRPORT PRIVATE LIMITED****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of Delhi International Airport Private Limited as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of Delhi International Airport Private Limited (hereinafter referred to as the "Holding Company" or "DIAL"), its subsidiary, associate and jointly controlled entities, which are companies incorporated in India, as of that date.

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

The respective Board of Directors of the Holding Company, its subsidiary, associate and jointly controlled entities, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility**

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the

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company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

**Opinion**

In our opinion, the Holding Company, its subsidiary, its associate and jointly controlled entities, which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Holding Company, its subsidiary, associate and jointly controlled entities, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Other Matters**

- a) Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, in so far as it relates to 1 subsidiary company and 5 jointly controlled entities, which are companies incorporated in India, is based on the corresponding reports of one of us audited in individual capacity.
- b) Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, in so far as it relates to 3 jointly controlled entities and 1 associate, which are companies incorporated in India, is based on the corresponding reports of the auditors of such associate and jointly controlled entities incorporated in India.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

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

For **Brahmayya & Co.,**

Chartered Accountants

**ICAI Firm Registration Number: 000515S**

-Sd/-

**per Yogesh Midha**

Partner

Membership Number: 94941

Place: New Delhi

Date: July 20, 2016

-Sd/-

**per G Srinivas**

Partner

Membership Number: 86761

Place: New Delhi

Date: July 20, 2016

**Delhi International Airport Private Limited**  
**CIN: U63033DL2006PTC146936**  
**Consolidated Balance Sheet as at March 31, 2016**  
(All amounts in Rupees Crores, unless otherwise stated)

|                                                                                   | Notes | March 31, 2016          | March 31, 2015          |
|-----------------------------------------------------------------------------------|-------|-------------------------|-------------------------|
| <b>Equity and Liabilities</b>                                                     |       |                         |                         |
| <b>Shareholders' funds</b>                                                        |       |                         |                         |
| Share capital                                                                     | 4     | 2,450.00                | 2,450.00                |
| Reserves and surplus                                                              | 5     | (112.67)                | (659.07)                |
|                                                                                   |       | <u>2,337.33</u>         | <u>1,790.93</u>         |
| <b>Non-current liabilities</b>                                                    |       |                         |                         |
| Long-term borrowings                                                              | 6     | 5,542.40                | 5,658.73                |
| Deferred tax liability (net)                                                      | 7.1   | 42.48                   | 11.89                   |
| Other long term liabilities                                                       | 8     | 1,817.51                | 1,864.09                |
| Long term provisions                                                              | 9     | 37.48                   | 54.01                   |
|                                                                                   |       | <u>7,439.87</u>         | <u>7,588.72</u>         |
| <b>Current liabilities</b>                                                        |       |                         |                         |
| Short-term borrowings                                                             | 10    | 17.28                   | 16.38                   |
| Trade payables                                                                    | 11    |                         |                         |
| Total outstanding dues of micro, small and medium enterprises                     |       | 0.67                    | 1.02                    |
| Total outstanding dues of creditors other than micro small and medium enterprises |       | 439.44                  | 461.50                  |
| Other current liabilities                                                         | 12    | 1,179.45                | 1,426.23                |
| Short-term provisions                                                             | 9     | 91.12                   | 72.13                   |
|                                                                                   |       | <u>1,727.96</u>         | <u>1,977.26</u>         |
| <b>TOTAL</b>                                                                      |       | <u><b>11,505.16</b></u> | <u><b>11,356.91</b></u> |
| <b>Assets</b>                                                                     |       |                         |                         |
| <b>Non-current Assets</b>                                                         |       |                         |                         |
| Fixed assets                                                                      |       |                         |                         |
| Tangible assets                                                                   | 13.1  | 8,230.36                | 8,606.86                |
| Intangible assets                                                                 | 13.2  | 413.44                  | 434.04                  |
| Capital work-in-progress                                                          |       | 68.08                   | 52.39                   |
| Deferred tax assets (net)                                                         | 7.2   | 9.65                    | 3.55                    |
| Loans and advances                                                                | 14    | 118.40                  | 107.81                  |
| Other non-current assets                                                          | 15.2  | 56.42                   | 174.85                  |
|                                                                                   |       | <u>8,896.35</u>         | <u>9,379.50</u>         |
| <b>Current Assets</b>                                                             |       |                         |                         |
| Current investments                                                               | 16    | 966.72                  | 249.46                  |
| Inventories                                                                       | 17    | 71.54                   | 61.84                   |
| Trade receivables                                                                 | 15.1  | 816.78                  | 683.54                  |
| Cash and bank balances                                                            | 18    | 523.99                  | 354.13                  |
| Loans and advances                                                                | 14    | 82.80                   | 87.17                   |
| Other current assets                                                              | 15.2  | 146.98                  | 541.27                  |
|                                                                                   |       | <u>2,608.81</u>         | <u>1,977.41</u>         |
| <b>TOTAL</b>                                                                      |       | <u><b>11,505.16</b></u> | <u><b>11,356.91</b></u> |
| Summary of significant accounting policies                                        | 3     |                         |                         |

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

**For S.R. BATLIBOI & ASSOCIATES LLP**  
**ICAI Firm Registration No. : 101049W/E300004**  
**Chartered Accountants**

**For Brahmayya & Co.**  
**ICAI Firm Registration No. : 000515S**  
**Chartered Accountants**

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

**-Sd/-**

**Per Yogesh Midha**  
Partner  
Membership no: 94941  
Place : Gurgaon  
Date : July 20, 2016

**-Sd/-**

**Per G. Srinivas**  
Partner  
Membership no: 86761  
Place : New Delhi  
Date : July 20, 2016

**-Sd/-**

**Srinivas Bommidala**  
Managing Director  
DIN-00061464

**-Sd/-**

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

**-Sd/-**

**Radhakrishnababu G.**  
Chief Financial Officer

Place : New Delhi  
Date : July 20, 2016

**-Sd/-**

**Saurabh Jain**  
Company secretary

Place : New Delhi  
Date : July 20, 2016

**Delhi International Airport Private Limited**  
**CIN: U63033DL2006PTC146936**  
**Consolidated Statement of Profit and Loss for the year ended March 31, 2016**  
**(All amounts in Rupees Crores, unless otherwise stated)**

|                                                                                                                                  | Notes | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
|----------------------------------------------------------------------------------------------------------------------------------|-------|--------------------------------------|--------------------------------------|
| <b>Income</b>                                                                                                                    |       |                                      |                                      |
| Revenue from operations                                                                                                          | 19    | 5,360.14                             | 4,653.18                             |
| Other income                                                                                                                     | 20    | 127.34                               | 68.54                                |
| <b>Total revenue (i)</b>                                                                                                         |       | <b>5,487.48</b>                      | <b>4,721.72</b>                      |
| <b>Expenses</b>                                                                                                                  |       |                                      |                                      |
| Annual fee to Airports Authority of India (AAI)                                                                                  |       | 2,304.15                             | 1,967.80                             |
| Purchase of traded goods                                                                                                         | 21    | 179.92                               | 165.67                               |
| Increase in traded goods                                                                                                         | 22    | (8.28)                               | (11.17)                              |
| Cost of material consumed                                                                                                        | 23    | 5.00                                 | 8.16                                 |
| Employee benefit expenses                                                                                                        | 24    | 158.81                               | 170.75                               |
| Other expenses                                                                                                                   | 25    | 818.17                               | 806.46                               |
| <b>Total expenses (ii)</b>                                                                                                       |       | <b>3,457.77</b>                      | <b>3,107.67</b>                      |
| <b>Earnings before interest, tax, depreciation and<br/>amortization and exceptional items (EBITDA) [(i) - (ii)]</b>              |       | <b>2,029.71</b>                      | <b>1,614.05</b>                      |
| Finance costs                                                                                                                    | 26    | 600.97                               | 598.26                               |
| Depreciation and amortisation expense                                                                                            | 27    | 673.81                               | 657.14                               |
| <b>Profit before tax and exceptional item</b>                                                                                    |       | <b>754.93</b>                        | <b>358.65</b>                        |
| <b>Exceptional item expense</b>                                                                                                  | 28    | -                                    | 57.96                                |
| <b>Profit before tax</b>                                                                                                         |       | <b>754.93</b>                        | <b>300.69</b>                        |
| Tax expense                                                                                                                      |       |                                      |                                      |
| Current tax                                                                                                                      |       | 175.64                               | 25.84                                |
| Adjustment of tax relating to earlier years                                                                                      |       | (0.40)                               | (0.15)                               |
| MAT credit entitlement for earlier years written off                                                                             |       | 2.93                                 | 0.16                                 |
| MAT credit entitlement                                                                                                           |       | (2.02)                               | (1.09)                               |
| Deferred tax                                                                                                                     |       | 24.49                                | 1.06                                 |
| <b>Total tax expense</b>                                                                                                         |       | <b>200.64</b>                        | <b>25.82</b>                         |
| <b>Profit after tax expense and before share of profit of an<br/>associate</b>                                                   |       | <b>554.29</b>                        | <b>274.87</b>                        |
| Share of profit of an associate                                                                                                  |       | 0.01                                 | 0.01                                 |
| <b>Profit for the year</b>                                                                                                       |       | <b>554.30</b>                        | <b>274.88</b>                        |
| <b>Earning per equity share [nominal value of share Rs. 10 each (March 31, 2015 : Rs. 10)]<br/>Basic and Diluted (In Rupees)</b> | 29    | 2.26                                 | 1.12                                 |
| Computed on basis of total profit for the year                                                                                   |       |                                      |                                      |
| <b>Summary of significant accounting policies</b>                                                                                | 3     |                                      |                                      |

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

**For S.R. BATLIBOI & ASSOCIATES LLP**  
**ICAI Firm Registration No. : 101049W/E300004**  
**Chartered Accountants**

**For Brahmayya & Co.**  
**ICAI Firm Registration No. : 000515S**  
**Chartered Accountants**

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

**- Sd/-**  
**Per Yogesh Midha**  
Partner  
Membership no: 94941  
Place : Gurgaon  
Date : July 20, 2016

**- Sd/-**  
**Per G. Srinivas**  
Partner  
Membership no: 86761  
Place : New Delhi  
Date : July 20, 2016

**- Sd/-**  
**Srinivas Bommidala**  
Managing Director  
DIN-00061464

**- Sd/-**  
**K. Narayana Rao**  
Whole time Director  
DIN-00016262

**- Sd/-**  
**Radhakrishnababu G.**  
Chief Financial Officer

**- Sd/-**  
**Saurabh Jain**  
Company secretary

Place : New Delhi  
Date : July 20, 2016

Place : New Delhi  
Date : July 20, 2016

**Delhi International Airport Private Limited**
**CIN. U63033DL2006PTC146936**
**Consolidated Cash Flow Statement for the year ended March 31, 2016**
**(All amounts in Rupees Crores, unless otherwise stated)**

|                                                                                               | March 31, 2016 | March 31, 2015 |
|-----------------------------------------------------------------------------------------------|----------------|----------------|
| <b>Cash flow from operating activities</b>                                                    |                |                |
| Profit before tax                                                                             | 754.93         | 300.69         |
| <b>Adjustment to reconcile profit before tax to net cash flows</b>                            |                |                |
| Depreciation and amortization expense                                                         | 673.81         | 657.14         |
| Provision/Write off of doubtful advances and trade receivable                                 | 1.16           | 9.95           |
| Capital advances written off                                                                  | -              | 0.74           |
| Interest income                                                                               | (30.39)        | (33.99)        |
| Exchange differences (net)                                                                    | 0.22           | 1.50           |
| Income from current investments                                                               | (48.90)        | (20.64)        |
| Income from sale of non-current investment (Refer Note no. 28)                                | -              | (34.57)        |
| Profit on sale of fixed assets                                                                | (0.05)         | (0.28)         |
| Other borrowing costs including amortisation                                                  | 14.17          | 27.21          |
| Loss on sale/discard of fixed assets (net)                                                    | 0.47           | 2.42           |
| Liabilities no longer required written back                                                   | (0.11)         | (1.65)         |
| Breakage cost of Interest Rate Swap (IRS) (Refer Note no. 28)                                 | -              | 91.83          |
| Prepayment charge on loan refinancing (Refer Note no. 28)                                     | -              | 0.70           |
| Interest on Borrowings                                                                        | 514.48         | 539.04         |
| Other Interest                                                                                | 68.10          | -              |
| Operating profit before working capital changes                                               | 1,947.89       | 1,540.09       |
| Movements in working capital :                                                                |                |                |
| Increase/(Decrease) in trade payables (net of hedge reserve)                                  | (22.41)        | 104.25         |
| Decrease in other long term liabilities                                                       | (39.06)        | (81.33)        |
| Increase in other current liabilities                                                         | 62.62          | 71.07          |
| (Increase)/Decrease in trade receivables                                                      | (134.62)       | 53.91          |
| Increase in inventories                                                                       | (9.70)         | (9.87)         |
| Decrease/(Increase) in other current assets                                                   | 28.76          | (21.69)        |
| Decrease/(Increase) in loans and advances                                                     | 9.69           | (19.03)        |
| (Decrease)/Increase in short term and long term provisions                                    | (0.75)         | 7.69           |
| <b>Cash generated from operations</b>                                                         | 1,842.42       | 1,645.09       |
| Direct taxes (paid) / refund received (net)                                                   | (162.42)       | (32.09)        |
| <b>Net cash flow from operating activities (A)</b>                                            | 1,680.00       | 1,613.00       |
| <b>Cash flows from investing activities</b>                                                   |                |                |
| Purchase of fixed assets, including capital work in progress and capital advances             | (224.46)       | (408.28)       |
| Development fee (DF) realised                                                                 | 413.37         | 384.39         |
| Proceeds from sale of fixed assets                                                            | 0.06           | 0.57           |
| Proceeds from assets given on finance lease                                                   | 0.08           | 0.22           |
| Proceeds from sale of non-current investments                                                 | -              | 33.52          |
| Purchase of current investments                                                               | (12,227.17)    | (6,951.24)     |
| Proceeds from sale/maturity of current investments                                            | 11,558.81      | 6,831.21       |
| Interest received                                                                             | 27.04          | 27.50          |
| Increase in margin money deposit                                                              | (11.63)        | (30.65)        |
| (Redemption)/Investment in bank deposits (having original maturity of more than three months) | 137.56         | (175.18)       |
| <b>Net cash flow used in investing activities (B)</b>                                         | (326.34)       | (287.94)       |
| <b>Cash flows from financing activities</b>                                                   |                |                |
| Proceeds from long-term borrowings                                                            | 0.21           | 1,819.33       |
| Repayment of long-term borrowings                                                             | (532.06)       | (2,308.25)     |
| Repayment of short-term borrowings                                                            | (2.39)         | (125.19)       |
| Proceeds from short-term borrowings                                                           | 3.28           | 8.95           |
| Other borrowing costs paid including amortization                                             | (5.40)         | (52.06)        |
| Collection of interest on DF loans from airlines                                              | 39.15          | 83.58          |
| Tax on dividend paid                                                                          | (7.23)         | (1.82)         |
| Interest paid                                                                                 | (553.25)       | (699.35)       |
| <b>Net cash flow used in financing activities (C)</b>                                         | (1,057.69)     | (1,274.81)     |
| Net increase in cash and cash equivalents (A + B + C)                                         | 295.97         | 50.25          |
| <b>Cash and cash equivalents as at beginning of year</b>                                      | 142.48         | 95.14          |
| Cash and Cash equivalents on divestment during the year                                       | -              | (2.91)         |
| <b>Cash and cash equivalents at the end of the year</b>                                       | 438.45         | 142.48         |

**Delhi International Airport Private Limited****CIN. U63033DL2006PTC146936****Consolidated Cash Flow Statement for the year ended March 31, 2016****(All amounts in Rupees Crores, unless otherwise stated)**

|                                                                | March 31, 2016 | March 31, 2015 |
|----------------------------------------------------------------|----------------|----------------|
| <b>Components of cash and cash equivalents</b>                 |                |                |
| Cash on hand                                                   | 2.53           | 2.30           |
| Cheques/ drafts on hand                                        | 16.24          | 5.51           |
| Credit card collections on hand                                | 1.19           | 0.97           |
| <b>With banks</b>                                              |                |                |
| – On current accounts                                          | 46.82          | 83.05          |
| – On deposit account with original maturity less than 3 months | 356.35         | 40.28          |
| – In Exchange earner foreign currency account                  | 14.88          | 9.94           |
| – On escrow account                                            | 0.44           | 0.43           |
| <b>Total cash and cash equivalents (Refer Note 18)</b>         | <b>438.45</b>  | <b>142.48</b>  |

Summary of significant accounting policies

3

**Explanatory notes annexed**

1. The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 on Cash Flow Statements notified under section 133 of the Companies Act, 2013, read together with rule 7 of the Companies (Accounts) Rules, 2014).

2. The above cash flow statement has been compiled from and is based on the Balance Sheet as at March 31, 2016 and the related Statement of Profit and Loss for the year ended on that date.

3. Cash and cash equivalents include Rs. 2.31 crores (March 31, 2015: Rs. 5.75 crores), pertaining to Marketing Fund, to be used for sales promotional activities.

4. Previous year figures have been regrouped and reclassified to confirm to those of current period.

As per our report of even date

**For S.R. BATLIBOI & ASSOCIATES LLP**  
ICAI Firm Registration No. : 101049W/E300004  
Chartered Accountants

**For Brahmayya & Co.**  
ICAI Firm Registration No. : 000515S  
Chartered Accountants

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

**-Sd/-**  
**Per Yogesh Midha**  
Partner  
Membership no: 94941  
Place : Gurgaon  
Date : July 20, 2016

**-Sd/-**  
**Per G. Srinivas**  
Partner  
Membership no: 86761  
Place : New Delhi  
Date : July 20, 2016

**-Sd/-**  
**Srinivas Bommidala**  
Managing Director  
DIN-00061464

**-Sd/-**  
**K. Narayana Rao**  
Whole time Director  
DIN-00016262

**-Sd/-**  
**Radhakrishnababu G.**  
Chief Financial Officer

**-Sd/-**  
**Saurabh Jain**  
Company secretary

Place : New Delhi  
Date : July 20, 2016

**1. Corporate Information**

Delhi International Airport Private Limited ('DIAL' or 'the Holding Company'), its subsidiary, associate and jointly controlled entities herein are collectively referred as "the Group". GMR Airports Limited (Holding Company of DIAL), a subsidiary of GMR Infrastructure Limited ('GIL' or 'Intermediate Holding Company') holds majority shareholding in DIAL. DIAL is mainly engaged in operating, maintaining, developing, modernizing and managing the Delhi Airport and other airport related activities 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 Operation, Management and Development Agreement ('OMDA') entered between the Holding Company and Airports Authority of India ('AAI').

**2. A) Basis of preparation of Consolidated Financial Statements ('CFS')**

The Consolidated Financial Statements include accounts of the Holding Company, its subsidiary (accounted as per Accounting Standard ('AS') - 21), associate (accounted as per AS - 23) and jointly controlled entities (accounted as per AS - 27). Subsidiary undertakings are those companies in which the Company, directly or indirectly, has an interest of more than one half of voting power or otherwise controls the composition of the Board of Directors so as to obtain economic benefits from its activities. Subsidiaries are consolidated from the date on which effective control is transferred to the Group till the date such control ceases. The consolidated financial statements of then Holding Company for the year ended March 31, 2016 have been prepared by the Holding Company in accordance with generally accepted accounting principles in India, mandatory accounting standards notified under section 133 of the Companies Act 2013, read together with rule 7 of the Companies (Accounts) Rules 2014, issued by the Ministry of Corporate Affairs. The consolidated financial statements have been prepared under the historical cost convention on an accrual basis.

The Consolidated Financial Statements are prepared on a line-by-line basis by adding together the value of like item of assets, liabilities, income and expenses after fully eliminating intra-group balances, intra-group transactions and unrealized profit or loss on transactions between the entities in the Group, unless cost cannot be recovered.

The excess of the cost to the Holding Company of its investments in subsidiaries, over its proportionate share in equity of the investee company as at the date of acquisition is recognized in the consolidated financial statements as Goodwill and disclosed under Intangible Assets. In case the cost of investment in subsidiaries is less than the proportionate share in equity of the investee company as on the date of investment, the difference is treated as Capital Reserve and shown under Reserves and Surplus. Goodwill arising on consolidation is not amortised but tested for impairment annually.

The gains or losses arising on the direct sale by the Company of its investment in its subsidiaries or associate companies to third parties are transferred to the Statement of Profit and Loss on the date of transaction. Such gains or losses are the difference between the sale proceeds and the net carrying values of the investments on the date of sale.

The Consolidated Financial Statements have been prepared using uniform policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the Company's separate financial statements.

Investments in associates have been accounted in these Consolidated Financial Statements as per AS-23 on 'Accounting for Investments in Associates in Consolidated Financial Statements'.

Investments in the Jointly Controlled Entities have been accounted using proportionate consolidation method whereby the Group includes its share of the assets, liabilities, income and expenses of the jointly

**Delhi International Airport Private Limited****CIN. U63033DL2006PTC146936****Notes to the consolidated financial statements for the year ended March 31, 2016****(All amounts in Rupees Crores, unless otherwise stated)**

controlled entities in its consolidated financial statements as per AS-27 on 'Financial Reporting of Interests in Joint Ventures' after elimination of intra-group balances, intra-group transactions and unrealised profit or loss on transactions between the group companies to the extent of the Company's proportionate share, except where cost cannot be recovered.

The entities considered in the Consolidated Financial Statements in the year are listed below:

| S.No. | Name of the entity                                                    | Country of Incorporation | Relationship as at March 31, 2016 | Relationship as at March 31, 2015 | Percentage of effective ownership interest held (directly or indirectly) as at |                |
|-------|-----------------------------------------------------------------------|--------------------------|-----------------------------------|-----------------------------------|--------------------------------------------------------------------------------|----------------|
|       |                                                                       |                          |                                   |                                   | March 31, 2016                                                                 | March 31, 2015 |
| 1     | Delhi Aerotropolis Private Limited (DAPL)                             | India                    | Subsidiary                        | Subsidiary                        | 100.00%                                                                        | 100.00%        |
| 2     | East Delhi Waste Processing Company Limited (EDWPCL)                  | India                    | Associate                         | Associate                         | 48.99%                                                                         | 48.99%         |
| 3     | Delhi Aviation Services Private Limited (DASPL)                       | India                    | Jointly Controlled entity         | Jointly Controlled entity         | 50.00%                                                                         | 50.00%         |
| 4     | TIM Delhi Airport Advertising Private Limited (TIMDAA)                | India                    | Jointly Controlled entity         | Jointly Controlled entity         | 49.90%                                                                         | 49.90%         |
| 5     | Delhi Aviation Fuel Facility Private Limited (DAFFPL)                 | India                    | Jointly Controlled entity         | Jointly Controlled entity         | 26.00%                                                                         | 26.00%         |
| 6     | Wipro Airport IT Services Limited (WAISL)                             | India                    | Jointly Controlled entity         | Jointly Controlled entity         | 26.00%                                                                         | 26.00%         |
| 7     | Delhi Airport Parking Services Private Limited (DAPSPL)               | India                    | Jointly Controlled entity         | Jointly Controlled entity         | 49.90%                                                                         | 49.90%         |
| 8     | Travel Food Services (Delhi Terminal 3) Private Limited (TFS)         | India                    | Jointly Controlled entity         | Jointly Controlled entity         | 40.00%                                                                         | 40.00%         |
| 9     | Delhi Duty Free Services Private Limited (DDFSPL)                     | India                    | Jointly Controlled entity         | Jointly Controlled entity         | 49.90%                                                                         | 49.90%         |
| 10    | Celebi Delhi Cargo Terminal Management India Private Limited (Celebi) | India                    | Jointly Controlled entity         | Jointly Controlled entity         | 26.00%                                                                         | 26.00%         |
| 11    | Devyani Food Street Private Limited* (DFSPL)                          | India                    | -                                 | Jointly Controlled entity         | -                                                                              | -              |
| 12    | Delhi Cargo Service Center Private Limited* (DCSC)                    | India                    | -                                 | Jointly Controlled entity         | -                                                                              | -              |

\*Devyani Food Street Private Limited and Delhi Cargo Service Center Private Limited ceased to be a jointly controlled entity pursuant to the sale of the Holding Company's stake w.e.f. February 10, 2015 and March 16, 2015 respectively.

## **B) Going concern**

- (i) The Holding Company's accumulated losses as at March 31, 2016 of Rs. 233.09 crores (March 31, 2015: Rs. 741.95 crores) have resulted in part erosion of net worth of the Holding Company as at the year end. However, the Holding Company has earned profit of Rs. 508.86 crores (March 31, 2015: 227.91 Crores) during the year ended March 31, 2016 and has met all its obligations as at March 31, 2016.
- (ii) In respect of Holding Company, the Airport Economic Regulatory Authority ("AERA") vide its powers conferred by Section 13(1) (a) of the AERA Act, 2008 passed an Aeronautical tariff order Viz. 03/2012-13 issued on April 24, 2012 which determined the Aeronautical tariff to be levied at Delhi Airport for the fourth and fifth year of tariff period of first five year control period (i.e. 2009 - 2014). The first five year control period referred to above ended on March 31, 2014.

However, earlier Holding Company had filed a writ petition before the Hon'ble Delhi High Court seeking extension of existing tariff as allowed vide AERA order no. 03/2012-13 issued on April 24, 2012 till disposal of Holding Company's appeal pending before AERAAT. Subsequently, Hon'ble Delhi High Court vide its final order dated January 22, 2015 ordered that the tariff determined by AERA for the First Control Period vide Tariff Order No.03/2012-13 issued on April 24, 2012, shall continue till the disposal of the appeals pending against the said Tariff Order, by AERAAT. The tariff matters have been listed for hearing by AERAAT on July 21, 2016.

Recently, AERA has released the tariff order No. 40/2015-16 ('AERA order') dated December 08, 2015 (issued on December 10, 2015) for second control period i.e. 2014 -2019, which as per AERA order would be implemented upon the final outcome of the legal proceedings attached to that order. As per AERA order, tariff for aeronautical revenue will be reduced by 89.40% of the existing tariff (i.e. tariff as compared to the first control period).

Further, AERA has also filed a Special Leave Petition (SLP) dated April 24, 2015 in Hon'ble Supreme Court of India, seeking interim relief from the final order of Hon'ble Delhi High Court dated January 22, 2015. AERA has also filed an application before Hon'ble Supreme Court seeking directions for the implementation of its tariff order for second control period. The pleadings of the parties are complete and Hon'ble Supreme Court has disposed off SLP on May 12, 2016 with directions to AERAAT to dispose of the Tariff Appeals within three months from receipt of this order.

Holding Company has also filed an appeal against the AERA order No. 40/2015-16 dated December 08, 2015 (issued on December 10, 2015), with AERAAT on January 11, 2016. In view of above petitions on the implementation of AERA order for second control period, the said order cannot be implemented till the disposal of all legal issues associated with the order. The revenue so collected by Holding Company during this interim period shall be adjusted from the aggregate revenue requirement for the Second control period w.e.f. April 1, 2014.

Based on the above, the profit earned over the last three financial years, Company's business plans, and cash projections prepared by the management for the next one year, the management expects to earn sufficient Cash profits and do not foresee any difficulty in continuing its business / operations and meeting its financial obligations and accordingly, these financial statements continue to be prepared on a going concern basis.

- (iii) DAPL has not undertaken any commercial activities during the year and also in the previous year, however certain administrative costs are incurred and debited to Statement of Profit and Loss, resulting in the accumulated losses as at March 31, 2016 exceeding fifty percent of the net worth and has incurred cash losses during the financial year and also in the immediately preceding financial year. However, the Holding Company has provided an assurance letter to infuse the additional capital as and when required. Accordingly, the financial statements of DAPL was prepared on Going Concern basis.
- (iv) TFS had accumulated losses of approximately Rs.5.64 crores (proportionate share: Rs. 2.26 crores) [March 31, 2015: Rs. 9.80 crores (proportionate share: Rs. 3.92 crores)] as at March 31, 2016 as compared to a paid-up equity share capital of Rs. 8.00 crores (proportionate share: Rs. 3.2 crores) [March 31, 2015: Rs. 8.00 crores (proportionate share: Rs. 3.2 crores)].

However, Management of TFS believes that it will be able to continue operations on a going concern basis and meet all its liabilities as they fall due for payment in the foreseeable future on the basis of the following:

- Financial, operational and technical support from the shareholders in this regard, and
- Business strategies and operating plans which will enable TFS to generate operating cash flows in the future.

Accordingly, the financial statements of TFS do not include any adjustments relating to the recoverability and classification of the carrying amount of assets or the amount and classification of liabilities that might result should TFS be unable to continue as a going concern.

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

#### **(i) Change in accounting policy**

##### **Component Accounting**

The Holding Company has adopted component accounting as required under Schedule II to the Companies Act, 2013 from April 1, 2015. The Holding Company was previously not identifying components of fixed asset separately for depreciation purposes; rather, a single useful life/ depreciation rate was used to depreciate each item of fixed asset.

Due to application of Schedule II to the Companies Act, 2013, the Holding Company has changed the manner of depreciation for its fixed asset. Now, the Holding Company identifies and determines cost of each component / part of the asset separately, if the component / part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset. The Holding Company has used transitional provisions of Schedule II to adjust the impact of component accounting arising on its first application. If a component has zero remaining useful life on the date of component accounting becoming effective, i.e., April 1, 2015, its carrying amount, after retaining any residual value, is charged to the statement of profit and loss. The carrying amount of other components, i.e., components whose remaining useful life is not nil on April 1, 2015, is depreciated over their remaining useful lives.

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The Holding Company has also changed its policy on recognition of cost of major inspection/ overhaul. Earlier Holding Company used to charge such cost directly to statement of profit and loss. On application of component accounting, the major inspection/ overhaul is identified as a separate component of the asset at the time of purchase of new asset. The cost of such major inspection/ overhaul is depreciated separately over the period till next major inspection/ overhaul. Upon next major inspection/ overhaul, the costs of new major inspection/ overhaul are added to the asset's cost and any amount remaining from the previous inspection/ overhaul is derecognized.

The Holding Company, based on technical review, has assessed the components except in case of Runways and Taxiways which is pending issuance of final notification by Airport Economic Regulatory Authority (AERA).

Had the Holding Company continued to use the earlier policy of depreciating fixed asset, its financial statements for the year would have been impacted as below:

Depreciation for the current period would have been lower by Rs. 14.59 crores. Profit before tax for the current period would have been higher by Rs. 14.59 crores and fixed asset would have been higher by Rs. 14.59 crores.

On the date of component accounting becoming applicable, i.e., April 1, 2015, there was no component having zero remaining useful life.

**(ii) Change in accounting estimate****Amortization of Intangible Assets**

Upto March 31, 2015, the Holding Company amortised upfront fee and other costs paid to Airport Authority of India ('AAI') over the initial and extended periods of OMDA i.e. 60 years.

However, the Holding Company, considering the prevalent regulatory and economic conditions, have revisited and revised the estimate for amortising the upfront fees and other cost paid to AAI over the initial period of 30 years of OMDA prospectively.

Had the Holding Company continued to use the earlier estimate of amortising the intangible assets, its financial statements for the period would have been impacted as below:

Amortization for the current period would have been lower by Rs. 11.93 crores. Profit before tax for the current period would have been higher by Rs. 11.93 crores and intangible assets would have been higher by Rs. 11.93 crores.

**a. Use of estimates**

The preparation of consolidated financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**b. Tangible fixed assets**

Tangible fixed assets are stated at cost, net of cenvat credit and other duty drawbacks less accumulated depreciation and impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

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

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

The Group adjusts exchange differences arising on translation / settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with MCA circular dated August 9, 2012 exchange differences adjusted to the cost of fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the Group does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

Collection charges on development fund (DF) are added to the fixed assets and are being depreciated over the remaining useful life of the asset.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

**c. Depreciation on tangible fixed assets**

In case of the Holding Company, depreciation is calculated on a straight line basis using the useful lives arrived at based on the useful lives of the assets estimated as prescribed under Schedule II to the Companies Act, 2013 except for assets individually costing less than Rs. 5,000/-, which are fully depreciated in the year of acquisition and certain assets class i.e Internal Approach Roads, electric panels and Transformers/Power Sub-Stations ; the Group based on a technical evaluation, believes that the useful life of such assets is different from the useful life specified in Schedule II to Companies Act 2013. The following is a comparison of the useful lives of these assets as adopted by the Holding Company and those prescribed under Schedule II to the Companies Act, 2013:

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| <b>Type of Assets</b>                    | <b>Useful life as adopted by the group based on technical evaluation</b> | <b>Useful life as prescribed in Schedule II to the Companies Act, 2013</b> |
|------------------------------------------|--------------------------------------------------------------------------|----------------------------------------------------------------------------|
| Internal Approach Roads – Other than RCC | 10 years                                                                 | 5 years                                                                    |
| Transformers/Power Sub-Stations          | 15 years                                                                 | 10 years                                                                   |
| Electric Panels/Electric fittings        | 10-15 years                                                              | 10 years                                                                   |

On June 12, 2014, the Airport Economic Regulatory Authority (“the Authority”) has issued a consultation paper viz.05/2014-15 in the matter of Normative Approach to Building Blocks in Economic Regulation of Major Airports wherein it, interalia, mentioned that the Authority proposes to lay down, to the extent required, the depreciation rates for airport assets, taking into account the provisions of the useful life of assets given in Schedule II of the Companies Act, 2013, for such assets that have not been clearly mentioned in the Schedule II of the Companies Act, 2013 or may have a useful life justifiably different than that indicated in the Companies Act, 2013 in the specific context to the airport sector. The Authority has initiated the process to enable it to issue a notification as appropriate, pursuant to the provisions of Part B of Schedule II of the Companies Act, 2013 for this purpose. Pending issuance of final notification by AERA of the useful lives of airport specific assets i.e. Runways, Taxiways and Apron, the Group, in the absence of any specific mention of useful lives of these assets in Schedule II to the Companies Act, 2013, continues to depreciate these assets over their estimated useful lives of 30 years as determined by the Management based on an internal technical evaluation. The impact, if any, based on the useful lives as may be notified by the Authority will be adjusted as and when notified.

Some of the Joint Venture companies have been following useful life for their Fixed Assets which are different from the lives published under Schedule II to the Companies Act, 2013 based on the estimation of useful lives done by the respective Management.

| <b>Type of Assets</b>  | <b>Useful life as adopted by the Management of respective entities in the group based on technical evaluation</b> | <b>Useful life as prescribed in Schedule II to the Companies Act, 2013</b> |
|------------------------|-------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|
| Plant and machinery    | 5-15 years                                                                                                        | 15 years                                                                   |
| Computers              | 2-6 years                                                                                                         | 3-6 years                                                                  |
| Vehicles               | 4-10 years                                                                                                        | 8 years                                                                    |
| Building               | 5-30 years                                                                                                        | 30 years                                                                   |
| Furniture and fittings | 5-10 years                                                                                                        | 10 years                                                                   |
| Office equipments      | 3-10 years                                                                                                        | 5 years                                                                    |

Note:

1. Leasehold improvements are amortised over the primary period of the lease or economic useful life, whichever is lower.
2. Runways, Taxiways and Apron are depreciated over the useful life of 30 years estimated by the management based on the internal technical evaluation.

3. The useful life of assets which are not as per Schedule II of Company Act 2013, have been estimated by the management based on the internal technical evaluation.

Also, refer note 3(i) of the significant accounting policies.

**d. 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.

The amortisation period and the amortisation method are reviewed at the end of each financial year. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern.

Also, refer note 3(i) of the significant accounting policies.

The Holding Company amortises, upfront fee and other costs paid to AAI referred to above are recognized and amortized over the initial period of OMDA i.e. 30 years .

In TFS, Franchise right fees are amortized on straight line basis over the period of 5-10 years.

Internally generated intangible assets, excluding capitalized development cost, are not capitalized and expenditure is reflected in the Statement of Profit and Loss in the year in which expenditure is incurred.

Other intangible assets are amortised over the useful life of asset or 3-6 six years whichever is lower.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit & loss when the asset is derecognized

**e. Impairment of tangible and intangible assets**

The Group 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 Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price 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. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's CGU's to which the individual assets are allocated. These budgets and forecast calculations are generally covering 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.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized 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 recognized. 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 recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

#### **f. Leases**

##### **Where the group is lessee:-**

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Finance leases, which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the 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 recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

##### **Where the Group is lessor:-**

Leases which does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of Profit and Loss.

Leases which transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognised as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Group apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognised in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

**g. Government grants**

Grants and subsidies including airport development fee from the Government or any regulatory authority are recognized when there is reasonable assurance that the grant / subsidy will be received / utilized and the Group will comply with the conditions attached to them.

In case of grants related to an asset, the grant amount (net of direct amount incurred to earn aforesaid grant) is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.

Capital Work in Progress (CWIP) relating to the development fund are being net off from the Development fee accrued (to the extent not utilized) and are not included in CWIP.

Government grants related to revenue are recognized on a systematic basis in the statement of profit and loss statement over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense.

**h. Investments**

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried in the consolidated financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

**i. Inventories**

Inventories are valued at lower of cost and net realisable value.

Cost is determined on a weighted average basis and includes all applicable costs in bringing inventories to their present location and condition.

However, in respect of TFS & Celebi, cost of inventories is determined on First in First out ('FIFO') basis. The value of inventories in respect of these entities is not significant and as such, has not been aligned with Group accounting policy.

Provision is made for items which are expired/ not likely to be consumed and other anticipated losses wherever considered necessary.

Net realisable 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.

**j. Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The Group collects service tax on behalf of the Government and therefore, it is not an economic benefit flowing to the Company, hence, it is excluded from revenue. The following specific recognition criteria must also be met before revenue is recognised:

*Airport Operations:*

Revenue from airport operations i.e. Aeronautical and Non Aeronautical operations are recognised on accrual basis, net of service tax, collection charges and applicable discounts when services are rendered. Aeronautical operations include user development fees (UDF), landing and parking of aircraft, fuel farm, operation and maintenance of passenger boarding and other allied services. Non-aeronautical operations include granting rights to use land and space primarily for catering to the needs of passengers, air traffic services and air transport services.

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

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

*Cargo Operations:*

Revenue from Cargo Operations are recognised on an accrual basis, net of service tax, applicable discounts, when services are rendered i.e. at the point of departure for exports and at the point when goods are cleared in case of imports.

Revenue from outbound cargo is recognised at the time of acceptance of cargo with respect to non-airline customers and at the time of departure of aircraft with respect to airline customers and revenue from inbound cargo is recognised at the time of arrival of aircraft in case of airline customers and at the point of delivery of cargo in case of non-airline customers. The Group collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

*Duty Free Operations:*

Revenue from the sale of goods at the duty free outlets is recognised at the time of delivery of goods to customers which coincides with transfer of risks and rewards. Sales are stated net of returns and discounts.

*Food and Beverages Operations:*

Revenue from sales is recognized when significant risks and rewards of ownership are transferred to the customers, which coincides with the point of delivery of goods to the customers from restaurants / delivery outlets.

*Bridge Mounted Equipments Operations:*

Revenue from Operations i.e. Ground Power Unit (GPU), Pre-Conditioned Air (PCA) and potable water are recognized on an accrual basis, when services are rendered.

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*Parking Operations:*

Revenue from parking services is recognized as and when services are provided. Revenue from airport entry tickets for visitors is recognised as and when the tickets are sold and cash is collected.

*Fuel Farm Operations:*

Revenue from sale of fuel is recognized as and when invoice is issued to the operator.

*Maintenance Contracts:*

Revenue from maintenance contracts is recognized ratably over the period of the contract using percentage of completion method. When services are performed through and indefinite number of repetitive acts over specified period of time, revenue is recognized on straight-line basis over the specified period unless some other method better represents the stage of completion.

Provision for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the current contract estimates. 'Unbilled revenues' included in other current assets represent cost and earnings in excess of billings as at the balance sheet date. 'Unearned revenues' included in other current liabilities represent billings in excess of revenue recognized.

*Advertisement Operations:*

Revenue from developing, operating, maintaining and managing the sites at airport for display of advertisement are recognized on the display of advertisements, net of taxes and rebates.

*Consultancy Fees/ Service Income:*

Consultancy fees/ Service Income is recognized on an accrual basis and in accordance with the agreement entered into with the food and beverage outlet operator / customer.

**Interest**

Revenue 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 are accounted on the basis of reasonable certainty / realisation.

**Claims**

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

**Others**

- Dividend income is recognized when the right to receive dividend is established by the reporting date.
- Profit/ loss on sale of mutual funds is recognized when the title to mutual funds ceases to exist. On disposal of above, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss. Such income is included under the head "Income from Current Investments."

- Branding income and visibility charges are recognised at pre-determined rates on accrual basis in accordance with the terms of respective contracts.
- Space rental has been recognised as per the terms of the contract with the customer.

**k. Concession fee paid**

Concession Fee paid to concessionaire grantors as a percentage of revenues, pursuant to the terms and conditions of the relevant agreement for development, construction, operation and maintenance of the respective airports has been disclosed as 'concession fees' in the Statement of Profit and Loss.

**l. Borrowing costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to interest cost.

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

**m. Foreign currency translation**

**(i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**(ii) Conversion**

Foreign currency monetary items are reported using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

**(iii) Exchange differences**

The Group accounts for exchange differences arising on translation / settlement of foreign currency monetary items as below:

1. Exchange differences arising on a monetary item that, in substance, forms part of the Company's net investment in a non-integral foreign operation is accumulated in the foreign currency translation reserve until the disposal of the net investment. On the disposal of such net investment, the cumulative amount of the exchange differences which have been deferred and which relate to that investment is recognized as income or as expenses in the same period in which the gain or loss on disposal is recognized.

2. Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.
3. Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortized over the remaining life of the concerned monetary item.
4. All other exchange differences are recognized as income or as expenses in the period in which they arise.

For the purpose of 2 and 3 above, the Company treats a foreign currency monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination. In accordance with MCA circular dated August 9, 2012, exchange differences for this purpose, are total differences arising on long-term foreign currency monetary items for the period. In other words, the Company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange differences.

**(iv) Forward Exchange Contracts not intended for trading or speculations purposes**

The premium or discount arising at the inception of forward exchange contracts is amortized and recognized as an expense / income over the life of the contract. Exchange differences on such contracts, except the contracts which are long-term foreign currency monetary items, are recognized in the Statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the year.

**n. Retirement and other employee benefits:**

(i) Retirement benefits in the form of Provident Fund, Superannuation Fund and Employees State Insurance are defined contribution schemes and the contributions are charged to the Statement of Profit and Loss of the period when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

In case of the Holding Company Retirement benefit in the form of Provident Fund is a defined contribution scheme. The Holding Company contributes a portion of contribution to Delhi International Airport Private Limited ('DIAL') Employees Provident Fund Trust. The remaining portion is contributed to the government administered pension fund. The Group has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. As such, the amount to the extent of loss in DIAL Employees Provident Fund Trust financial statements, if any, is accounted by the Group as provident fund cost based on actuarial valuation.

(ii) Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial period / year. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (based on last drawn basic salary) for each completed year of service.

Gratuity liability in case of the Holding Company is funded through policy taken from Life Insurance Corporation of India.

(iii) Short term compensated absences including sick leave are provided for based on estimates. Long term compensated absences including sick leave are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.

(iv) Actuarial gains/losses are immediately accounted in the Statement of Profit and Loss and are not deferred.

**o. Income taxes**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. 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 recognized directly in equity is recognized in equity and not in the Statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the Statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Group re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The entities in the Group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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 tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of profit and loss as current tax. The Company recognizes 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 group recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961 issued by the Institute of Chartered Accountants of India, the said asset is created by way of credit to the Statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement"

asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

**p. Segment information**

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

**q. Earnings per share**

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**r. Provisions**

A provision is recognized when the Group has a present obligation as a result of 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**s. Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

**t. Corporate Social Responsibility ('CSR')**

The Group has opted to charge its Corporate Social Responsibility (CSR) expenditure to the Statement of Profit & Loss Account.

**u. Cash and cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

**v. Derivative Instruments**

As per the announcement made by ICAI, accounting for derivative contracts, other than those covered under Accounting Standards 11 'The Effect of Changes in Foreign Exchange Rates', are marked to market on a portfolio basis, and the net loss after considering the offsetting effect on the underlying hedge item is charged to the statement of profit and loss. Net gains are ignored.

**w. Measurement of EBITDA**

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956 issued by the Institute of Chartered Accountants of India, the Company has elected to present earnings before interest, tax, depreciation and amortization and exceptional items (EBITDA), but including other income, as a separate line item on the face of the Statement of profit and loss. The Group measures EBITDA on the basis of profit from continuing operations. In its measurement, the Group does not include depreciation and amortization expense, finance costs, tax expense and exceptional items.

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4 Share capital

|                                                                     | March 31, 2016  | March 31, 2015  |
|---------------------------------------------------------------------|-----------------|-----------------|
| <b>Authorized share capital (No. in crores)</b>                     |                 |                 |
| 300 (March 31, 2015: 300) equity shares of Rs. 10 each              | 3,000.00        | 3,000.00        |
|                                                                     | <b>3,000.00</b> | <b>3,000.00</b> |
| <b>Issued, subscribed and fully paid-up shares (No. in crores)</b>  |                 |                 |
| 245 (March 31, 2015: 245) equity shares of Rs.10 each fully paid up | 2,450.00        | 2,450.00        |
| <b>Total issued, subscribed and fully paid-up share capital</b>     | <b>2,450.00</b> | <b>2,450.00</b> |

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

i) Equity Shares

|                                           | March 31, 2016 |                 | March 31, 2015 |                 |
|-------------------------------------------|----------------|-----------------|----------------|-----------------|
|                                           | In numbers     | Rs in crores    | In numbers     | Rs in crores    |
| At the beginning of the year              | 245.00         | 2,450.00        | 245.00         | 2,450.00        |
| Allotted during the year                  | -              | -               | -              | -               |
| <b>Outstanding at the end of the year</b> | <b>245.00</b>  | <b>2,450.00</b> | <b>245.00</b>  | <b>2,450.00</b> |

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. Further, the shareholders have entered into share holders' agreement whereby special rights have been assigned to Airports Authority of India (AAI) in respect to appointment of a nominee director in the Board, approval of reserved Shareholder and Board matters by affirmative vote of AAI. Further, in case, if any shareholder intends to transfer its shares within the restriction of lock in period mentioned in Operation, management and Development Agreement (OMDA) among the shareholders, other shareholders will have first right of refusal in accordance with the terms of the shareholders' agreement.

(c) Shares held by the holding Company/ intermediate holding company and their subsidiaries

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

|                                                                           | March 31, 2016 | March 31, 2015 |
|---------------------------------------------------------------------------|----------------|----------------|
| <b>i) Equity Shares of Rs. 10 each fully paid</b>                         |                |                |
| <b>GMR Infrastructure Limited, the intermediate holding company</b>       |                |                |
| 100 (March 31, 2015: 100) equity shares of Rs.10 each fully paid up       | 0.00           | 0.00           |
| <b>GMR Energy Limited, Subsidiary of the intermediate holding company</b> |                |                |
| 100 (March 31, 2015: 100) equity shares of Rs.10 each fully paid up       | 0.00           | 0.00           |
| <b>GMR Airports Limited, the holding company of DIAL</b>                  |                |                |
| 156.80 (March 31, 2015: 132.30) equity shares of Rs.10 each fully paid up | 1,568.00       | 1,323.00       |

(d) Details of shareholders holding more than 5% shares in the Company

|                                                 | March 31, 2016        |                    | March 31, 2015        |                    |
|-------------------------------------------------|-----------------------|--------------------|-----------------------|--------------------|
|                                                 | In numbers            | % holding in class | In numbers            | % holding in class |
| <b>Equity shares of Rs. 10 each fully paid</b>  |                       |                    |                       |                    |
| Airports Authority of India                     | 63,70,00,000          | 26%                | 63,70,00,000          | 26%                |
| GMR Airports Limited                            | 1,56,79,99,800        | 64%                | 1,32,29,99,800        | 54%                |
| Malaysia Airports (Mauritius) Private Limited   | -                     | -                  | 24,50,00,000          | 10%                |
| Fraport AG Frankfurt Airport Services Worldwide | 24,50,00,000          | 10%                | 24,50,00,000          | 10%                |
|                                                 | <b>2,44,99,99,800</b> | <b>100.00%</b>     | <b>2,44,99,99,800</b> | <b>100.00%</b>     |

As per records of the Company, including its register of shareholders/ members, the above shareholding represent legal ownership of shares as at balance sheet date. GMR Airports Limited (Holding Company of DIAL) has bought an additional stake of 10% in the DIAL from Malaysia Airports (Mauritius) Private Limited on May 25, 2015. Consequent to this, GMR Airports Limited shareholding in the Holding Company has increased to 64%.

5 Reserves and surplus

|                                                                                | March 31, 2016  | March 31, 2015  |
|--------------------------------------------------------------------------------|-----------------|-----------------|
| <b>General reserve</b>                                                         |                 |                 |
| Balance as per last financial statements                                       | 8.79            | 8.79            |
| Amount transferred from deficit balance in the statement of profit and loss    | (0.02)          | -               |
| Closing Balance                                                                | <b>8.77</b>     | <b>8.79</b>     |
| <b>Capital Redemption Reserve</b>                                              |                 |                 |
| Balance as per last financial statements                                       | 0.76            | 0.76            |
| Add:- Additions during the year                                                | -               | -               |
| Closing Balance                                                                | <b>0.76</b>     | <b>0.76</b>     |
| <b>Deficit in the statement of profit and loss</b>                             |                 |                 |
| Balance as per last financial statements                                       | (668.62)        | (938.67)        |
| Less: Dividend Distribution Tax on Proposed Dividend by joint venture entities | (7.88)          | (4.77)          |
| Add/ (Less): Transferred to Exchange Fluctuation Reserve                       | 0.01            | (0.05)          |
| Add: Profit for the year                                                       | 554.30          | 274.88          |
| Less: Share of reserve of Associates                                           | (0.01)          | (0.01)          |
| <b>Net deficit in the statement of profit and loss</b>                         | <b>(122.20)</b> | <b>(668.62)</b> |
| <b>Total reserves and surplus</b>                                              | <b>(112.67)</b> | <b>(659.07)</b> |

**Delhi International Airport Private Limited**

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Notes to the consolidated financial statements for the year ended March 31, 2016

(All amounts in Rupees Crores, unless otherwise stated)

**6 Long-term borrowings**

|                                                                                 | March 31, 2016      |                    | March 31, 2015      |                    |
|---------------------------------------------------------------------------------|---------------------|--------------------|---------------------|--------------------|
|                                                                                 | Non-current portion | Current Maturities | Non-current portion | Current Maturities |
| <b>Term loans</b>                                                               |                     |                    |                     |                    |
| Indian rupee term loan from financial institutions (secured)                    | 772.00              | 22.00              | 1,854.94            | 4.73               |
| Indian rupee term loan from financial institutions (unsecured)                  | 0.06                | -                  | 0.14                | -                  |
| Indian rupee term loan from banks (secured)                                     | 2,292.01            | 95.24              | 1,324.59            | 39.20              |
| Indian rupee loan against Development fees ('DF') receipts from banks (secured) | -                   | 84.00              | 89.06               | 456.20             |
| 6.125% senior secured foreign currency notes (secured)                          | 1,927.98            | -                  | 1,820.86            | -                  |
| Foreign currency loan from banks (secured)                                      | 543.42              | 33.82              | 562.63              | 12.75              |
| <b>Other loans and advances</b>                                                 |                     |                    |                     |                    |
| Finance lease obligation (secured)                                              | 0.03                | 0.02               | -                   | -                  |
| Loans from related parties (unsecured)                                          | 6.90                | -                  | 6.51                | -                  |
|                                                                                 | <b>5,542.40</b>     | <b>235.08</b>      | <b>5,658.73</b>     | <b>512.88</b>      |
| <b>The above amount includes</b>                                                |                     |                    |                     |                    |
| Secured borrowings                                                              | 5,535.41            | 235.06             | 5,652.08            | 512.88             |
| Unsecured borrowings                                                            | 6.99                | 0.02               | 6.65                | -                  |
| Amount disclosed under the head "other current liabilities" (Refer note 12)     | -                   | (235.08)           | -                   | (512.88)           |
| <b>Net amount</b>                                                               | <b>5,542.40</b>     | <b>-</b>           | <b>5,658.73</b>     | <b>-</b>           |

**Term Loans****1) Indian Rupee Term Loan from Financial Institutions (secured) taken by Holding Company**

Outstanding Rupee Term Loan (RTL) of Rs. 794 crores (March 31, 2015: Rs.1,859.67 crores) from financial institutions carries interest at Base rate plus agreed spread, which is subject to reset at the end of agreed interval. The interest rate during the period ranging from 10.50% to 10.70% p.a. (March 31,2015: 10.70% to 11.50% p.a). The loan is repayable in 32 quarterly unequal installments as per repayment schedule starting from June 2016 and ending on September, 2023.

**2) Indian Rupee Term Loan from Financial Institutions (unsecured)**

In WAISL, outstanding unsecured loan of Rs.0.21 crores (proportionate share Rs. 0.06 crores) [March 31, 2015: 0.53 crore (proportionate share Rs. 0.14 crores)] carries interest at 10.5% p.a. (March 31,2015: 10.50% p.a.). The loan is repayable in 72 equal monthly instalments of Rs 9.37 crore [proportionate share Rs. 2.44 crore] each (including interest) from January 2012 to December 2017.

**3) Indian Rupee Term Loan from Banks (secured)**

a) In Holding Company, outstanding Rupee Term Loan (RTL) of Rs. 2,170.37 crores (March 31, 2015: Rs.1,112.30 crores) from Banks carries interest at Base rate plus agreed spread, which is subject to reset at the end of agreed interval. The interest rate during the period ranging from 10.65% to 11.75% p.a. ( March 31, 2015: 11.50% to 11.75% per annum). The loan of Rs. 1109.44 crores is repayable in 48 quarterly unequal installments as per repayment schedule from June 2016 and ending on March 2028. The loan of Rs. 1060.93 crores (March 31, 2015: Rs. 1063.67 crores); which was reclassified from Indian Rupee Loan from Financial Institutions (secured) in March 31, 2015 to Indian Rupee loan from Bank (secured) in March 31, 2016, is repayable in 48 quarterly installments from June 2016 to March 2028.

The above loans (Indian Rupee Term Loan from Financial Institutions and Indian Rupee Term Loan from Banks), are secured by first rank pari-passu charge on all the future revenues, receivables, Trust and Retention account, Debt Service Reserve, Major maintenance reserve, 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. The loans are further secured by the pledge of requisite shares held by consortium of GMR Airports Limited, Malaysia Airports (Mauritius) Private Limited and Fraport AG Frankfurt Airport Services Worldwide (shareholders of the Holding Company).

b) In Celebi, outstanding Indian Rupees loan from bank of Rs 79.29 crores (proportionate share Rs. 20.61 crores) [March 31,2015: Rs.105.71 crores (proportionate share Rs. 27.48 crores)] carries interest of base rate plus 1% plus term premia (March 31,2015: base rate plus 1.5 % plus term premia). The loan is repayable in quarterly instalments of Rs. 6.06 crores at various repayment dates. The loan is secured by charge on fixed assets and surplus account in accordance with escrow agreement entered with bank.

Outstanding Indian Rupee loan from bank of Rs. Rs 16.73 crores (proportionate share Rs. 4.35 crores) [March 31,2015: Rs.18.57 crores (proportionate share Rs. 4.83 crores)] carries interest of base rate plus 1% plus term premia (March 31,2015: base rate plus 1.25 % plus term premia). The balance loan is repayable in quarterly instalments at various repayment dates. The loan is secured by charge on fixed assets and surplus account in accordance with escrow agreement entered with bank.

c) In DASPL, March 31, 2016 : outstanding Indian rupee term loan of Rs. 28.60 crores (proportionate share Rs. 14.30 crores) (March 31, 2015: Nil) was repaid during the current year from HDFC Bank Ltd. is secured by exclusive charge on movable fixed assets of the company on WDV, entire current assets of the company and borrowers Escrow Account receivable. Indian rupee term loan from banks carries interest at Base Rate + BPS (0.90), which is subject to reset at the end of agreed interval. The loan amount is repayable in quarterly equated instalments of Rs. 22,000,000 extending upto April, 2019. As at March 31, 2015, outstanding Indian Rupee term loan of Rs. 37.40 crores [proportionate share Rs. 18.70 crores] from IDBI carries interest at Bank Prime Lending Rate minus 2.75%, which is subject to reset at the end of agreed interval. The loan from IDBI was secured by first charge on borrowers Escrow Account after payment of statutory dues and concession fee to the Holding Company. The loan amount is repayable in quarterly instalments of Rs. 2.20 crores extending upto April 2019.

d) In DDFS, outstanding Rupee Term Loan of Rs.146.88 crores (proportionate share Rs. 73.29 crores) [March 31, 2015: 173.14 crores (proportionate share Rs. 86.40 crores)] from bank carries interest at 10.60% p.a. (March 31, 2015: 11.75% p.a.). The loan is secured by:

- first charge by way of hypothecation of DDFS's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the bank.

- first charge on movable fixed assets of DDFS, both present and future (except those financed by other financial institution), in a form and manner satisfactory to the bank.

- pledge of 30% of sponsors shareholding in DDFS worth Rs. 24.00 crores [proportionate share Rs. 11.98 crores] in accordance of section 19 (2), 19 (3) of Banking Regulation Act.

- Escrow agreement between ICICI and borrower for first and exclusive charge on receivable.

The balance loan will be paid in 18 unequal instalments starting from June 2016 till September 2020.

e) In TFS, outstanding Rupee Term loan from bank of Rs.6.44 crores (proportionate share Rs. 2.58 crores) [March 31, 2015: Rs. 9.29 crores (proportionate share 3.72 crores)] carries interest rate @11.25% to 13% p.a. (March 31, 2015: @11.25% to 13% p.a.) The loan is repayable in equal quarterly instalments along with interest. The loan is partially secured by pledge of 30% of member's shareholding in TFS and by way of lien on Escrow account.

f) In DAFFPL, outstanding Rupee Term Loan (RTL) from bank of Rs.109.59 crores (proportionate share Rs. 28.49 crores) [March 31, 2015: Rs. 130.48 crores. (proportionate share Rs. 33.92 crores)] carries interest at 9.65% p.a. (March 31, 2015 : 10.30% to 10.55% p.a.). The loan is secured by charge on receivables/ cash flows/ revenue under escrow account (present & future) after statutory dues and DIAL's license fee. The loan is repayable in quarterly instalments.

g) The DAPSL refinanced its existing Indian Rupee Term Loan from Andhra Bank through State Bank of India (SBI) on January 30, 2015. The outstanding term loan of Rs.125.46 crores (proportionate share Rs. 67.88 crores) [March 31, 2015: Rs.139.86 crores (proportionate share Rs. 69.79 crores)] from SBI carries interest at Base rate plus spread, which is subject to reset at the end of every 12 months from the date of first disbursement. Interest on term varies on term varies between 10.55% to 11.25% per annum (March 31, 2015: 11.25% to 12.25% per annum). The loan is repayable in 38 quarterly unequal instalments starting from October 2015. Further, the loan is secured by way of an exclusive first charge on the revenue, profit, receivables, book debts, outstanding monies, recoverable claims and cash flows, both present and future and by way of Pledge of 30% of the issued and paid up capital of DAPSL, to be pledged at all the times during the tenor of loan.

h) In TIMDAA, outstanding Indian Rupee loan from bank of Rs.10.76 crores (proportionate share Rs. 5.37 crores) which has been taken over by HDFC Bank from ICICI Bank w.e.f February 15, 2016 [March 31, 2015: Rs. 13.32 crores (proportionate share Rs. 6.65 crores) and Rs. 1.08 crores (proportionate share Rs. 0.53 crores)] carries interest ranging from @11.75% to 9.40 % p.a (March 31, 2015 : 11.75 % p.a.) . The loan is secured by charge on entire book debts of TIMDAA, bills whether documentary or clean, outstanding monies and receivables of TIMDAA both present and future under escrow account. Borrower has also given an undertaking to the bank for first right on security deposit of Rs. 35 crores (given to the Holding Company) so released by the Holding Company for appropriation towards HDFC Bank ( March 31, 2015: ICICI Bank) dues. The loan is repayable in equal quarterly instalments & monthly installment.

**4) Indian rupee loan against Development fees ('DF') receipts from banks (secured) taken by the Holding Company**

Indian Rupee Loan against Development Fees ('DF') receipts from banks and financial institutions carries interest at fixed rate of Interest of 11.95% p.a. (March 31, 2015: 11.50% p.a.). The loan is repayable from collection of DF receipts and repayment commitments are as per the loan agreement. The aforesaid loan is secured by pari passu first charge on DF receipts by the Holding Company

**Delhi International Airport Private Limited**

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**Notes to the consolidated financial statements for the year ended March 31, 2016****(All amounts in Rupees Crores, unless otherwise stated)****5) 6.125% senior secured foreign currency notes (secured) issued by Holding Company**

6.125% Senior Secured Foreign Currency Notes (Notes) of USD 288.75 million (March 31, 2015: USD 288.75 million) from International capital market carrying a fixed interest rate of 6.125% p.a. plus applicable withholding tax. The Notes are due for repayment in February, 2022. The loan is secured by first rank pari-passu charge on all the future revenues, receivables, Trust and Retention account, any other reserve, other bank accounts and insurance proceeds of the Holding 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.

**6) Foreign currency loan from banks (secured) taken by Holding Company**

Outstanding Foreign currency term loan of USD 86.45 million (March 31, 2015 : USD 91.24 million ) carries interest at 6 months LIBOR plus agreed spread of 480 bps. The loan is repayable in 18 unequal half yearly installments from June, 2016 and will end on December, 2024.

The above loans are secured by first rank pari-passu charge on all the future revenues, receivables, Trust and Retention account, Debt Service Reserve, Major maintenance reserve, any other reserve, other bank accounts and insurance proceeds of the Holding 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. The loans are further secured by the pledge of requisite shares held by consortium of GMR Airports Limited, Malaysia Airports (Mauritius) Private Limited and Fraport AG Frankfurt Airport Services Worldwide (shareholders of the Holding Company).

**7) Finance lease obligation (secured)**

a) TIMDAA has taken "Finance lease obligation" amounting to Rs. 0.06 crore (proportionate share Rs. 0.03 crore) [(March 31, 2015: Nil (proportionate share Nil)] on account of vehicle lease is secured by hypothecation of vehicle. The interest rate implicit in the lease is 13%. Accordingly, the loan is considered repayable in 36 unequal monthly instalments of Rs. 33,370 (proportionate share Rs. 16,652) and Rs. 49,013 (proportionate share Rs. 24,457).

**8) Loan from related parties (unsecured)**

a) In Celebi, outstanding Loan of Rs. 26.53 crores (proportionate share Rs. 6.90 crores) [March 31, 2015: Rs. 25.04 crores (proportionate share Rs. 6.51 crores)] from Celebi Hava Servisi A.S. (Holding Company of Celebi) carries interest based on 6 month LIBOR rate plus spread of 500 bps. The loan is repayable as one instalment on maturity in May 2018.

**7 Deferred tax asset / liability**

Deferred tax liability/asset comprises mainly of the following:

|                                                                                                                                        | March 31, 2016         |                    | March 31, 2015         |                    |
|----------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------------|------------------------|--------------------|
|                                                                                                                                        | Deferred tax liability | Deferred tax asset | Deferred tax liability | Deferred tax asset |
| <b>7.1 Deferred tax liability</b>                                                                                                      |                        |                    |                        |                    |
| Fixed assets: Impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting.         | 1,088.61               | -                  | 1,026.44               | -                  |
| Carry forward losses and unabsorbed depreciation under tax laws                                                                        | -                      | 962.02             | -                      | 927.80             |
| Impact of the expenditure charged to the statement of profit and loss in the current year but allowed for tax purpose on payment basis | -                      | 0.74               | -                      | 0.62               |
| Intangibles (Airport Concession rights)                                                                                                | -                      | 73.84              | -                      | 77.73              |
| On account of provision for doubtful trade, advances and diminution in value of investment                                             | -                      | 0.36               | -                      | 0.41               |
| Others                                                                                                                                 | -                      | 9.17               | 0.53                   | 8.52               |
| <b>Sub – total (A)</b>                                                                                                                 | <b>1,088.61</b>        | <b>1,046.13</b>    | <b>1,026.97</b>        | <b>1,015.08</b>    |
| <b>Deferred tax liability (net)</b>                                                                                                    |                        | <b>42.48</b>       |                        | <b>11.89</b>       |
| <b>7.2 Deferred tax asset</b>                                                                                                          |                        |                    |                        |                    |
| Fixed assets: Impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting.         | -                      | 7.94               | -                      | 2.35               |
| Carry forward losses and unabsorbed depreciation under tax laws                                                                        | -                      | -                  | -                      | -                  |
| Impact of the expenditure charged to the statement of profit and loss in the current year but allowed for tax purpose on payment basis | -                      | 1.18               | -                      | 0.65               |
| Others                                                                                                                                 | -                      | 0.53               | -                      | 0.55               |
| <b>Sub – total (B)</b>                                                                                                                 | <b>-</b>               | <b>9.65</b>        | <b>-</b>               | <b>3.55</b>        |
| <b>Deferred tax asset (net)</b>                                                                                                        |                        | <b>9.65</b>        |                        | <b>3.55</b>        |

The Holding Company has timing differences between accounting and tax records which requires accounting for deferred tax assets. Since, there is no evidence of virtual certainty of profit as required by AS 22 "Accounting for Taxes on Income", the management has decided not to recognize deferred tax assets over and above the deferred tax liability as at March 31, 2016.

**8 Other long-term liabilities**

|                                                               | March 31, 2016  | March 31, 2015  |
|---------------------------------------------------------------|-----------------|-----------------|
| Security Deposits                                             |                 |                 |
| - from trade commercial property developers                   | 1,471.51        | 1,471.51        |
| - from trade concessionaires                                  | 184.98          | 162.51          |
| Advances from commercial property developers [ Refer note 43] | 121.77          | 175.85          |
| Advances from customers                                       | 27.83           | 34.38           |
| Unearned revenue                                              | 0.56            | 1.46            |
| Capital Creditors                                             | 8.40            | 15.00           |
| Retention money Non-trade                                     | 2.46            | 3.38            |
|                                                               | <b>1,817.51</b> | <b>1,864.09</b> |

**9 Provisions**

|                                                                                       | March 31, 2016 |              | March 31, 2015 |              |
|---------------------------------------------------------------------------------------|----------------|--------------|----------------|--------------|
|                                                                                       | Long-term      | Short-term   | Long-term      | Short-term   |
| <b>Provision for employee benefits</b>                                                |                |              |                |              |
| Provision for gratuity [Refer note 36(B)]                                             | 1.21           | 0.26         | 0.86           | 0.79         |
| Provision for leave benefits                                                          | 0.77           | 15.61        | 0.65           | 14.61        |
| Provision for superannuation fund                                                     | -              | 0.27         | -              | -            |
|                                                                                       | <b>1.98</b>    | <b>16.14</b> | <b>1.51</b>    | <b>15.40</b> |
| <b>Other provision</b>                                                                |                |              |                |              |
| Provision for Voluntary retirement scheme cost payable to Airports Authority of India | 34.90          | 17.61        | 52.50          | 18.26        |
| Provision for taxation (net of advance tax )                                          | -              | 30.50        | -              | 9.68         |
| Provision for wealth tax                                                              | -              | -            | -              | 0.01         |
| Provision for tax on proposed equity dividend by Joint Venture entities               | -              | 3.93         | -              | 3.28         |
| Provisions for loss on derivative contracts                                           | -              | 22.91        | -              | 22.95        |
| Other provision                                                                       | 0.60           | 0.03         | -              | 2.55         |
|                                                                                       | <b>35.50</b>   | <b>74.98</b> | <b>52.50</b>   | <b>56.73</b> |
|                                                                                       | <b>37.48</b>   | <b>91.12</b> | <b>54.01</b>   | <b>72.13</b> |

**10 Short-term borrowings**

|                                          | March 31, 2016 | March 31, 2015 |
|------------------------------------------|----------------|----------------|
| Cash credit from banks (secured)         | 16.23          | 13.14          |
| Short Term Loans from banks (secured)    | 0.01           | 2.20           |
| Short Term Loans from others (unsecured) | 1.04           | 1.04           |
|                                          | <b>17.28</b>   | <b>16.38</b>   |
| <b>The above amount includes</b>         |                |                |
| Secured borrowings                       | 16.24          | 15.34          |
| Unsecured borrowings                     | 1.04           | 1.04           |

**1) Cash Credit from banks (Secured)**

a) In DASPL, Working Capital Loan as on March 31, 2016 of Rs. 10.64 crores [Proportionate share Rs. 5.32 crores] from HDFC Bank Ltd. is secured by exclusive charge on movable fixed assets of the company on WDV, entire current assets of the company and borrowers Escrow Account receivable. Working capital loan from banks carries interest at Base Rate+BPS (165), which is subject to reset at the end of agreed interval. The working capital loan is repayable on demand. March 31, 2015 of Rs. 0.56 crores [Proportionate share Rs. 0.28 crores] from IDBI Bank is secured by first charge on borrowers Escrow Account after payment of statutory dues and concession fees to the Holding Company. Working capital loan from banks carries interest at Bank Prime Lending Rate minus 2.25%, which is subject to reset at the end of agreed interval. The working capital loan is repayable on demand.

b) In DDFS, Cash credit as on March 31, 2016 of Rs. 19.90 crores (proportionate share Rs. 9.93 crores) [ March 31, 2015 of Rs. 24.68 crores (Proportionate share Rs. 12.32 crores)] carries the rate of interest of 3.6246% p.a. (March 31, 2015 :13.25% p.a.) during the year. This facility is secured by First charge by way of hypothecation of the company's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the bank. First charge on movable fixed assets of the company, both present and future (except those financed by other financial institution), in a form and manner satisfactory to the bank. Pledge of 30% of sponsors shareholding in Delhi Duty Free Services Private Limited worth Rs. 24 crores [proportionate share Rs. 11.98 crores] in accordance of section 19 (2), 19 (3) of Banking Regulation Act. Escrow agreement between ICICI and borrower for first and exclusive charge on receivable.

c) In TIMDAA, the cash credit as on March 31, 2016 of Rs. 1.96 crores (proportionate share Rs. 0.98 crores) [March 31, 2015 of Rs. 1.08 crores (proportionate share Rs. 0.54 crores)] is secured by charge on entire book debts of the company, bills whether documentary or clean, outstanding monies and receivables of the company both present and future under escrow account. Borrower has also given an undertaking to the bank for first right on security deposit of Rs. 35 crores (given to the Holding Company) so released by the Holding Company for appropriation towards HDFC bank (March 31, 2015 : ICICI Bank) dues, if any. The cash credit is repayable on demand and carries interest ranging from @ 12.25% to 9.40 % per annum (March 31, 2015 :@12.25% per annum).

**2) Short Term Loans from banks (secured)**

a) In Celebi, Indian Rupee working capital loan Rs Nil [March 31, 2015 of Rs. 8.48 crores (proportionate share Rs. 2.20 crores)] carries interest ranging from 10.75% to 11.25%. The loan was repayable with in one year and is renewed on bank discretion. The loan was secured on trade receivables including unbilled revenue.

b) In DAFFPL, Indian Rupee working capital loan Rs 0.03 crores (proportionate share Rs. 0.01 crores) [March 31, 2015 :Nil] carries interest of Rs 9.65% p.a. as on date. The loan is secured by charge on receivables/cash flows/revenue under escrow account present & future after statutory dues and Holding Company's License fees.

**3) Short Term Loans from group companies (unsecured)**

In WAISL, the loan of Rs. 4 crores [Proportionate share Rs. 1.04 crores] from Wipro Limited, holding company of WAISL, was taken on 30 September 2014, and carries interest @10 % p.a commencing on the effective date. The agreement shall terminate after one year from the effective date of the agreement. The said loan has been renewed for a period of another one year and is repayable on September 30, 2016.

**11 Trade payables**

|                                                                                                                                      | March 31, 2016 | March 31, 2015 |
|--------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| Trade payables                                                                                                                       |                |                |
| Total outstanding dues of micro enterprises and small enterprises [Refer note 39 for details of dues to micro and small enterprises] | 0.67           | 1.02           |
| Total outstanding dues of creditors other than micro enterprises and small enterprises                                               | 439.44         | 461.50         |
|                                                                                                                                      | <b>440.11</b>  | <b>462.52</b>  |

**12 Other current liabilities**

|                                                                         | March 31, 2016  | March 31, 2015  |
|-------------------------------------------------------------------------|-----------------|-----------------|
| <b>Other liabilities</b>                                                |                 |                 |
| Current maturities of long-term borrowings [refer note 6]               | 235.08          | 512.88          |
| Advances from commercial property developers [ refer note 43]           | 97.65           | 93.41           |
| Unearned revenue                                                        | 10.55           | 12.18           |
| Interest accrued but not due on borrowings                              | 29.00           | 25.41           |
| Interest accrued and due on borrowings                                  | 0.04            | 0.35            |
| Advances received from customers                                        | 18.77           | 25.56           |
| Security Deposits from trade concessionaires                            | 592.36          | 551.84          |
| Retention money                                                         |                 |                 |
| -Trade                                                                  | 9.26            | 10.22           |
| - Non Trade                                                             | 31.15           | 28.75           |
| Capital Creditors                                                       | 39.46           | 39.73           |
| Service tax payable                                                     | 0.98            | 1.67            |
| TDS payable                                                             | 44.70           | 34.55           |
| Other statutory dues                                                    | 5.19            | 4.79            |
| Payable to employees                                                    | 0.51            | 0.30            |
| Marketing Fund Liability [Refer Note 44]                                | 39.54           | 25.59           |
| Bank Overdraft                                                          | 0.35            | -               |
| Development Fee Accrued (to the extent not utilised) [Refer Note 30(a)] | 4.15            | 41.17           |
| Other payables                                                          | 20.71           | 17.83           |
|                                                                         | <b>1,179.45</b> | <b>1,426.23</b> |

Delhi International Airport Private Limited

CIN. U63033DL2006PTC146936

Notes to the consolidated financial statements for the year ended March 31, 2016

(All amounts in Rupees Crores, unless otherwise stated)

### 13.1 Tangible Assets

| Description                                                                                 | Buildings | Plant and Machinery | Runways and taxiways | Electrical installations | Roads  | Bridges, Culverts, Bunders, etc. | Leasehold improvements | Computer & Data Processing Units | Furniture and fixtures | Office Equipment | Vehicles | Total     |
|---------------------------------------------------------------------------------------------|-----------|---------------------|----------------------|--------------------------|--------|----------------------------------|------------------------|----------------------------------|------------------------|------------------|----------|-----------|
| <b>Cost</b>                                                                                 |           |                     |                      |                          |        |                                  |                        |                                  |                        |                  |          |           |
| <b>At April 01, 2014</b>                                                                    | 5,093.16  | 3,251.25            | 2,168.39             | 14.61                    | -      | -                                | 53.52                  | 68.05                            | 178.90                 | 37.91            | 28.76    | 10,894.55 |
| Acquisition through merger ( e )                                                            | -         | 1.58                | -                    | -                        | -      | -                                | 3.79                   | 0.10                             | 0.57                   | 0.02             | -        | 6.06      |
| Additions                                                                                   | 3.74      | 29.11               | 7.01                 | 12.25                    | -      | -                                | 3.96                   | 2.56                             | 2.63                   | 0.73             | 1.22     | 63.21     |
| Disposals                                                                                   | (0.18)    | (1.42)              | -                    | -                        | -      | -                                | (0.05)                 | (0.42)                           | (1.32)                 | (0.21)           | (0.36)   | (3.96)    |
| Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities (d) | (37.48)   | (12.82)             | -                    | (4.36)                   | -      | -                                | (6.50)                 | (1.47)                           | (1.49)                 | (0.21)           | -        | (64.33)   |
| Additions on account of conversion of JV into Subsidiaries                                  | -         | -                   | -                    | -                        | -      | -                                | -                      | -                                | -                      | -                | -        | -         |
| AS-11-Exchange Differences [see note (c) below]                                             | 48.94     | 25.70               | 11.40                | 7.65                     | 2.24   | 2.17                             | 0.18                   | 0.02                             | 1.49                   | 0.01             | -        | 99.80     |
| Development fund (collection charges) (see note 30)                                         | -         | -                   | -                    | -                        | -      | -                                | -                      | -                                | -                      | -                | -        | -         |
| Reclassification [see note (b) below]                                                       | 2.39      | 1.26                | 0.56                 | 0.37                     | 0.11   | 0.11                             | -                      | -                                | 0.07                   | -                | -        | 4.87      |
| Borrowing cost adjustments                                                                  | (606.87)  | (874.40)            | (20.77)              | 925.46                   | 210.98 | 394.19                           | -                      | (14.66)                          | 0.07                   | (14.56)          | -        | (0.56)    |
| Adjustments [see note (a) below]                                                            | -         | -                   | -                    | -                        | -      | -                                | -                      | -                                | -                      | -                | -        | -         |
| Adjustments [see note (a) below]                                                            | (24.47)   | (1.66)              | -                    | 1.66                     | -      | -                                | -                      | -                                | -                      | -                | -        | (24.47)   |
| <b>At March 31, 2015</b>                                                                    | 4,479.23  | 2,418.60            | 2,166.59             | 957.64                   | 213.33 | 396.47                           | 54.90                  | 54.18                            | 180.92                 | 23.69            | 29.62    | 10,975.17 |
| Additions                                                                                   | 26.14     | 46.07               | 13.92                | 7.83                     | 0.74   | -                                | 2.03                   | 14.88                            | 19.03                  | 0.72             | 0.22     | 131.58    |
| Disposals                                                                                   | -         | (0.84)              | -                    | -                        | -      | -                                | (0.31)                 | (0.01)                           | (0.01)                 | (0.06)           | (0.28)   | (1.51)    |
| AS-11-Exchange Differences [see note (c) below]                                             | 68.76     | 36.12               | 16.01                | 10.75                    | 3.15   | 3.04                             | 0.28                   | 0.03                             | 2.09                   | 0.01             | -        | 140.24    |
| Development fund (collection charges) (see note 30)                                         | -         | -                   | -                    | -                        | -      | -                                | -                      | -                                | -                      | -                | -        | -         |
| Reclassification [see note (b) below]                                                       | 2.46      | 1.29                | 0.57                 | 0.39                     | 0.11   | 0.11                             | -                      | -                                | 0.07                   | -                | -        | 5.00      |
| Borrowing cost adjustments                                                                  | 14.60     | (17.97)             | -                    | 22.27                    | -      | -                                | -                      | -                                | -                      | -                | (18.90)  | -         |
| Adjustments [see note below]                                                                | -         | -                   | -                    | -                        | -      | -                                | -                      | -                                | -                      | -                | -        | -         |
| Adjustments [see note below]                                                                | (0.36)    | (0.09)              | -                    | -                        | (0.57) | -                                | -                      | -                                | -                      | -                | -        | (1.02)    |
| <b>At March 31, 2016</b>                                                                    | 4,590.83  | 2,483.18            | 2,197.09             | 998.88                   | 216.76 | 399.62                           | 56.90                  | 69.08                            | 202.10                 | 24.36            | 10.66    | 11,249.46 |
| <b>Accumulated Depreciation</b>                                                             |           |                     |                      |                          |        |                                  |                        |                                  |                        |                  |          |           |
| <b>At April 01, 2014</b>                                                                    | 643.63    | 602.27              | 363.48               | 2.67                     | -      | -                                | 9.61                   | 47.32                            | 49.76                  | 10.39            | 13.93    | 1,743.06  |
| Acquisition through merger                                                                  | -         | 0.46                | -                    | -                        | -      | -                                | 1.19                   | 0.04                             | 0.35                   | 0.00             | -        | 2.04      |
| Adjustments [see note (a) below]                                                            | -         | (0.29)              | -                    | 0.29                     | -      | -                                | -                      | -                                | -                      | -                | -        | -         |
| Reclassification [see note (b) below]                                                       | (82.35)   | (190.17)            | 3.65                 | 200.90                   | 24.59  | 60.79                            | (0.00)                 | (13.32)                          | (0.87)                 | (3.70)           | -        | (0.48)    |
| Charge for the year                                                                         | 149.68    | 187.14              | 93.19                | 111.49                   | 30.39  | 13.17                            | 4.13                   | 10.60                            | 22.42                  | 14.33            | 6.04     | 642.58    |
| Disposals                                                                                   | (0.18)    | (0.37)              | -                    | -                        | -      | -                                | (0.02)                 | (0.15)                           | (0.88)                 | (0.09)           | (0.34)   | (2.03)    |
| Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities (d) | (4.92)    | (5.76)              | -                    | (1.24)                   | -      | -                                | (2.72)                 | (1.04)                           | (1.04)                 | (0.14)           | -        | (16.86)   |
| <b>At March 31, 2015</b>                                                                    | 705.86    | 593.28              | 460.32               | 314.11                   | 54.98  | 73.96                            | 12.19                  | 43.45                            | 69.74                  | 20.79            | 19.63    | 2,368.31  |
| Reclassification [see note (b) below]                                                       | 3.69      | 6.02                | -                    | 4.97                     | -      | -                                | 0.00                   | -                                | -                      | -                | (14.68)  | (0.00)    |
| Charge for the year                                                                         | 154.66    | 201.69              | 93.60                | 119.54                   | 31.53  | 13.36                            | 3.90                   | 6.30                             | 23.31                  | 1.19             | 2.79     | 651.87    |
| Disposals                                                                                   | (0.00)    | (0.55)              | -                    | -                        | -      | -                                | (0.16)                 | (0.01)                           | (0.01)                 | (0.05)           | (0.30)   | (1.08)    |
| <b>At March 31, 2016</b>                                                                    | 864.21    | 800.44              | 553.92               | 438.62                   | 86.51  | 87.32                            | 15.93                  | 49.74                            | 93.04                  | 21.93            | 7.44     | 3,019.10  |
| <b>Net block</b>                                                                            |           |                     |                      |                          |        |                                  |                        |                                  |                        |                  |          |           |
| <b>At 31 March 2015</b>                                                                     | 3,773.37  | 1,825.32            | 1,706.27             | 643.53                   | 158.35 | 322.51                           | 42.71                  | 10.73                            | 111.18                 | 2.90             | 9.99     | 8,606.86  |
| <b>At 31 March 2016</b>                                                                     | 3,726.62  | 1,682.74            | 1,643.17             | 560.26                   | 130.25 | 312.30                           | 40.97                  | 19.34                            | 109.06                 | 2.43             | 3.22     | 8,230.36  |

#### Notes:

- Holding Company has adjusted Rs. Nil (March 31, 2015 :Rs. 24.47 Crores) adjusted towards reduction in liability during final settlement with the vendors in respect to Terminal 3 capitalised on provisional basis by the Company during the financial year ended
- Pursuant to the Schedule II of the Companies Act, 2013, the Holding Company has reclassified some of its assets to new categories.
- Relates to capitalisation of foreign exchange fluctuations on long term borrowings by Holding Company in accordance with AS-11 read with MCA circular.
- This represents the amount of reduction in Tangible Assets pursuant to dilution of investment in DCSCPL and DFSPL by DIAL.
- In accordance with the provisions of Schedule II of the Companies Act, 2013, the Company has revised the estimated useful lives of its fixed assets with effect from April 01, 2014. Accordingly, the net book value of the fixed assets as at April 01, 2014, is depreciated on a prospective basis over the remaining useful life, wherever applicable. It includes those net book value of assets whose useful life has expired as at April 01, 2014 as per Companies Act, 2013 and charged to profit and loss account.

**Delhi International Airport Private Limited**

CIN. U63033DL2006PTC146936

**Notes to the consolidated financial statements for the year ended March 31, 2016****(All amounts in Rupees Crores, unless otherwise stated)****13.2 Intangible Assets**

| Description                                                                                 | Computer software | Airport concessionaire and other rights | Total         |
|---------------------------------------------------------------------------------------------|-------------------|-----------------------------------------|---------------|
| <b>Cost</b>                                                                                 |                   |                                         |               |
| <b>At April 01, 2014</b>                                                                    | 40.42             | 491.94                                  | 532.36        |
| Acquisition through merger                                                                  | 0.17              | -                                       | 0.17          |
| Reclassification (a)                                                                        | 0.56              | -                                       | 0.56          |
| Additions                                                                                   | 0.81              | -                                       | 0.81          |
| Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities (b) | (0.43)            | (1.30)                                  | (1.73)        |
| <b>At March 31, 2015</b>                                                                    | 41.53             | 490.64                                  | 532.17        |
| Additions                                                                                   | <b>1.33</b>       | -                                       | <b>1.33</b>   |
| AS-11-Exchange Differences                                                                  | <b>0.01</b>       | -                                       | <b>0.01</b>   |
| <b>At March 31, 2016</b>                                                                    | <b>42.87</b>      | <b>490.64</b>                           | <b>533.51</b> |
| <b>Accumulated Amortisation</b>                                                             |                   |                                         |               |
| <b>At April 01, 2014</b>                                                                    | 31.74             | 52.87                                   | 84.61         |
| Acquisition through merger                                                                  | 0.16              | -                                       | 0.16          |
| Reclassification                                                                            | 0.48              | -                                       | 0.48          |
| Charge for the year                                                                         | 5.96              | 8.60                                    | 14.56         |
| Deletions on disposal / dilution of stake in subsidiaries / jointly controlled entities (b) | (0.38)            | (1.30)                                  | (1.68)        |
| <b>At March 31, 2015</b>                                                                    | 37.96             | 60.17                                   | 98.13         |
| Charge for the year                                                                         | <b>1.43</b>       | <b>20.51</b>                            | <b>21.94</b>  |
| <b>At March 31, 2016</b>                                                                    | <b>39.39</b>      | <b>80.68</b>                            | <b>120.07</b> |
| <b>Net block</b>                                                                            |                   |                                         |               |
| <b>At March 31, 2015</b>                                                                    | 3.57              | 430.47                                  | 434.04        |
| <b>At March 31, 2016</b>                                                                    | <b>3.48</b>       | <b>409.96</b>                           | <b>413.44</b> |

a. Pursuant to the Schedule II of the Companies Act, 2013, the Company has reclassified some of its assets to new categories.

b. This represents the amount of reduction in Intangible Assets pursuant to dilution of investment in DCSCPL and DFSPL by DIAL.

| 14  | Loans and advances                                                   | March 31, 2016 |         | March 31, 2015 |         |
|-----|----------------------------------------------------------------------|----------------|---------|----------------|---------|
|     |                                                                      | Non-Current    | Current | Non-Current    | Current |
|     | <b>Capital advances</b>                                              |                |         |                |         |
|     | Unsecured, considered good                                           | 11.34          | -       | 2.49           | -       |
|     | Unsecured, considered doubtful                                       | 0.02           | -       | 0.02           | -       |
|     |                                                                      | 11.36          | -       | 2.51           | -       |
|     | Less: provision for doubtful advances                                | (0.02)         | -       | (0.02)         | -       |
| (A) |                                                                      | 11.34          | -       | 2.49           | -       |
|     | <b>Security deposit</b>                                              |                |         |                |         |
|     | Secured, considered good                                             | 0.04           | -       | 1.12           | -       |
|     | Unsecured, considered good                                           | 7.15           | 1.73    | 6.82           | 1.91    |
| (B) |                                                                      | 7.19           | 1.73    | 7.94           | 1.91    |
|     | <b>Loan and advances to related parties (Note 32)</b>                |                |         |                |         |
|     | Unsecured, considered good                                           | -              | 15.00   | -              | 13.35   |
| (C) |                                                                      | -              | 15.00   | -              | 13.35   |
|     | <b>Advances recoverable in cash or kind</b>                          |                |         |                |         |
|     | Unsecured considered good                                            | -              | 16.94   | -              | 27.26   |
|     | Others                                                               | 0.45           | 0.91    | 0.65           | 0.54    |
|     | Doubtful                                                             | 0.45           | 17.85   | 0.65           | 27.80   |
|     | Less: provision for doubtful advances                                | (0.45)         | (0.91)  | (0.65)         | (0.54)  |
| (D) |                                                                      | -              | 16.94   | -              | 27.26   |
|     | <b>Other loans and advances</b>                                      |                |         |                |         |
|     | Unsecured considered good                                            | 92.44          | 5.92    | 89.80          | 0.51    |
|     | Advance income-tax (net of provision for taxation)                   | 5.10           | 0.97    | 6.07           | 0.97    |
|     | MAT credit entitlement                                               | 1.02           | 6.80    | 1.35           | 7.33    |
|     | Prepaid expenses                                                     | 0.04           | 0.47    | 0.02           | 0.11    |
|     | Gratuity fund balance                                                | -              | 0.20    | -              | 0.09    |
|     | Loan to others                                                       | -              | 0.03    | -              | 0.05    |
|     | Loan to employees                                                    | -              | 2.19    | -              | 3.50    |
|     | Balance with Excise/Customs, etc.                                    | -              | 32.55   | -              | 32.09   |
|     | Balances with government authorities including paid under protest    | 1.27           | -       | 0.14           | -       |
|     | Deposit with related party / Advances with related parties (Note 32) | 99.87          | 49.13   | 97.38          | 44.65   |
| (E) |                                                                      | 99.87          | 49.13   | 97.38          | 44.65   |
|     | <b>Total (A+B+C+D+E)</b>                                             | 118.40         | 82.80   | 107.81         | 87.17   |

15 Trade receivables and other assets

15.1 Trade receivables

Unsecured, considered good unless stated otherwise

Outstanding for a period exceeding six months from the date they are due for payment

|                                          |        |        |        |        |
|------------------------------------------|--------|--------|--------|--------|
| Secured, considered good                 | -      | 54.24  | -      | 104.76 |
| Unsecured, considered good               | -      | 330.97 | -      | 226.05 |
| Doubtful                                 | 1.38   | 2.05   | 8.03   | 1.90   |
|                                          | 1.38   | 387.26 | 8.03   | 332.71 |
| Provision for doubtful trade receivables | (1.38) | (2.05) | (8.03) | (1.90) |
| (A)                                      | -      | 385.21 | -      | 330.81 |

Other receivables

Outstanding for a period less than six months from the date they are due for payment

|                                          |   |        |   |        |
|------------------------------------------|---|--------|---|--------|
| Secured, considered good                 | - | 188.23 | - | 133.23 |
| Unsecured, considered good               | - | 243.34 | - | 219.50 |
|                                          | - | 431.57 | - | 352.73 |
| Provision for doubtful other receivables | - | -      | - | -      |
| (B)                                      | - | 431.57 | - | 352.73 |

Total (A+B)

|   |        |   |        |
|---|--------|---|--------|
| - | 816.78 | - | 683.54 |
|---|--------|---|--------|

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

15.2 Other assets

Unsecured, considered good unless stated otherwise

Non-current bank balances (refer note 18)

|     |      |   |      |   |
|-----|------|---|------|---|
|     | 1.31 | - | 4.84 | - |
| (A) | 1.31 | - | 4.84 | - |

Others

Other borrowing cost to the extent not amortised

Non trade Receivables [Net of Provisions of doubtful debt of Rs. 3.40 crores]

|                                                |       |        |        |        |
|------------------------------------------------|-------|--------|--------|--------|
| Interest accrued on bank deposits              | 0.00  | 10.00  | -      | 6.65   |
| Interest accrued but not due                   | -     | -      | -      | -      |
| Development fund receivable [Refer Note 30(b)] | -     | 83.99  | 106.35 | 456.20 |
| Unbilled revenue                               | 0.43  | 28.16  | -      | 46.41  |
| Other receivables                              | -     | 0.50   | -      | 0.01   |
| (B)                                            | 55.11 | 146.98 | 170.01 | 541.27 |

Total (A+B)

|       |        |        |        |
|-------|--------|--------|--------|
| 56.42 | 146.98 | 174.85 | 541.27 |
|-------|--------|--------|--------|

| 16 | Current Investments                                                                                                         | March 31, 2016 | March 31, 2015 |
|----|-----------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
|    | <b>Current Investments (valued at lower of cost and fair value, unless stated otherwise)</b>                                |                |                |
|    | <b>Unquoted Investments</b>                                                                                                 |                |                |
|    | ICICI Prudential Liquid Regular Plan Growth                                                                                 | 236.92         | 25.40          |
|    | [10,705,544.54 units (March 31, 2015 : 1,230,627.04) of Rs. 100 each]                                                       |                |                |
|    | Baroda Pioneer Liquid Fund - Plan A - Growth                                                                                | 4.49           | 42.83          |
|    | [25931.33 units (March 31, 2015 : 267,870.41) of Rs. 1000 each]                                                             |                |                |
|    | Axis Liquid Fund Growth                                                                                                     | 132.88         | 89.46          |
|    | [797,658.28 units (March 31, 2015 : 578,845.39) of Rs. 1000 each]                                                           |                |                |
|    | Birla Sunlife Cash Plus- Inst.- Growth                                                                                      | 59.80          | -              |
|    | [2,480,256.35 units (March 31, 2015 : Nil) of Rs. 100 each]                                                                 |                |                |
|    | IDFC Cash Fund Growth Regular Plan                                                                                          | 10.00          | 44.03          |
|    | [54,713.55 units (March 31, 2015 : 259,782.04) of Rs. 1000 each]                                                            |                |                |
|    | HDFC Liquid Fund                                                                                                            | 112.03         | -              |
|    | [381,494.63 units (March 31, 2015 : Nil) of Rs. 1000 each]                                                                  |                |                |
|    | Kotak Liquid Scheme                                                                                                         | 62.60          |                |
|    | [204,511.87 units (March 31, 2015 : Nil) of Rs. 1000 each]                                                                  |                |                |
|    | DSP Mutual Fund                                                                                                             | 33.27          |                |
|    | [155,806.74 units (March 31, 2015 : Nil) of Rs. 1000 each]                                                                  |                |                |
|    | Sundaram Money Fund Regular – Growth                                                                                        | 39.90          | 11.70          |
|    | [12,525,663.49 units (March 31, 2015 : 3,974,724.83) of Rs. 1000 each]                                                      |                |                |
|    | SBI Treasury Advantage Fund                                                                                                 | 3.00           |                |
|    | [17,927.88 units (March 31, 2015 : Nil) of Rs. 1000 each]                                                                   |                |                |
|    | SBI Short Term Debt Fund                                                                                                    | 1.26           |                |
|    | [6,494.65 units (March 31, 2015 : Nil) of Rs. 1000 each]                                                                    |                |                |
|    | SBI Premier Liquid Fund - Regular Plan -Growth                                                                              | 195.39         | 20.00          |
|    | [826,670.53 units (March 31, 2015 : 91,131.37) of Rs. 1000 each]                                                            |                |                |
|    | SBI Mutual Fund(SBI Deemed DSRA -Restricted Cash)                                                                           | 1.17           |                |
|    | [10,046 units (March 31, 2015: Nil) of Rs. 1000 each]                                                                       |                |                |
|    | Tata Liquid Fund Plan A - Growth                                                                                            | -              | 16.04          |
|    | [ Nil units (March 31, 2015: 62,345.08) of Rs. 1000 each]                                                                   |                |                |
|    | <b>Commercial Papers</b>                                                                                                    | 74.01          | -              |
|    | SREI Infrastructure Finance Limited                                                                                         |                |                |
|    | [1500 units (March 31, 2015 : Nil) of Rs. 500,000 each]                                                                     |                |                |
|    |                                                                                                                             | 966.72         | 249.46         |
|    | <b>Notes:</b>                                                                                                               |                |                |
|    | Aggregate amount of unquoted other current investments [Market value Rs. 974.25 crores (March 31, 2015: Rs. 249.97 crores)] | 974.25         | 249.97         |

| 17 | Inventories (valued at lower of cost and net realizable value) | March 31, 2016 | March 31, 2015 |
|----|----------------------------------------------------------------|----------------|----------------|
|    | Traded goods                                                   | 58.97          | 50.69          |
|    | Groceries, stores and spares etc.                              | 12.57          | 11.15          |
|    |                                                                | 71.54          | 61.84          |

| 18 | Cash and bank balances                                                       | March 31, 2016 |         | March 31, 2015 |         |
|----|------------------------------------------------------------------------------|----------------|---------|----------------|---------|
|    |                                                                              | Non-Current    | Current | Non-Current    | Current |
|    | <b>Cash and cash equivalents</b>                                             |                |         |                |         |
|    | Cheques/ drafts on hand                                                      | -              | 16.24   | -              | 5.51    |
|    | Cash on hand                                                                 | -              | 2.53    | -              | 2.30    |
|    | Credit card collection on hand                                               | -              | 1.19    | -              | 0.97    |
|    | Balances with banks:                                                         |                |         |                |         |
|    | – On current accounts                                                        | -              | 46.82   | -              | 83.05   |
|    | – Deposits with original maturity less than 3 months                         | -              | 352.88  | -              | 40.28   |
|    | – In escrow account                                                          | -              | 0.44    | -              | 0.43    |
|    | Balances with non-scheduled banks:                                           |                |         |                |         |
|    | – Deposits with original maturity less than 3 months                         | -              | 3.47    | -              | -       |
|    | In Exchange Earner Foreign Currency Account                                  | -              | 14.88   | -              | 9.94    |
|    |                                                                              | -              | 438.45  | -              | 142.48  |
|    | <b>Other bank balances</b>                                                   |                |         |                |         |
|    | – Deposits with original maturity more than 12 months                        | 0.24           | -       | 3.96           | -       |
|    | – Deposits with original maturity more than 3 months but less than 12 months | -              | 43.25   | -              | 180.80  |
|    | – Margin money deposits*                                                     | 1.07           | 42.29   | 0.88           | 30.85   |
|    |                                                                              | 1.31           | 85.54   | 4.84           | 211.65  |
|    | Amount disclosed under non-current assets (refer note 15.2)                  | (1.31)         | -       | (4.84)         | -       |
|    |                                                                              | -              | 523.99  | -              | 354.13  |

\* The Holding Company has given margin money deposit of Rs. 42.09 Crores (March 31, 2015: Rs. 30.62 Crores) against Debt Service Reserve Account (DSRA) as per financing agreement.  
Rs 0.20 Crores (March 31, 2015: Rs. 0.22 Crores) against License fee to South Delhi Municipal Corporation.

\* DDFS's margin money deposit of Rs. 2.14 crores (proportionate share Rs. 1.07 crores) [March 31, 2015: Rs. 1.77 crores (proportionate share Rs. 0.88 crores)] is subject to first charge to secure the company's bank guarantee.

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**Delhi International Airport Private Limited**

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Notes to the consolidated financial statements for the year ended March 31, 2016

(All amounts in Rupees Crores, unless otherwise stated)

| <b>19 Revenue from operations</b>           | <b>March 31, 2016</b> | <b>March 31, 2015</b> |
|---------------------------------------------|-----------------------|-----------------------|
| Sale of services                            |                       |                       |
| Aeronautical                                | 3,436.41              | 2,975.89              |
| Non - Aeronautical*                         | 1,124.15              | 921.75                |
| Advertising operations#                     | 106.61                | 92.56                 |
| Parking operations                          | 37.96                 | 31.83                 |
| Food & Beverages operations                 | 20.24                 | 35.40                 |
| Cargo operations                            | 71.99                 | 97.95                 |
| Income from commercial property development | 94.11                 | 98.24                 |
| Sale of traded goods                        |                       |                       |
| Duty free items                             | 468.67                | 399.56                |
| <b>Revenue from operations</b>              | <b>5,360.14</b>       | <b>4,653.18</b>       |

\* Non- Aeronautical income is net off of reversal of revenue amounting to Rs. Nil crores (March 31, 2015: Rs. 1.79 crores) of earlier years.

# Net of commission & discount : Rs. 2.57 crores (March 31, 2015: Rs. 1.67 crores)

| <b>20 Other income</b>                           | <b>March 31, 2016</b> | <b>March 31, 2015</b> |
|--------------------------------------------------|-----------------------|-----------------------|
| Income from current investments                  | 48.90                 | 20.64                 |
| Interest income                                  | 30.39                 | 8.75                  |
| Interest income on delayed payment from customer | 43.47                 | 25.24                 |
| Sale of Scrap                                    | 0.01                  | -                     |
| Liabilities no longer required                   | 0.11                  | 1.65                  |
| Profit on Sale of Fixed Assets                   | 0.05                  | 0.28                  |
| Management Fees                                  | -                     | 5.79                  |
| Miscellaneous income                             | 4.41                  | 6.19                  |
|                                                  | <b>127.34</b>         | <b>68.54</b>          |

| <b>21 Purchase of traded goods</b> | <b>March 31, 2016</b> | <b>March 31, 2015</b> |
|------------------------------------|-----------------------|-----------------------|
| Purchase of traded goods           | 179.92                | 165.67                |
|                                    | <b>179.92</b>         | <b>165.67</b>         |

| <b>22 Increase in traded goods</b>   | <b>March 31, 2016</b> | <b>March 31, 2015</b> |
|--------------------------------------|-----------------------|-----------------------|
| Add : Opening stock of traded goods  | 50.69                 | 39.52                 |
| Less : Closing stock of traded goods | (58.97)               | (50.69)               |
| <b>Increase in traded goods</b>      | <b>(8.28)</b>         | <b>(11.17)</b>        |

| <b>23 Cost of material consumed</b> | <b>March 31, 2016</b> | <b>March 31, 2015</b> |
|-------------------------------------|-----------------------|-----------------------|
| Opening stock                       | 0.57                  | 0.63                  |
| Add: Purchase                       | 4.85                  | 8.63                  |
| Less : Closing stock                | (0.42)                | (1.10)                |
|                                     | <b>5.00</b>           | <b>8.16</b>           |

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**Delhi International Airport Private Limited**

CIN: U63033DL2006PTC146936

**Notes to the consolidated financial statements for the year ended March 31, 2016**
**(All amounts in Rupees Crores, unless otherwise stated)**

|           |                                                                      | March 31, 2016 | March 31, 2015         |
|-----------|----------------------------------------------------------------------|----------------|------------------------|
| <b>24</b> | <b>Employee benefits expense</b>                                     |                |                        |
|           | Salaries, wages and bonus                                            | 140.80         | 147.22                 |
|           | Operation Support cost                                               | -              | 2.77                   |
|           | Contribution to provident and other funds                            | 10.33          | 10.96                  |
|           | Gratuity expense [Refer Note 36(B)]                                  | 1.76           | 3.41                   |
|           | Staff welfare expenses                                               | 5.92           | 6.39                   |
|           |                                                                      | <b>158.81</b>  | <b>170.75</b>          |
| <b>25</b> | <b>Other expenses</b>                                                |                |                        |
|           | <b>Operating :</b>                                                   |                |                        |
|           | Airport operator fee                                                 | 128.68         | 119.90                 |
|           | Utility Charges                                                      | 136.37         | 126.65                 |
|           | Rent (including lease rentals) [Refer Note 33]                       | 9.57           | 7.75                   |
|           | Rates and taxes                                                      | 33.23          | 32.56                  |
|           | Insurance                                                            | 10.34          | 11.94                  |
|           | Repairs and Maintenance :                                            |                |                        |
|           | IT Systems                                                           | 30.54          | 23.47                  |
|           | Plant and Machinery                                                  | 88.70          | 82.82                  |
|           | Buildings                                                            | 34.71          | 24.70                  |
|           | Others                                                               | 7.50           | 6.69                   |
|           | Operating, Manpower outsourcing and maintenance expenses             | 95.86          | 89.86                  |
|           | <b>Administration and others :</b>                                   |                |                        |
|           | Advertisement and Business Promotion                                 | 12.96          | 16.36                  |
|           | Groceries, stores and spares parts etc. consumed                     | 10.66          | 8.92                   |
|           | Travel and Conveyance                                                | 15.35          | 15.46                  |
|           | Communication expenses                                               | 2.00           | 2.54                   |
|           | Printing and Stationery expenses                                     | 1.88           | 1.80                   |
|           | Legal and Professional fees                                          | 54.95          | 56.13                  |
|           | Corporate cost allocation                                            | 54.20          | 54.20                  |
|           | Management Fees                                                      | 3.01           | 6.98                   |
|           | Directors sitting fee                                                | 0.34           | 0.15                   |
|           | Audit Fees                                                           | 2.54           | 1.61                   |
|           | Provision/Write off of doubtful advances and trade receivable        | 1.16           | 9.95                   |
|           | Loss on Sale/discard of fixed assets (net)                           | 0.47           | 2.42                   |
|           | Security charges                                                     | 13.69          | 12.70                  |
|           | Office maintenance                                                   | 4.34           | 6.56                   |
|           | House keeping charges                                                | 1.86           | 1.93                   |
|           | Information technology and related expenses                          | 13.42          | 42.62                  |
|           | Collection Charges                                                   | 3.44           | 2.94                   |
|           | Exchange Difference (Net)                                            | 0.22           | 1.50                   |
|           | License fees and Royalty                                             | 1.98           | 0.44                   |
|           | Marketing Fund                                                       | 5.76           | 4.64                   |
|           | Cargo handling/Ground Handling                                       | 13.84          | 12.15                  |
|           | Hire Charges                                                         | 1.15           | 1.18                   |
|           | Warehousing and packing Charges                                      | 6.50           | 6.02                   |
|           | Corporate Social Responsibility Expenditure                          | 5.64           | 1.00                   |
|           | Capital advances written off                                         | -              | 0.74                   |
|           | Miscellaneous expenses                                               | 11.31          | 9.18                   |
|           |                                                                      | <b>818.17</b>  | <b>806.46</b>          |
| <b>A</b>  | <b>Details of CSR expenditure*</b>                                   |                |                        |
|           | (a) Gross amount required to be spent by the Company during the year | 5.94           | 1.12                   |
|           | (b) Amount spent during the year ended on March 31, 2016:            | In cash        | Yet to be paid in cash |
|           | i) Construction/acquisition of any asset                             | 0.44           | -                      |
|           | ii) On purposes other than (i) above                                 | 5.05           | 0.15                   |
|           | (c) Amount spent during the year ended on March 31, 2015:            | In cash        | Yet to be paid in cash |
|           | i) Construction/acquisition of any asset                             | 0.02           | -                      |
|           | ii) On purposes other than (i) above                                 | 0.98           | -                      |

\*Holding Company has only become eligible for CSR during current financial year.

**Delhi International Airport Private Limited**

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**Notes to the consolidated financial statements for the year ended March 31, 2016****(All amounts in Rupees Crores, unless otherwise stated)**

|                                                                                                  |  | March 31, 2016        | March 31, 2015        |
|--------------------------------------------------------------------------------------------------|--|-----------------------|-----------------------|
| <b>26 Finance costs</b>                                                                          |  |                       |                       |
| Interest on Borrowings                                                                           |  | 514.48                | 539.04                |
| Other interest                                                                                   |  | 68.91                 | 26.67                 |
| Bank charges                                                                                     |  | 3.41                  | 5.34                  |
| Other borrowing costs including amortisation                                                     |  | 14.17                 | 27.21                 |
|                                                                                                  |  | <b>600.97</b>         | <b>598.26</b>         |
| <b>27 Depreciation and amortization expense</b>                                                  |  |                       |                       |
| Depreciation of tangible assets                                                                  |  | 651.87                | 642.58                |
| Amortization of intangible assets                                                                |  | 21.94                 | 14.56                 |
|                                                                                                  |  | <b>673.81</b>         | <b>657.14</b>         |
| <b>28 Exceptional items</b>                                                                      |  |                       |                       |
| Breakage cost of Interest Rate Swap (IRS) [Refer note 45 (i)]                                    |  | -                     | 91.83                 |
| Prepayment charge on loan refinancing [Refer note 45 (ii) ]                                      |  | -                     | 0.70                  |
| Income from sale of non-current investment [Refer note 45 (iii) ]                                |  | -                     | (34.57)               |
|                                                                                                  |  | <b>-</b>              | <b>57.96</b>          |
| <b>29 Earning per share (EPS)</b>                                                                |  |                       |                       |
| The following reflects the Profit and share data used in the basic and diluted EPS computations: |  |                       |                       |
| <b>Total operations for the year</b>                                                             |  | <b>March 31, 2016</b> | <b>March 31, 2015</b> |
| <b>Profit for the year for calculation of Basic EPS and Diluted EPS</b>                          |  | <b>554.29</b>         | <b>274.87</b>         |
| <b>Weighted average number of equity shares in calculating basic and diluted EPS (in crores)</b> |  | <b>245</b>            | <b>245</b>            |

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

(a) The Holding Company had accrued DF amounting to Rs. 350 crores during the year 2012-13 earmarked for construction of Air Traffic Control (ATC) tower, currently which is under progress as at March 31, 2016. DF amounting to Rs. 345.85 crores (March 31, 2015: Rs. 308.83 crores) has been adjusted against the expenditure on construction of ATC tower incurred till March 31, 2016 and balance DF amounting to Rs. 4.15 crores (March 31, 2015: Rs. 41.17 crores), pending utilization, has been disclosed under Other current liabilities.

(b) While calculating such additional DF amount:

i) In accordance with the earlier Standard Operating Procedure (SOP) approved and issued by the AAI dated February 19, 2009 read with the MoCA order dated February 9, 2009, the Holding Company was adjusting collection charges against DF receipts. However, AERA vide its subsequent order no. 28/2011-12 issued on November 14, 2011 has observed that in terms of Section 22A of the AAI Act, 1994 (amended from time to time) as well as Section 13(1)(b) of the AERA Act, 2008, the function of AERA is limited only to determining the rate/amount of DF and manner of collection and administration cost incurred thereupon is an issue, which had already been prescribed by way of rules by the Central Government. In view of the fact that DF rules notified by the MoCA dated August 2, 2011 do not prescribe adjustment of collection charges from the DF receipts; the Holding Company has capitalised DF collection charges aggregating to Rs. 27.07 crores till March 31, 2016 (As on March 2015 : Rs. 22.06 crores) from the DF grant.

ii) The Airport Economic Regulatory Authority of India (AERA) has passed an order vide Order No 03/2012-13 dated December 28, 2012 in respect of levy of Development fee at Delhi Airport. As per the said order, the rate of Airport Development Fee (ADF) has been reduced from Rs. 200 to Rs. 100 and from Rs. 1,300 to Rs. 600 per embarking domestic and international passenger respectively. Further, as per the said order, such revised rates have come into force with effect from January 1, 2013 and estimated DF collection period has been extended up to April 2016. Further, AERA has issued order No.47/2015-16 dated January 25, 2016, restricting cut off date for collection of ADF upto April 30, 2016. As per the order, AERA has granted AAI six months time after cut off date i.e. April 30, 2016 to reconcile and close the account, and to arrive at the over recovery / under recovery of ADF, which will be accounted for on final reconciliation of ADF by AAI.

**31.** The Holding Company has a receivable of Rs. 516.37 crores as at March 31, 2016 (March 31, 2015: Rs. 405.57 crores) [including unbilled revenue of Rs. 13.15 crores (March 31, 2015: Rs. 27.76 crores)] from Air India Limited and its subsidiaries namely Indian Airlines Limited, Airline Allied Services Limited and Air India Charters Limited collectively referred as 'Air India'. In view of continuing "Airport Enhancement and Financing Service Agreement" with The International Air Transport Association ('IATA') for recovery of dues from Air India, the Company considers its dues from Air India as good and fully recoverable.

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**Delhi International Airport Private Limited****CIN. U63033DL2006PTC146936****Notes to the consolidated financial statements for the year ended March 31, 2016****(All amounts in Rupees Crores, unless otherwise stated)****32. Related party transactions:****a) Names of related parties and description of relationship:**

| <b>Sl. No.</b> | <b>Description of relationship</b>                                                                                                        | <b>Name of the related parties</b>                                |
|----------------|-------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|
| I              | Ultimate holding company                                                                                                                  | GMR Holdings Private Limited                                      |
|                | Intermediate holding company                                                                                                              | GMR Infrastructure Limited                                        |
|                | Holding company                                                                                                                           | GMR Airports Limited                                              |
| II             | Subsidiary companies                                                                                                                      | Delhi Aerotropolis Private Limited                                |
| II             | Associate company                                                                                                                         | East Delhi Waste Processing Company Limited                       |
| III            | Fellow subsidiaries (including subsidiary companies of the ultimate / intermediate holding company) (where transactions have taken place) | GMR Energy Limited                                                |
|                |                                                                                                                                           | GMR Badrinath Hydro Power Generation Private Limited              |
|                |                                                                                                                                           | GMR Hyderabad International Airport Limited                       |
|                |                                                                                                                                           | GMR Male International Airport Private Limited                    |
|                |                                                                                                                                           | GMR Airport Developers Limited                                    |
|                |                                                                                                                                           | GMR Krishnagiri SEZ Limited                                       |
|                |                                                                                                                                           | GMR Aviation Private Limited                                      |
|                |                                                                                                                                           | Raxa Security Services Limited                                    |
|                |                                                                                                                                           | GMR Chhattisgarh Energy Limited                                   |
|                |                                                                                                                                           | GMR Kamalanga Energy Limited                                      |
|                |                                                                                                                                           | Kakinada SEZ Private Limited                                      |
|                |                                                                                                                                           | GMR Warora Energy Limited (formerly known as EMCO Energy Limited) |
|                |                                                                                                                                           | GMR Power Corporation Limited                                     |
|                |                                                                                                                                           | GMR Kishangarh Udaipur Ahmedabad Expressways Limited              |
|                |                                                                                                                                           | GMR Tambaram Tinidivanam Expressways Private Limited              |
|                |                                                                                                                                           | GMR Corporate Affairs Private limited                             |

**Delhi International Airport Private Limited****CIN. U63033DL2006PTC146936****Notes to the consolidated financial statements for the year ended March 31, 2016****(All amounts in Rupees Crores, unless otherwise stated)**

|     |                                                                                                                                                |                                                              |
|-----|------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|
|     |                                                                                                                                                | GMR Sports Private Limited                                   |
|     |                                                                                                                                                | GMR Consulting Services Private Limited                      |
|     |                                                                                                                                                | GMR Aerospace Engineering Limited                            |
|     |                                                                                                                                                | GMR Bajoli Holi Hydropower Private Limited                   |
|     |                                                                                                                                                | GMR Infrastructure (Singapore) Pte Limited                   |
| IV  | Jointly controlled entities                                                                                                                    | Delhi Aviation Services Private Limited                      |
|     |                                                                                                                                                | Delhi Aviation Fuel Facility Private Limited                 |
|     |                                                                                                                                                | Wipro Airport IT Services Limited                            |
|     |                                                                                                                                                | Delhi Airport Parking Services Private Limited               |
|     |                                                                                                                                                | Travel Food Services (Delhi Terminal 3) Private Limited      |
|     |                                                                                                                                                | Delhi Duty Free Services Private Limited                     |
|     |                                                                                                                                                | Devyani Food Street Private Limited <sup>1 &amp; 2</sup>     |
|     |                                                                                                                                                | Celebi Delhi Cargo Terminal Management India Private Limited |
|     |                                                                                                                                                | Delhi Cargo Service Center Private Limited                   |
|     |                                                                                                                                                | TIM Delhi Airport Advertising Private Limited                |
| V   | Enterprises in respect of which the company is a joint venture                                                                                 | Airports Authority of India                                  |
|     |                                                                                                                                                | Fraport AG Frankfurt Airport Services Worldwide              |
| VI  | Enterprises where significant influence of key Management personnel or their relative exists                                                   | GMR Varalakshmi Foundation                                   |
| VII | Shareholder having substantial interest/enterprises having significant influence over the joint ventures (Where transactions have taken place) | Tenaga Parking Services (India) Private Limited              |
|     |                                                                                                                                                | Greenwich Investment Limited (till March 25, 2015)           |
|     |                                                                                                                                                | Times Innovative Media Ltd.                                  |
|     |                                                                                                                                                | Travel food Services Private Limited                         |
|     |                                                                                                                                                | Wipro Limited                                                |
|     |                                                                                                                                                | Yalorvin Limited                                             |

**Delhi International Airport Private Limited****CIN. U63033DL2006PTC146936****Notes to the consolidated financial statements for the year ended March 31, 2016****(All amounts in Rupees Crores, unless otherwise stated)**

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|      |                          |                                                                           |
|------|--------------------------|---------------------------------------------------------------------------|
|      |                          | Indian Oil Corporation Limited(IOCL)                                      |
|      |                          | Bharat Petroleum Corporation Limited (BPCL)                               |
|      |                          | Bird World Wide Flight Services India Private Limited                     |
|      |                          | Cambata Aviation Private Limited                                          |
|      |                          | Devyani International Limited (till February 10, 2015) <sup>1&amp;2</sup> |
|      |                          | India Infrastructure Fund II (w.e.f. March 16, 2015)                      |
|      |                          | Celebi Ground Handling Delhi Private Limited                              |
|      |                          | Celebi Hava Servisi A.S                                                   |
|      |                          | Cargo Service Center (India) Private Limited (till March 16, 2015)        |
| VIII | Key Management personnel | Mr. Srinivas Bommidala - Managing Director                                |
|      |                          | Mr. Grandhi Kiran Kumar - Executive Director                              |
|      |                          | Mr. K. Narayana Rao - Whole Time Director                                 |

1. Delhi Select Services Hospitality Private Limited has been merged with Devyani Food Street Private Limited w.e.f. April 1, 2013, pursuant to scheme of merger approved by Hon'ble Delhi High Court vide its order dated May 15, 2014.

2. Devyani Food Street Private Limited and Delhi Cargo Service Center Private Limited ceased to be a jointly controlled entity pursuant to sale of DIAL's stake w.e.f. February 10, 2015 and March 16, 2015 respectively.

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**Delhi International Airport Private Limited**

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Notes to the consolidated financial statements for the year ended March 31, 2016

(All amounts in Rupees Crores, unless otherwise stated)

**32 (b) (i) Summary of balances with the above related parties is as follows:**

| Balances at the year ended                                                                                                                                   | As at March 31,<br>2016 | As at March 31,<br>2015 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b><u>Other loans and advances</u></b>                                                                                                                       |                         |                         |
| <b><u>Intermediate Holding company</u></b>                                                                                                                   |                         |                         |
| GMR Infrastructure Limited                                                                                                                                   | -                       | 0.03                    |
| <b><u>Shareholder having substantial interest/enterprises having significant influence over the joint ventures (Where transactions have taken place)</u></b> |                         |                         |
| Celebi Hava Servisi A.S.                                                                                                                                     | 6.90                    | 6.51                    |
| Celebi Delhi Cargo Management (I) Private Limited                                                                                                            | 0.04                    | 0.05                    |
| Yalorvin Ltd                                                                                                                                                 | 0.06                    | 0.11                    |
| <b><u>Short term Borrowing</u></b>                                                                                                                           |                         |                         |
| <b><u>Shareholder having substantial interest/enterprises having significant influence over the joint ventures (Where transactions have taken place)</u></b> |                         |                         |
| Wipro Limited                                                                                                                                                | 1.04                    | 1.04                    |
| <b><u>Interest Payable</u></b>                                                                                                                               |                         |                         |
| <b><u>Shareholder having substantial interest/enterprises having significant influence over the joint ventures (Where transactions have taken place)</u></b> |                         |                         |
| Wipro Limited                                                                                                                                                | -                       | 0.05                    |
| <b><u>Trade Receivables</u></b>                                                                                                                              |                         |                         |
| <b><u>Shareholder having substantial interest/enterprises having significant influence over the joint ventures (Where transactions have taken place)</u></b> |                         |                         |
| Times Innovative Media Ltd.                                                                                                                                  | 0.37                    | 0.68                    |
| Celebi Ground Handling Delhi Private Limited                                                                                                                 | -                       | 0.92                    |
| Bird World Wide Flight Services India Private Limited (net)                                                                                                  | -                       | 1.49                    |
| Cambata Aviation Private Limited (net)                                                                                                                       | -                       | 3.93                    |
| <b><u>Intermediate Holding company</u></b>                                                                                                                   |                         |                         |
| GMR Infrastructure Limited                                                                                                                                   | 1.28                    | -                       |
| <b><u>Enterprises in respect of which the company is a joint venture</u></b>                                                                                 |                         |                         |
| Airports Authority of India                                                                                                                                  | -                       | 0.04                    |
| <b><u>Jointly Controlled Entities</u></b>                                                                                                                    |                         |                         |
| Delhi Duty Free Services Private Limited                                                                                                                     | 6.44                    | 6.17                    |

**Delhi International Airport Private Limited**

CIN. U63033DL2006PTC146936

Notes to the consolidated financial statements for the year ended March 31, 2016

(All amounts in Rupees Crores, unless otherwise stated)

| Balances at the year ended                                                                                                                                   | As at March 31,<br>2016 | As at March 31,<br>2015 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| TIM Delhi Airport Advertising Private Limited                                                                                                                | 10.90                   | 0.02                    |
| Delhi Aviation Services Private Limited                                                                                                                      | -                       | 0.20                    |
| Delhi Airport Parking Services Private Limited                                                                                                               | 0.97                    | 0.51                    |
| Travel Food Services (Delhi Terminal 3) Private Limited                                                                                                      | 3.15                    | 3.99                    |
| Celebi Delhi Cargo Terminal Management India Private Limited                                                                                                 | 8.82                    | 7.19                    |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u></b>                                             |                         |                         |
| GMR Aviation Private Limited                                                                                                                                 | 0.14                    | 0.03                    |
| GMR Energy Limited                                                                                                                                           | -                       | 1.02                    |
| GMR Consulting Services Pvt. Ltd.                                                                                                                            | 1.30                    | -                       |
| GMR Warora Energy Limited (formerly Known as EMCO Energy Limited)                                                                                            | 0.37                    | -                       |
| GMR Badrinath Hydro Power Generation Private Limited                                                                                                         | -                       | 0.61                    |
| <b><u>Shareholder having substantial interest/enterprises having significant influence over the joint ventures (Where transactions have taken place)</u></b> |                         |                         |
| Celebi Ground Handling Delhi Private Limited                                                                                                                 | 0.59                    | -                       |
| Bird World Wide Flight Services India Private Limited (net)                                                                                                  | 1.65                    | -                       |
| Cambata Aviation Private Limited (net)                                                                                                                       | 3.95                    | -                       |
| <b><u>Other Current Assets</u></b>                                                                                                                           |                         |                         |
| <b><u>Unbilled revenue</u></b>                                                                                                                               |                         |                         |
| <b><u>Enterprises in respect of which the company is a joint venture</u></b>                                                                                 |                         |                         |
| Airports Authority of India                                                                                                                                  | 1.02                    | 0.66                    |
| <b><u>Jointly Controlled Entities</u></b>                                                                                                                    |                         |                         |
| Delhi Airport Parking Services Private Limited                                                                                                               | -                       | 0.02                    |
| TIM Delhi Airport Advertising Private Limited                                                                                                                | -                       | 9.11                    |
| Delhi Duty Free Services Private Limited                                                                                                                     | -                       | 1.09                    |
| Delhi Aviation Services Private Limited (formerly DIAL Cargo Private Limited)                                                                                | -                       | 0.01                    |
| Celebi Delhi Cargo Terminal Management India Private Limited                                                                                                 | -                       | 0.06                    |
| <b><u>Other Current Assets</u></b>                                                                                                                           |                         |                         |
| <b><u>Reversal of Unbilled revenue</u></b>                                                                                                                   |                         |                         |
| <b><u>Jointly Controlled Entities</u></b>                                                                                                                    |                         |                         |
| Travel Food Services (Delhi Terminal 3) Private Limited                                                                                                      | -                       | 0.50                    |
| <b><u>Other Current Assets</u></b>                                                                                                                           |                         |                         |
| <b><u>Non- Trade Receivables (including Marketing Fund)</u></b>                                                                                              |                         |                         |
| <b><u>Intermediate Holding company</u></b>                                                                                                                   |                         |                         |
| GMR Infrastructure Limited                                                                                                                                   | 0.03                    | -                       |
| <b><u>Enterprises in respect of which the company is a joint venture</u></b>                                                                                 |                         |                         |
| Airports Authority of India                                                                                                                                  | 1.37                    | 2.03                    |

**Delhi International Airport Private Limited**

CIN. U63033DL2006PTC146936

Notes to the consolidated financial statements for the year ended March 31, 2016

(All amounts in Rupees Crores, unless otherwise stated)

| Balances at the year ended                                                                                       | As at March 31,<br>2016 | As at March 31,<br>2015 |
|------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u></b> |                         |                         |
| GMR Energy Limited                                                                                               | -                       | 0.65                    |
| GMR Consulting Services Pvt. Ltd.                                                                                | 0.41                    | -                       |
| GMR Chhattisgarh Energy Limited                                                                                  | 0.02                    | -                       |
| GMR Tambaram Tinidivanam Expressways Private Limited                                                             | 0.02                    | -                       |
| GMR Warora Energy Limited (formerly Known as EMCO Energy Limited)                                                | 0.03                    | -                       |
| <b><u>Jointly Controlled Entities</u></b>                                                                        |                         |                         |
| Travel Food Services (Delhi Terminal 3) Private Limited                                                          | 0.44                    | 0.20                    |
| Celebi Delhi Cargo Terminal Management India Private Limited                                                     | 0.93                    | 0.73                    |
| Delhi Airport Parking Services Private Limited                                                                   | 0.08                    | 0.08                    |
| Delhi Aviation Services Private Limited                                                                          | 0.83                    | 0.24                    |
| TIM Delhi Airport Advertising Private Limited                                                                    | 0.10                    | 1.07                    |
| Delhi Duty Free Services Private Limited                                                                         | 0.63                    | 2.44                    |
| <b><u>Advances recoverable in cash or in kind</u></b>                                                            |                         |                         |
| <b><u>Current</u></b>                                                                                            |                         |                         |
| <b><u>Jointly Controlled Entities</u></b>                                                                        |                         |                         |
| Delhi Aviation Services Private Limited                                                                          | 0.07                    | 0.03                    |
| Delhi Airport Parking Services Private Limited                                                                   | 0.17                    | 0.08                    |
| Travel Food Services (Delhi Terminal 3) Private Limited                                                          | 0.07                    | 0.04                    |
| Delhi Aviation Fuel Facility Private Limited                                                                     | 0.11                    | 0.11                    |
| Celebi Delhi Cargo Terminal Management India Private Limited                                                     | 0.06                    | 0.05                    |
| Delhi Duty Free Services Private Limited                                                                         | 0.05                    | 0.02                    |
| TIM Delhi Airport Advertising Private Limited                                                                    | 0.13                    | 0.05                    |
| Wipro Airport IT Services Limited                                                                                | 3.42                    | 0.52                    |
| <b><u>Enterprises in respect of which the company is a joint venture</u></b>                                     |                         |                         |
| Airports Authority of India                                                                                      | 6.80                    | 7.80                    |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u></b> |                         |                         |
| GMR Kamalanga Energy Limited                                                                                     | 0.05                    | 0.01                    |
| Kakinada SEZ Private Limited                                                                                     | 0.07                    | 0.07                    |
| GMR Hyderabad International Airport Limited                                                                      | 0.12                    | -                       |
| GMR Male International Airport Private Limited                                                                   | 1.40                    | 1.14                    |
| GMR Aerospace Engineering Limited                                                                                | 0.11                    | 0.16                    |
| GMR Airport Developers Limited                                                                                   | 0.07                    | -                       |
| GMR Power Corporation Limited                                                                                    | -                       | 0.01                    |
| GMR Infrastructure (Singapore) Pte Limited                                                                       | 0.21                    | 2.33                    |

**Delhi International Airport Private Limited**

CIN. U63033DL2006PTC146936

Notes to the consolidated financial statements for the year ended March 31, 2016

(All amounts in Rupees Crores, unless otherwise stated)

| Balances at the year ended                                                                                                                                   | As at March 31,<br>2016 | As at March 31,<br>2015 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b><u>Advances recoverable in cash or in kind</u></b>                                                                                                        |                         |                         |
| <b><u>Non-Current</u></b>                                                                                                                                    |                         |                         |
| <b><u>Jointly Controlled Entities</u></b>                                                                                                                    |                         |                         |
| Wipro Airport IT Services Limited                                                                                                                            | 2.09                    | 2.09                    |
| <b><u>Trade payable</u></b>                                                                                                                                  |                         |                         |
| <b><u>Intermediate holding company</u></b>                                                                                                                   |                         |                         |
| GMR Infrastructure Limited                                                                                                                                   | 7.71                    | 3.98                    |
| <b><u>Holding company</u></b>                                                                                                                                |                         |                         |
| GMR Airports Limited                                                                                                                                         | 10.23                   | 7.90                    |
| <b><u>Shareholder having substantial interest/enterprises having significant influence over the joint ventures (Where transactions have taken place)</u></b> |                         |                         |
| Tenaga Parking Services (India) Private Limited                                                                                                              | 0.36                    | 0.41                    |
| Celebi Ground Handling Delhi Private Limited                                                                                                                 | 0.12                    | 0.07                    |
| Times Innovative Media Ltd.                                                                                                                                  | 1.47                    | -                       |
| Yalorvin Ltd                                                                                                                                                 | 0.32                    | 1.35                    |
| Celebi Hava Servisi A.S.                                                                                                                                     | 0.07                    | 0.04                    |
| Wipro Limited                                                                                                                                                | 9.12                    | 5.57                    |
| Bharat Petroleum Corporation Limited                                                                                                                         | 0.04                    | -                       |
| Bird World Wide Flight Services India Private Limited (net)                                                                                                  | 0.10                    | -                       |
| Travel food Services Private Limited                                                                                                                         | 0.94                    | 0.93                    |
| <b><u>Enterprises in respect of which the company is a joint venture</u></b>                                                                                 |                         |                         |
| Fraport AG Frankfurt Airport services Worldwide                                                                                                              | 68.35                   | 55.01                   |
| Airports Authority of India                                                                                                                                  | 63.46                   | 50.42                   |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u></b>                                             |                         |                         |
| GMR Aviation Private Limited                                                                                                                                 | -                       | 0.45                    |
| Raxa Security Services Limited                                                                                                                               | 1.32                    | 0.47                    |
| GMR Airport Developers Limited                                                                                                                               | 0.10                    | 0.13                    |
| GMR Hyderabad International Airport Limited                                                                                                                  | -                       | 0.02                    |
| <b><u>Jointly Controlled Entities</u></b>                                                                                                                    |                         |                         |
| TIM Delhi Airport Advertising Private Limited                                                                                                                | 0.07                    | -                       |
| Delhi Duty Free Services Private Limited                                                                                                                     | 0.49                    | -                       |
| Wipro Airport IT Services Limited                                                                                                                            | 0.02                    | 0.02                    |
| <b><u>Long-term Provision</u></b>                                                                                                                            |                         |                         |
| <b><u>Enterprises in respect of which the company is a joint venture</u></b>                                                                                 |                         |                         |
| Airports Authority of India                                                                                                                                  | 34.90                   | 52.50                   |
| <b><u>Short-term Provision</u></b>                                                                                                                           |                         |                         |
| <b><u>Enterprises in respect of which the company is a joint venture</u></b>                                                                                 |                         |                         |
| Airports Authority of India                                                                                                                                  | 17.61                   | 18.26                   |

**Delhi International Airport Private Limited**

CIN. U63033DL2006PTC146936

Notes to the consolidated financial statements for the year ended March 31, 2016

(All amounts in Rupees Crores, unless otherwise stated)

| Balances at the year ended                                                                                                                                   | As At March 31,<br>2016 | As At March 31,<br>2015 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b><u>Current Liabilities</u></b>                                                                                                                            |                         |                         |
| <b><u>Unearned Revenue</u></b>                                                                                                                               |                         |                         |
| <b><u>Jointly Controlled Entities</u></b>                                                                                                                    |                         |                         |
| TIM Delhi Airport Advertising Private Limited                                                                                                                | 0.04                    | 0.02                    |
| <b><u>Creditors for capital goods</u></b>                                                                                                                    |                         |                         |
| <b><u>Shareholder having substantial interest/enterprises having significant influence over the joint ventures (Where transactions have taken place)</u></b> |                         |                         |
| Wipro Limited                                                                                                                                                | 0.30                    | -                       |
| <b><u>Other Long Term Liabilities</u></b>                                                                                                                    |                         |                         |
| <b><u>Deposits from Trade Concessionaires</u></b>                                                                                                            |                         |                         |
| <b><u>Non-Current</u></b>                                                                                                                                    |                         |                         |
| <b><u>Jointly Controlled Entities</u></b>                                                                                                                    |                         |                         |
| Delhi Duty Free Services Private Limited                                                                                                                     | 117.61                  | 117.59                  |
| Travel Food Services (Delhi Terminal 3) Private Limited                                                                                                      | 1.31                    | 0.93                    |
| Delhi Airport Parking Services Private Limited                                                                                                               | 1.57                    | 1.50                    |
| TIM Delhi Airport Advertising Private Limited                                                                                                                | 17.77                   | 17.77                   |
| <b><u>Creditor for Capital Goods-Other Long Term Liabilities</u></b>                                                                                         |                         |                         |
| <b><u>Shareholder having substantial interest/enterprises having significant influence over the joint ventures (Where transactions have taken place)</u></b> |                         |                         |
| Wipro Limited                                                                                                                                                | 0.90                    | -                       |
| <b><u>Deposits from Trade Concessionaires</u></b>                                                                                                            |                         |                         |
| <b><u>Current</u></b>                                                                                                                                        |                         |                         |
| <b><u>Jointly Controlled Entities</u></b>                                                                                                                    |                         |                         |
| Celebi Delhi Cargo Terminal Management India Private Limited                                                                                                 | 101.79                  | 94.66                   |
| Delhi Aviation Fuel Facility Private Limited                                                                                                                 | 117.41                  | 117.41                  |
| Delhi Airport Parking Services Private Limited                                                                                                               | -                       | 0.07                    |
| Delhi Duty Free Services Private Limited                                                                                                                     | -                       | 0.16                    |
| Delhi Aviation Services Private Limited                                                                                                                      | 7.55                    | 7.51                    |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u></b>                                             |                         |                         |
| GMR Aviation Private Limited                                                                                                                                 | 0.11                    | 0.11                    |

*[This space has been intentionally left blank]*

**Delhi International Airport Private Limited**

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Notes to the consolidated financial statements for the year ended March 31, 2016

(All amounts in Rupees Crores, unless otherwise stated)

**32 (b) (ii) Summary of transaction with the above related parties is as follows:**

| Transactions during the year                                                                                                                                 | For the year ended March 31, 2016 | For the year ended March 31, 2015 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| <b><u>Equity shares issued</u></b>                                                                                                                           |                                   |                                   |
| <b><u>Shareholder having substantial interest/enterprises having significant influence over the joint ventures (Where transactions have taken place)</u></b> |                                   |                                   |
| India Infrastructure Fund II                                                                                                                                 | -                                 | 2.20                              |
| Devyani international Limited                                                                                                                                | -                                 | 1.23                              |
| <b><u>Convertible Debentures issued</u></b>                                                                                                                  |                                   |                                   |
| <b><u>Shareholder having substantial interest/enterprises having significant influence over the joint ventures (Where transactions have taken place)</u></b> |                                   |                                   |
| India Infrastructure Fund II                                                                                                                                 | -                                 | 2.39                              |
| <b><u>Share premium received</u></b>                                                                                                                         |                                   |                                   |
| <b><u>Shareholder having substantial interest/enterprises having significant influence over the joint ventures (Where transactions have taken place)</u></b> |                                   |                                   |
| India Infrastructure Fund II                                                                                                                                 | -                                 | 3.57                              |
| <b><u>Purchase of Products &amp; Service</u></b>                                                                                                             |                                   |                                   |
| <b><u>Shareholder having substantial interest/enterprises having significant influence over the joint ventures (Where transactions have taken place)</u></b> |                                   |                                   |
| Wipro Limited                                                                                                                                                | 9.31                              | 9.58                              |
| Devyani international Limited                                                                                                                                | -                                 | 0.97                              |
| Bird World Wide Flight Services India Private Limited                                                                                                        | 0.21                              | 0.21                              |
| Celebi Ground Handling Delhi Private Limited                                                                                                                 | 0.21                              | 0.21                              |
| Cambata Aviation Private Limited                                                                                                                             | 0.11                              | 0.35                              |
| <b><u>Short term Borrowing</u></b>                                                                                                                           |                                   |                                   |
| <b><u>Shareholder having substantial interest/enterprises having significant influence over the joint ventures (Where transactions have taken place)</u></b> |                                   |                                   |
| Wipro Limited                                                                                                                                                | -                                 | 1.04                              |
| <b><u>Non-current investments</u></b>                                                                                                                        |                                   |                                   |
| <b><u>Sale of investments in Equity Share</u></b>                                                                                                            |                                   |                                   |
| <b><u>Jointly Controlled Entities</u></b>                                                                                                                    |                                   |                                   |
| Delhi Cargo Service Center Private Limited                                                                                                                   | -                                 | 8.08                              |
| Devyani Food Street Private Limited                                                                                                                          | -                                 | 0.91                              |

**Delhi International Airport Private Limited**

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Notes to the consolidated financial statements for the year ended March 31, 2016

(All amounts in Rupees Crores, unless otherwise stated)

| Transactions during the year                                                                                                                                 | For the year<br>ended March<br>31, 2016 | For the year<br>ended March<br>31, 2015 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| <b><u>Sale of investments in Preference Share</u></b>                                                                                                        |                                         |                                         |
| <b><u>Jointly Controlled Entities</u></b>                                                                                                                    |                                         |                                         |
| Devyani Food Street Private Limited                                                                                                                          | -                                       | 0.48                                    |
| <b><u>Security Deposits Received</u></b>                                                                                                                     |                                         |                                         |
| <b><u>Jointly Controlled Entities</u></b>                                                                                                                    |                                         |                                         |
| Delhi Aviation Fuel Facility Private Limited                                                                                                                 | -                                       | 1.68                                    |
| Delhi Duty Free Services Private Limited                                                                                                                     | -                                       | 0.02                                    |
| Delhi Aviation Services Private Limited (formerly DIAL Cargo Private Limited)                                                                                | 0.03                                    | -                                       |
| Celebi Delhi Cargo Terminal Management India Private Limited                                                                                                 | 7.12                                    | -                                       |
| Travel Food Services (Delhi Terminal 3) Private Limited                                                                                                      | 0.38                                    | -                                       |
| <b><u>Deposits from trade concessionaires</u></b>                                                                                                            |                                         |                                         |
| <b><u>Deposits Refunded/Paid</u></b>                                                                                                                         |                                         |                                         |
| <b><u>Jointly Controlled Entities</u></b>                                                                                                                    |                                         |                                         |
| Delhi Duty Free Services Private Limited                                                                                                                     | 0.15                                    | 0.33                                    |
| <b><u>Income from sale of services</u></b>                                                                                                                   |                                         |                                         |
| <b><u>Shareholder having substantial interest/enterprises having significant influence over the joint ventures (Where transactions have taken place)</u></b> |                                         |                                         |
| Times Innovative Media Ltd.                                                                                                                                  | 6.83                                    | 4.03                                    |
| Bird World Wide Flight Services India Private Limited                                                                                                        | 3.07                                    | 3.14                                    |
| Celebi Ground Handling Delhi Private Limited                                                                                                                 | 3.04                                    | 3.06                                    |
| Cambata Aviation Private Limited                                                                                                                             | 2.21                                    | 9.28                                    |
| Travel food Services Private Limited                                                                                                                         | 0.10                                    | -                                       |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/Intermediate holding company)</u></b>                                              |                                         |                                         |
| GMR Sports Private Limited                                                                                                                                   | -                                       | 1.27                                    |
| <b><u>Purchase of Fixed assets</u></b>                                                                                                                       |                                         |                                         |
| <b><u>Shareholder having substantial interest/enterprises having significant influence over the joint ventures (Where transactions have taken place)</u></b> |                                         |                                         |
| Wipro Limited                                                                                                                                                | 1.28                                    | -                                       |
| <b><u>Transfer of Assets/CWIP</u></b>                                                                                                                        |                                         |                                         |
| <b><u>Jointly Controlled Entities</u></b>                                                                                                                    |                                         |                                         |
| Wipro Airport IT Services Limited                                                                                                                            | -                                       | 0.31                                    |

**Delhi International Airport Private Limited**

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Notes to the consolidated financial statements for the year ended March 31, 2016

(All amounts in Rupees Crores, unless otherwise stated)

| Transactions during the year                                                                                         | For the year<br>ended March<br>31, 2016 | For the year<br>ended March<br>31, 2015 |
|----------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/<br/>Intermediate holding company)</u></b> |                                         |                                         |
| GMR Airport Developers Limited                                                                                       | -                                       | 0.07                                    |
| <b><u>Sale of Assets</u></b>                                                                                         |                                         |                                         |
| <b><u>Jointly Controlled Entities</u></b>                                                                            |                                         |                                         |
| Wipro Airport IT Services Limited                                                                                    | -                                       | 0.29                                    |
| <b><u>CSR Donation</u></b>                                                                                           |                                         |                                         |
| <b><u>Enterprises having significant influence over the Company</u></b>                                              |                                         |                                         |
| GMR Varalakshmi Foundation                                                                                           | 0.46                                    | 0.31                                    |
| <b><u>Key Managerial Remuneration paid/ payable</u></b>                                                              |                                         |                                         |
| <b><u>Employee Benefits for Key Management Personnel</u></b>                                                         |                                         |                                         |
| Mr. Grandhi Kiran Kumar                                                                                              | 2.47                                    | 2.25                                    |
| Mr. Srinivas Bommidala                                                                                               | 2.47                                    | 2.25                                    |
| Mr. K. Narayana Rao                                                                                                  | 1.24                                    | 1.14                                    |
| <b><u>Revenue share paid</u></b>                                                                                     |                                         |                                         |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                         |                                         |                                         |
| Airports Authority of India                                                                                          | 2,304.15                                | 1,967.80                                |
| <b><u>Interest on Revenue share</u></b>                                                                              |                                         |                                         |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                         |                                         |                                         |
| Airports Authority of India                                                                                          | 2.10                                    | -                                       |
| <b><u>Operation support cost paid</u></b>                                                                            |                                         |                                         |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                         |                                         |                                         |
| Airports Authority of India                                                                                          | -                                       | 2.77                                    |
| <b><u>CSR activities</u></b>                                                                                         |                                         |                                         |
| <b><u>Enterprises having significant influence over the Company</u></b>                                              |                                         |                                         |
| GMR Varalakshmi Foundation                                                                                           | 1.94                                    | -                                       |
| <b><u>Communication Costs Paid</u></b>                                                                               |                                         |                                         |
| <b><u>Jointly Controlled Entities</u></b>                                                                            |                                         |                                         |
| Wipro Airport IT Services Limited                                                                                    | 0.06                                    | -                                       |

**Delhi International Airport Private Limited**

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(All amounts in Rupees Crores, unless otherwise stated)

| Transactions during the year                                                                                                                                 | For the year<br>ended March<br>31, 2016 | For the year<br>ended March<br>31, 2015 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| <b><u>Interest &amp; Finance Cost Paid</u></b>                                                                                                               |                                         |                                         |
| <b><u>Shareholder having substantial interest/enterprises having significant influence over the joint ventures (Where transactions have taken place)</u></b> |                                         |                                         |
| Devyani International Limited                                                                                                                                | -                                       | 0.23                                    |
| Celebi Hava Servisi A.S.                                                                                                                                     | 0.37                                    | 0.35                                    |
| Wipro Limited                                                                                                                                                | 0.10                                    | 0.05                                    |
| India Infrastructure Fund II                                                                                                                                 | -                                       | 0.01                                    |
| <b><u>Interest Received</u></b>                                                                                                                              |                                         |                                         |
| <b><u>Jointly Controlled Entities</u></b>                                                                                                                    |                                         |                                         |
| Devyani Food Street Private Limited                                                                                                                          | -                                       | 1.71                                    |
| Delhi Cargo Service Center Private Limited                                                                                                                   | -                                       | 3.60                                    |
| Delhi Aviation Fuel Facility Private Limited                                                                                                                 | -                                       | 0.60                                    |
| Delhi Airport Parking Services Private Limited                                                                                                               | 0.63                                    | -                                       |
| Delhi Duty Free Services Private Limited                                                                                                                     | 0.07                                    | -                                       |
| Celebi Delhi Cargo Terminal Management India Private Limited                                                                                                 | 0.60                                    | -                                       |
| Delhi Aviation Services Private Limited                                                                                                                      | 1.38                                    | -                                       |
| <b><u>Consultancy fees paid</u></b>                                                                                                                          |                                         |                                         |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                                                                 |                                         |                                         |
| Fraport AG Frankfurt Airport Services Worldwide                                                                                                              | 0.28                                    | 0.43                                    |
| <b><u>Holding company</u></b>                                                                                                                                |                                         |                                         |
| GMR Airports Limited                                                                                                                                         | -                                       | 0.20                                    |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/Intermediate holding company)</u></b>                                              |                                         |                                         |
| GMR Corporate Affairs Private Limited                                                                                                                        | 0.26                                    | -                                       |
| <b><u>Jointly Controlled Entities</u></b>                                                                                                                    |                                         |                                         |
| Wipro Airport IT Services Limited                                                                                                                            | -                                       | 0.01                                    |
| <b><u>Staff welfare/ Training expenses</u></b>                                                                                                               |                                         |                                         |
| <b><u>Holding company</u></b>                                                                                                                                |                                         |                                         |
| GMR Airports Limited                                                                                                                                         | 0.07                                    | -                                       |
| <b><u>Manpower hire charges</u></b>                                                                                                                          |                                         |                                         |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/Intermediate holding company)</u></b>                                              |                                         |                                         |
| GMR Airport Developers Limited                                                                                                                               | 36.37                                   | 33.34                                   |

**Delhi International Airport Private Limited**

CIN. U63033DL2006PTC146936

Notes to the consolidated financial statements for the year ended March 31, 2016

(All amounts in Rupees Crores, unless otherwise stated)

| Transactions during the year                                                                                                                                 | For the year ended March 31, 2016 | For the year ended March 31, 2015 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| <b><u>Shareholder having substantial interest/enterprises having significant influence over the joint ventures (Where transactions have taken place)</u></b> |                                   |                                   |
| Bharat Petroleum Corporation Limited                                                                                                                         | 0.11                              | 0.06                              |
| Bird World Wide Flight Services India Private Limited                                                                                                        | 0.91                              | 0.85                              |
| <b><u>Airport Operator fees</u></b>                                                                                                                          |                                   |                                   |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                                                                 |                                   |                                   |
| Fraport AG Frankfurt Airport Services Worldwide                                                                                                              | 128.68                            | 119.90                            |
| <b><u>Shareholder having substantial interest/enterprises having significant influence over the joint ventures (Where transactions have taken place)</u></b> |                                   |                                   |
| Tenaga Parking Services (India) Private Limited                                                                                                              | 1.34                              | 1.02                              |
| <b><u>Expenses incurred by one related party on behalf of other related party</u></b>                                                                        |                                   |                                   |
| <b><u>Intermediate Holding company</u></b>                                                                                                                   |                                   |                                   |
| GMR Infrastructure Limited                                                                                                                                   | 0.02                              | 0.11                              |
| <b><u>Holding company</u></b>                                                                                                                                |                                   |                                   |
| GMR Airports Limited                                                                                                                                         | 7.13                              | 1.69                              |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                                                                 |                                   |                                   |
| Airports Authority of India                                                                                                                                  | 0.60                              | -                                 |
| <b><u>Shareholder having substantial interest/enterprises having significant influence over the joint ventures (Where transactions have taken place)</u></b> |                                   |                                   |
| Celebi Hava Servisi A.S                                                                                                                                      | 0.11                              | 0.04                              |
| Cargo Service Center (India) Private Limited                                                                                                                 | -                                 | 0.03                              |
| Times Innovative Media Ltd.                                                                                                                                  | 0.68                              | 0.54                              |
| Travel food Services Private Limited                                                                                                                         | 0.01                              | 0.01                              |
| Yalorvin Ltd                                                                                                                                                 | 0.27                              | 0.04                              |
| Celebi Ground Handling Delhi Private Limited                                                                                                                 | 0.05                              | 0.05                              |
| Wipro Limited                                                                                                                                                | 0.01                              | -                                 |
| <b><u>Jointly Controlled Entities</u></b>                                                                                                                    |                                   |                                   |
| Delhi Duty Free Services Private Limited                                                                                                                     | -                                 | 0.01                              |
| Devyani Food Street Private Limited                                                                                                                          | -                                 | 0.07                              |
| Celebi Delhi Cargo Terminal Management India Private Limited                                                                                                 | 0.30                              | 0.28                              |
| TIM Delhi Airport Advertising Private Limited                                                                                                                | 0.29                              | 0.21                              |
| Delhi Aviation Services Private Limited (formerly DIAL Cargo Private Limited)                                                                                | 0.22                              | 0.20                              |
| Delhi Airport Parking Services Private Limited                                                                                                               | 0.34                              | 0.32                              |

**Delhi International Airport Private Limited**

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Notes to the consolidated financial statements for the year ended March 31, 2016

(All amounts in Rupees Crores, unless otherwise stated)

| Transactions during the year                                                                                     | For the year ended March 31, 2016 | For the year ended March 31, 2015 |
|------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| Travel Food Services (Delhi Terminal 3) Private Limited                                                          | 0.26                              | 0.23                              |
| Delhi Duty Free Services Private Limited                                                                         | 0.15                              | 0.19                              |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u></b> |                                   |                                   |
| GMR Airport Developers Limited                                                                                   | 0.14                              | 0.18                              |
| GMR Male International Airport Private Limited                                                                   | 0.06                              | 0.13                              |
| GMR Corporate Affairs Private Limited                                                                            | -                                 | 0.01                              |
| GMR Hyderabad International Airport Limited                                                                      | 0.22                              | 0.26                              |
| Raxa Security Services Limited                                                                                   | 0.90                              | 0.99                              |
| GMR Krishnagiri SEZ Limited                                                                                      | -                                 | 0.02                              |
| GMR Tambaram Tinidivanam Expressways Private Limited                                                             | -                                 | 0.01                              |
| Kakinada SEZ Private Limited                                                                                     | 0.18                              | 0.07                              |
| GMR Bajoli Holi Hydropower Private Limited                                                                       | -                                 | 0.01                              |
| GMR Kamalanga Energy Limited                                                                                     | 0.04                              | 0.09                              |
| GMR Power Corporation Limited                                                                                    | -                                 | 0.01                              |
| GMR Aviation Private Limited                                                                                     | -                                 | 0.21                              |
| GMR Kishangarh Udaipur Ahmedabad Expressways Limited                                                             | -                                 | 0.05                              |
| GMR Sports Private Limited                                                                                       | -                                 | 0.01                              |
| <b><u>Corporate Cost Allocation- Expense</u></b>                                                                 |                                   |                                   |
| <b><u>Intermediate Holding company</u></b>                                                                       |                                   |                                   |
| GMR Infrastructure Limited                                                                                       | 33.55                             | 36.67                             |
| <b><u>Holding company</u></b>                                                                                    |                                   |                                   |
| GMR Airports Limited                                                                                             | 20.65                             | 17.53                             |
| <b><u>Provision for doubtful debts/ Bad debt written off</u></b>                                                 |                                   |                                   |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                     |                                   |                                   |
| Airports Authority of India                                                                                      | -                                 | 0.09                              |
| <b><u>Services Received</u></b>                                                                                  |                                   |                                   |
| <b><u>Chartering Cost :</u></b>                                                                                  |                                   |                                   |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u></b> |                                   |                                   |
| GMR Aviation Private Limited                                                                                     | 3.47                              | 4.30                              |
| <b><u>Security related expenses:</u></b>                                                                         |                                   |                                   |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u></b> |                                   |                                   |
| Raxa Security Services Limited                                                                                   | 15.86                             | 13.17                             |

**Delhi International Airport Private Limited**

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Notes to the consolidated financial statements for the year ended March 31, 2016

(All amounts in Rupees Crores, unless otherwise stated)

| Transactions during the year                                                                                                                                 | For the year<br>ended March<br>31, 2016 | For the year<br>ended March<br>31, 2015 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| <b><u>Information technology and related expenses:</u></b>                                                                                                   |                                         |                                         |
| <b><u>Jointly Controlled Entities</u></b>                                                                                                                    |                                         |                                         |
| Wipro Airport IT Services Limited                                                                                                                            | 13.42                                   | 39.22                                   |
| <b><u>Repair maintenance - IT System &amp; Others Expenses</u></b>                                                                                           |                                         |                                         |
| <b><u>Holding company</u></b>                                                                                                                                |                                         |                                         |
| GMR Airports Limited                                                                                                                                         | 0.02                                    | -                                       |
| <b><u>Shareholder having substantial interest/enterprises having significant influence over the joint ventures (Where transactions have taken place)</u></b> |                                         |                                         |
| Devyani international Limited                                                                                                                                | -                                       | 0.35                                    |
| Celebi Delhi Cargo Management (I) Private Limited                                                                                                            | 0.25                                    | 0.25                                    |
| <b><u>Jointly Controlled Entities</u></b>                                                                                                                    |                                         |                                         |
| Wipro Airport IT Services Limited                                                                                                                            | 1.37                                    | 2.73                                    |
| Delhi Airport Parking Services Private Limited                                                                                                               | -                                       | 0.02                                    |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/Intermediate holding company)</u></b>                                              |                                         |                                         |
| GMR Airport Developers Limited                                                                                                                               | 0.50                                    | -                                       |
| <b><u>Rent - Office Charges -Expense</u></b>                                                                                                                 |                                         |                                         |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                                                                 |                                         |                                         |
| Airports Authority of India                                                                                                                                  | 0.03                                    | -                                       |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/Intermediate holding company)</u></b>                                              |                                         |                                         |
| GMR Hyderabad International Airport Limited                                                                                                                  | -                                       | 0.04                                    |
| <b><u>Staff welfare expenses-Others</u></b>                                                                                                                  |                                         |                                         |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/Intermediate holding company)</u></b>                                              |                                         |                                         |
| Raxa Security Services Limited                                                                                                                               | -                                       | 0.02                                    |
| <b><u>Director sitting fees- Expense</u></b>                                                                                                                 |                                         |                                         |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                                                                 |                                         |                                         |
| Airports Authority of India                                                                                                                                  | -                                       | 0.02                                    |
| <b><u>Electricity charges recovered</u></b>                                                                                                                  |                                         |                                         |
| <b><u>Intermediate Holding company</u></b>                                                                                                                   |                                         |                                         |
| GMR Infrastructure Limited                                                                                                                                   | 0.07                                    | -                                       |
| <b><u>Jointly Controlled Entities</u></b>                                                                                                                    |                                         |                                         |
| Delhi Aviation Services Private Limited                                                                                                                      | 5.01                                    | 3.08                                    |
| Delhi Airport Parking Services Private Limited                                                                                                               | 0.82                                    | 0.77                                    |

**Delhi International Airport Private Limited**

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(All amounts in Rupees Crores, unless otherwise stated)

| Transactions during the year                                                                                    | For the year ended March 31, 2016 | For the year ended March 31, 2015 |
|-----------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| Delhi Cargo Service Center Private Limited                                                                      | -                                 | 2.26                              |
| Celebi Delhi Cargo Terminal Management India Private Limited                                                    | 10.42                             | 9.93                              |
| TIM Delhi Airport Advertising Private Limited                                                                   | 1.64                              | 1.55                              |
| Travel Food Services (Delhi Terminal 3) Private Limited                                                         | 2.13                              | 1.91                              |
| Delhi Duty Free Services Private Limited                                                                        | 1.36                              | 1.29                              |
| Devyani Food Street Private Limited                                                                             | -                                 | 1.30                              |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/Intermediate holding company)</u></b> |                                   |                                   |
| GMR Aviation Private Limited                                                                                    | 0.01                              | 0.01                              |
| GMR Energy Limited                                                                                              | 0.21                              | 0.57                              |
| GMR Chhattisgarh Energy Limited                                                                                 | 0.22                              | -                                 |
| GMR Warora Energy Limited (formerly Known as EMCO Energy Limited)                                               | 0.19                              | -                                 |
| GMR Badrinath Hydro Power Generation Private Limited                                                            | -                                 | 0.09                              |
| GMR Tambaram Tinidivanam Expressways Private Limited                                                            | 0.07                              | -                                 |
| GMR Consulting Services Pvt. Ltd.                                                                               | 0.48                              | -                                 |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                    |                                   |                                   |
| Airports Authority of India                                                                                     | 14.10                             | 10.49                             |
| <b><u>Water charges recovered</u></b>                                                                           |                                   |                                   |
| <b><u>Jointly Controlled Entities</u></b>                                                                       |                                   |                                   |
| Delhi Aviation Services Private Limited (formerly DIAL Cargo Private Limited)                                   | 0.05                              | 0.05                              |
| Delhi Airport Parking Services Private Limited                                                                  | 0.20                              | 0.19                              |
| Devyani Food Street Private Limited                                                                             | -                                 | 0.14                              |
| Travel Food Services (Delhi Terminal 3) Private Limited                                                         | 0.26                              | 0.24                              |
| Delhi Cargo Service Center Private Limited                                                                      | -                                 | 0.39                              |
| Celebi Delhi Cargo Terminal Management India Private Limited                                                    | 0.74                              | 0.75                              |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/Intermediate holding company)</u></b> |                                   |                                   |
| GMR Energy Limited                                                                                              | 0.01                              | 0.01                              |
| GMR Chhattisgarh Energy Limited                                                                                 | 0.01                              | -                                 |
| GMR Warora Energy Limited (formerly Known as EMCO Energy Limited)                                               | 0.02                              | -                                 |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                    |                                   |                                   |
| Airports Authority of India                                                                                     | 0.39                              | -                                 |
| <b><u>Revenue Form Operations:-</u></b>                                                                         |                                   |                                   |
| <b><u>Space Rental, Land Licence fee, Common area Maintenance (CAM)</u></b>                                     |                                   |                                   |
| <b><u>Intermediate Holding company</u></b>                                                                      |                                   |                                   |
| GMR Infrastructure Limited                                                                                      | 1.14                              | -                                 |

**Delhi International Airport Private Limited**

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(All amounts in Rupees Crores, unless otherwise stated)

| Transactions during the year                                                                                                                                 | For the year ended March 31, 2016 | For the year ended March 31, 2015 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| <b><u>Jointly Controlled Entities</u></b>                                                                                                                    |                                   |                                   |
| TIM Delhi Airport Advertising Private Limited                                                                                                                | 0.70                              | 0.72                              |
| Delhi Cargo Service Center Private Limited                                                                                                                   | -                                 | 6.83                              |
| Delhi Aviation Fuel Facility Private Limited                                                                                                                 | 11.82                             | 11.06                             |
| Celebi Delhi Cargo Terminal Management India Private Limited                                                                                                 | 18.54                             | 17.25                             |
| Delhi Duty Free Services Private Limited                                                                                                                     | 0.78                              | 0.63                              |
| Delhi Aviation Services Private Limited                                                                                                                      | 0.04                              | 0.03                              |
| <b><u>Shareholder having substantial interest/enterprises having significant influence over the joint ventures (Where transactions have taken place)</u></b> |                                   |                                   |
| Bharat Petroleum Corporation Limited                                                                                                                         | 0.02                              | 0.02                              |
| Celebi Ground Handling Delhi Private Limited                                                                                                                 | 0.15                              | 0.15                              |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate Holding company)</u></b>                                                           |                                   |                                   |
| GMR Badrinath Hydro Power Generation Private Limited                                                                                                         | 0.88                              | 0.95                              |
| GMR Energy Limited                                                                                                                                           | 0.07                              | 2.95                              |
| GMR Aviation Private Limited                                                                                                                                 | 1.47                              | 0.10                              |
| GMR Consulting Services Pvt. Ltd.                                                                                                                            | 1.47                              | -                                 |
| GMR Tambaram Tinidivanam Expressways Private Limited                                                                                                         | 1.14                              | -                                 |
| GMR Warora Energy Limited (formerly Known as EMCO Energy Limited)                                                                                            | 1.47                              | -                                 |
| <b><u>Concession fees received</u></b>                                                                                                                       |                                   |                                   |
| <b><u>Jointly Controlled Entities</u></b>                                                                                                                    |                                   |                                   |
| Delhi Airport Parking Services Private Limited                                                                                                               | 8.07                              | 5.15                              |
| TIM Delhi Airport Advertising Private Limited                                                                                                                | 59.25                             | 51.35                             |
| Delhi Aviation Services Private Limited                                                                                                                      | 3.19                              | 2.20                              |
| Delhi Cargo Service Center Private Limited                                                                                                                   | -                                 | 15.78                             |
| Delhi Duty Free Services Private Limited                                                                                                                     | 152.87                            | 129.31                            |
| Devyani Food Street Private Limited                                                                                                                          | -                                 | 6.08                              |
| Celebi Delhi Cargo Terminal Management India Private Limited                                                                                                 | 82.44                             | 84.70                             |
| Travel Food Services (Delhi Terminal 3) Private Limited                                                                                                      | 9.01                              | 7.51                              |
| <b><u>Airport Service, Common Area Maintenance, Screening &amp; Other Charges Received</u></b>                                                               |                                   |                                   |
| <b><u>Intermediate Holding company</u></b>                                                                                                                   |                                   |                                   |
| GMR Infrastructure Limited                                                                                                                                   | 0.18                              | -                                 |
| <b><u>Jointly Controlled Entities</u></b>                                                                                                                    |                                   |                                   |
| Travel Food Services (Delhi Terminal 3) Private Limited                                                                                                      | 1.48                              | 0.68                              |
| Devyani Food Street Private Limited                                                                                                                          | -                                 | 0.56                              |
| Celebi Delhi Cargo Terminal Management India Private Limited                                                                                                 | 0.58                              | 0.79                              |

**Delhi International Airport Private Limited**

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Notes to the consolidated financial statements for the year ended March 31, 2016

(All amounts in Rupees Crores, unless otherwise stated)

| Transactions during the year                                                                                                                                 | For the year ended March 31, 2016 | For the year ended March 31, 2015 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| TIM Delhi Airport Advertising Private Limited                                                                                                                | 0.07                              | -                                 |
| Delhi Duty Free Services Private Limited                                                                                                                     | 2.28                              | 2.02                              |
| Delhi Airport Parking Services Private Limited                                                                                                               | 0.01                              | -                                 |
| Delhi Aviation Services Private Limited                                                                                                                      | 0.01                              | 0.02                              |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate Holding company)</u></b>                                                           |                                   |                                   |
| GMR Energy Limited                                                                                                                                           | 0.09                              | -                                 |
| GMR Consulting Services Pvt. Ltd.                                                                                                                            | 0.16                              | -                                 |
| GMR Chhattisgarh Energy Limited                                                                                                                              | 0.16                              | -                                 |
| GMR Tambaram Tinidivanam Expressways Private Limited                                                                                                         | 0.18                              | -                                 |
| GMR Warora Energy Limited (formerly Known as EMCO Energy Limited)                                                                                            | 0.16                              | -                                 |
| <b><u>Aeronautical Income</u></b>                                                                                                                            |                                   |                                   |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u></b>                                             |                                   |                                   |
| GMR Aviation Private Limited                                                                                                                                 | 0.25                              | 0.35                              |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                                                                 |                                   |                                   |
| Airports Authority of India                                                                                                                                  | 0.06                              | 0.07                              |
| <b><u>Other Income:-</u></b>                                                                                                                                 |                                   |                                   |
| <b><u>Management Fees</u></b>                                                                                                                                |                                   |                                   |
| <b><u>Holding Company:</u></b>                                                                                                                               |                                   |                                   |
| GMR Airports Limited                                                                                                                                         | -                                 | 1.54                              |
| <b><u>Shareholder having substantial interest/enterprises having significant influence over the joint ventures (Where transactions have taken place)</u></b> |                                   |                                   |
| Times Innovative Media Ltd.                                                                                                                                  | -                                 | 1.85                              |
| Yalorvin Ltd                                                                                                                                                 | 3.01                              | 2.74                              |
| <b><u>Jointly Controlled Entities</u></b>                                                                                                                    |                                   |                                   |
| TIM Delhi Airport Advertising Private Limited                                                                                                                | -                                 | 1.65                              |
| Delhi Duty Free Services Private Limited                                                                                                                     | -                                 | 4.13                              |
| <b><u>Final Dividend Paid</u></b>                                                                                                                            |                                   |                                   |
| <b><u>Holding Company:</u></b>                                                                                                                               |                                   |                                   |
| GMR Airports Limited                                                                                                                                         | 1.36                              | 0.68                              |
| <b><u>Shareholder having substantial interest/enterprises having significant influence over the joint ventures (Where transactions have taken place)</u></b> |                                   |                                   |
| Yalorvin Ltd                                                                                                                                                 | 2.64                              | 1.32                              |

**Delhi International Airport Private Limited**

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Notes to the consolidated financial statements for the year ended March 31, 2016

(All amounts in Rupees Crores, unless otherwise stated)

| Transactions during the year                                                                                                                                 | For the year<br>ended March<br>31, 2016 | For the year<br>ended March<br>31, 2015 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| <b><u>Interim dividend paid</u></b>                                                                                                                          |                                         |                                         |
| <b><u>Holding Company:</u></b>                                                                                                                               |                                         |                                         |
| GMR Airports Limited                                                                                                                                         | 2.45                                    | 0.68                                    |
| <b><u>Shareholder having substantial interest/enterprises having significant influence over the joint ventures (Where transactions have taken place)</u></b> |                                         |                                         |
| Yalorvin Ltd                                                                                                                                                 | 4.75                                    | 1.32                                    |
| <b><u>Marketing Fund Billed</u></b>                                                                                                                          |                                         |                                         |
| <b><u>Jointly Controlled Entities</u></b>                                                                                                                    |                                         |                                         |
| Delhi Duty Free Services Private Limited                                                                                                                     | 9.83                                    | 8.24                                    |
| Delhi Airport Parking Services Private Limited                                                                                                               | 0.01                                    | 0.01                                    |
| Travel Food Services (Delhi Terminal 3) Private Limited                                                                                                      | 0.68                                    | -                                       |
| <b><u>Marketing Fund Utilised</u></b>                                                                                                                        |                                         |                                         |
| <b><u>Jointly Controlled Entities</u></b>                                                                                                                    |                                         |                                         |
| Delhi Duty Free Services Private Limited                                                                                                                     | 2.19                                    | -                                       |
| TIM Delhi Airport Advertising Private Limited                                                                                                                | 0.39                                    | 0.41                                    |
| <b><u>CPD Infra Deposit utilization</u></b>                                                                                                                  |                                         |                                         |
| <b><u>Fellow subsidiaries (including subsidiary companies of the ultimate/Intermediate holding company)</u></b>                                              |                                         |                                         |
| GMR Airport Developers Limited                                                                                                                               | 1.60                                    | 1.26                                    |
| Raxa Security Services Limited                                                                                                                               | 2.12                                    | 1.52                                    |
| <b><u>ATC Development Fund utilization</u></b>                                                                                                               |                                         |                                         |
| <b><u>Enterprises in respect of which the Company is a joint venture</u></b>                                                                                 |                                         |                                         |
| Airports Authority of India                                                                                                                                  | 10.00                                   | 80.00                                   |

*[This space has been intentionally left blank]*

**33. Leases:****Assets taken on finance Lease****Group as a lessee**

The Group has finance lease for motor vehicle. These lease contracts do not have any renewal option .

| Particulars                                    | March 31, 2016   |                      | March 31, 2015   |                      |
|------------------------------------------------|------------------|----------------------|------------------|----------------------|
|                                                | Minimum Payments | Present Value of MLP | Minimum Payments | Present Value of MLP |
| Within one year                                | 0.03             | 0.02                 | -                | -                    |
| After one year but not more than five years    | 0.04             | 0.03                 | -                | -                    |
| More than five years                           | -                | -                    | -                | -                    |
| <b>Total minimum lease payments</b>            | <b>0.07</b>      | <b>0.06</b>          | -                | -                    |
| Less: amounts representing finance charges     | (0.01)           | -                    | -                | -                    |
| <b>Present value of minimum lease payments</b> | <b>0.06</b>      | <b>0.06</b>          | -                | -                    |

**Assets taken on operating Lease****Group as a lessee**

Future minimum rental payables under non-cancellable operating leases are as follows:-

| Particulars                                                      | March 31, 2016 | March 31, 2015 |
|------------------------------------------------------------------|----------------|----------------|
| <b>Lease rentals charged to the Statement of Profit and Loss</b> | 9.57           | 7.75           |
| <b>Minimum Lease Payments:</b>                                   |                |                |
| Within one year                                                  | 3.43           | 5.28           |
| After one year but not more than five years                      | 6.62           | 8.41           |
| More than five years                                             | -              | -              |
| <b>Total</b>                                                     | <b>10.05</b>   | <b>13.69</b>   |

- a) The Group has taken office and residential space, guest houses, information technology equipment under operating lease arrangements. Office premises are obtained on operating lease for terms ranging from 0-5 years and are renewable by mutual consent. There are no sub leases.

**Group as a lessor**

- a) DAFFPL charges rent from occupants of administrative building at Fuel farm. It has earned rental income of Rs. 0.23 crores (proportionate share: Rs. 0.06 crores) [March 31, 2015: Rs. 0.19 crores (proportionate share: Rs. 0.05 crores)] during the year. The gross carrying amount, accumulated depreciation and depreciation recognised in the statement of profit and loss in respect of occupied portion of the building is Rs. 1.55 crores (proportionate share: Rs. 0.40 crores) [March 31, 2015: Rs.

1.55 crores (proportionate share: Rs. 0.40 crores)], Rs. 0.29 crores (proportionate share: of Rs. 0.08 crores [March 31, 2015: Rs. 0.23 crores (proportionate share: Rs. 0.06 crores)] and Rs 0.06 crores (proportionate share: Rs. 0.02 crores) [March 31, 2015: Rs 0.06 crores (proportionate share: Rs. 0.02 crores)] respectively.

- b) During the previous year, DCSC had given some portion of building premises on cancellable operating lease arrangements (terminal license fees) to its customers. It had earned terminal license fees of Rs. 0.87 crores [proportionate share Rs. 0.23 crores] during the previous year. These arrangements were part of overall cargo handling operation of DCSC. Since these arrangements were for some part of the building, it was not practicable to disclose gross carrying amount and accumulated depreciation of building in respect of such assets.
- c) DDFSPL has given some portion of its leasehold improvements on cancellable operating lease arrangements to its customers. These arrangements are part of overall display and sale of various branded products. Since these arrangements are for some part of the building, it is not practicable to disclose gross carrying amount and accumulated depreciation of building in respect of such assets.

#### **34. Capital and Other Commitments:**

##### **Capital Commitments:**

At March 31, 2016, Group has estimated amount of contracts remaining to be executed on capital account not provided for (net of advance) amounts to Rs. 97.72 crores (March 31, 2015: Rs. 78.23 crores).

##### **Other Commitments:**

- i. As per the terms of OMDA, the Holding Company is required to pay annual fees to AAI at 45.99% of its revenue (as defined in OMDA) 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 Holding Company is required to pay every year 3% of previous year's gross revenue as operator fee to Fraport AG Frankfurt Airport Services Worldwide.
- iii. Holding Company entered into a tripartite Master Service Agreement (MSA) with WAISL and WIPRO Limited (Holding Company of WAISL) by which Holding Company is committed to pay annually to WAISL if the receivable of WAISL falls short of subsistence level (as defined in the said MSA). During the year ended March 31, 2016, the Holding Company accounted for Rs. 18.14 crores (March 31, 2015: Rs. 53 crores) towards such short fall of subsistence level over receivables of WAISL and this is disclosed as "Information technology and related expenses" in Other expenses.

Also, in case of delay in payment of dues from customers to WAISL, the Holding Company would fund the deficit on a temporary basis till the time WAISL collects the dues from such customers. As at March 31, 2016, the Company had funded Rs. 10.03 crores (March 31, 2015: Rs. 9.62 crores) towards shortfall in collection from customers.

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- iv. In respect of the Holding Company's investment in Joint Venture ('JV') entities, other JV partners have the first right of refusal in case any of the JV partners intend to sell its stake subject to other terms and conditions of respective joint venture agreements.
- v. The Holding Company has taken Interest Rate Swap ('IRS') of USD 90.23 millions, fixing LIBOR at 1.94% p.a. (on notional amount payable semi-annually and receive USD 6 months LIBOR semi-annually), which are effective from June 30, 2015 and maturity date is June 29, 2018 (to be read with note 35).
- vi. DAPSPL has entered into an operation and maintenance agreement with Tenaga Parking Services (India) Private Limited for operating and maintaining parking services on revenue share model for an exclusive period of 5 years from the commencement of its operation. The revenue sharing will be as per the percentage prescribed in the agreement.
- vii. DAFFPL has given counter guarantee to Indian Bank, New Delhi for Rs 5.00 crores (proportionate share: Rs. 1.30 crores) [March 31,2015: Rs 5.00 crores (proportionate share: Rs. 1.30 crores)] against the sanction limit; out of the same Rs 3.00 crores (proportionate share: Rs. 0.78 crores) [March 31,2015: Rs 3.00 crores (proportionate share: Rs. 0.78 crores)] of bank guarantees is issued to various parties.
- viii. In respect of its equity investment in EDWPCPL, the Holding Company along with SELCO International Limited has to maintain minimum 51% shareholding for a period of 2 years from the commissioning of the project and thereafter minimum 26% shareholding for next 10 years. The project is not yet commissioned.
- ix. The following investments have been pledged by the Holding Company towards borrowings by these companies:

| Company Name | As at March 31, 2016 |              | As at March 31, 2015 |              |
|--------------|----------------------|--------------|----------------------|--------------|
|              | No. of Shares        | Amount (Rs.) | No. of Shares        | Amount (Rs.) |
| DDFSPL       | 11,976,000           | 119,760,000  | 11,976,000           | 119,760,000  |
| DAPSL        | 18,853,703           | 188,537,030  | 18,853,703           | 188,537,030  |
| TFS          | 960,000              | 9,600,000    | 960,000              | 9,600,000    |

- x. During the previous year, DDFSPL has laid out plan for redesigning/reimbursement of arrival and departure shops at Delhi International Airport. Estimated cost for the proposed change is Rs. 50 crores (approx.) (proportionate share: Rs. 25 crores) [March 31, 2015: Rs. 50 crores (approx.) proportionate share: Rs. 25 crores)]. Till March 31, 2016, it has incurred Rs. 1.72 crores (proportionate share: Rs. 0.86 crores) [March 31, 2015: 1.00 crores (proportionate share: Rs.0.50 crores )] for consultants for designing and layouts.
- xi. The Holding Company has committed to provide financial support to TFS in proportion to its shareholding to meet the liabilities as and when required.
- xii. The Holding Company has committed to provide financial support to DAPL to meet the liabilities as and when required.

*[This space has been intentionally left blank]*

**35. Contingent liabilities not provided for:**

| S.No  | Particulars                                      | As at<br>March 31, 2016 | As at<br>March 31, 2015 |
|-------|--------------------------------------------------|-------------------------|-------------------------|
| (i)   | In respect of Income tax matters                 | 68.46                   | 91.72                   |
| (ii)  | In respect of Indirect tax matters               | 193.76                  | 6.86                    |
| (iii) | Claim against the Group not acknowledged as debt | 42.22                   | 42.23                   |

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

**In respect of Income Tax matters**

- a) During the year ended March 31, 2016, WAISL has received a demand order of Rs. 0.07 crores [proportionate share: Rs. 0.02 crores] for assessment year 2013 – 2014 (previous year 2012 – 2013) relating to disallowance of provision for doubtful debts pertaining to the financial year 2012 – 2013. The said provision for doubtful debts has been reversed in the financial year 2013 – 2014 and WAISL believes that the same shall be allowed during assessment proceedings for assessment year 2014 – 2015. Accordingly, no provision has been considered in this regard.
- b) During the current year, Celebi has received an order under section 263 of the Income-tax Act, 1961 pertaining to the assessment year 2011-12 wherein the Principal Commissioner of Income Tax has set aside the assessment order passed by the Assessing Officer under section 143(3) of the Income-tax Act, 1961 challenging certain deductions claimed by Celebi and allowed by the Assessing Officer and has directed for a fresh assessment to be carried out by the Assessing Officer. Based on the earlier assessment order under section 143(3) issued by the Assessing Officer, Celebi had during the earlier years written back an amount of Rs. 9.73 crores (proportionate share: Rs. 2.53 crores) pertaining to the said assessment year.

Further, based on assessment order passed by the Assessing Officer under section 143(3) of the Income-tax Act, 1961, for assessment year 2012-13, Celebi had written back an amount of Rs. 1.38 crores (proportionate share: Rs.0.34 crores) during the financial year ended March 31, 2015, with respect to allowability of the deductions that are now challenged by the Principal Commissioner of Income Tax for the assessment year 2011-12.

Celebi is in process of filing an appeal against the order of the Principal Commissioner of Income Tax pertaining to assessment year 2011-12. Celebi based on advice of its consultant is of the view that setting aside of a speaking assessment order under section 143(3) of the Income-tax Act, 1961, by the Principal Commissioner of Income Tax invoking section 263 is not tenable under law.

- c) In DAPSPL, during previous year, TDS demand of Rs. 0.06 crores [proportionate share: Rs 0.03 crores] had been received for the Financial Year 2011-12 and 2012-13 on account of short deduction by it and same has been settled in current year. No such demand notice received during the current financial year.
- d) In DDFSPL, demand of Rs. 0.09 crores [proportionate share: Rs 0.04 crores] [March 31, 2015: 0.09 crores (proportionate share: Rs. 0.04 crores)] were received on account of corporate tax under litigation for AY 2012-13. The matter is pending with Commissioner of Income Tax (Appeals). Based on the discussions with the advisors, the management of DDFSPL feels that DDFSPL has strong chance of success in above mentioned cases and hence no provision is considered necessary in these Consolidated Financial Statements.

**In respect of Indirect Tax matters**

- a) The Airports Authority of India (AAI) has claimed service tax on the monthly annual fee (MAF) payable to Holding Company considering the same as rental from immovable property w.e.f. June 1, 2007. the Holding Company has disputed the grounds of the levy under relevant provisions of the OMDA and based on a legal opinion obtained in this regard, is of the view that transaction between AAI and the Holding Company is neither a franchisee agreement nor a Renting of Immovable Property, which are specified taxable services under Section 65(105) of Service Tax. The Holding Company has filed a writ petition with Hon'ble High Court of Delhi and was heard on November 17, 2015 and judgment has been reserved. Based on an internal assessment and legal opinion obtained, the Management of the Holding Company is of the view that no adjustments are required to be made to these Consolidated Financial Statements.
- b) The Director General of Central Excise Intelligence, New Delhi has issued a Show Cause Notice F. NO. 574/CE/41/2014/Inv./PT.II/11327 dated October 10, 2014 on the Holding Company, proposing a demand of service tax of Rs. 59.91 crores (excluding interest and penalty) considering Advance Development Costs ('ADC') collected by the Holding Company from the Commercial Property Developers under the service tax category 'Renting of Immovable Property'.

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

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

However, based on an internal assessment and legal opinions obtained by the Holding Company in this regard, the Management of the Holding Company 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. Any service tax liability on ADC, if arises, shall be adjusted from Advance Development Costs collected by Holding Company from the Commercial Property Developers. The Holding Company is in process of filing appeal against the order dated May 02, 2016 and has disclosed the amount of penalty of Rs. 54.31 crore as contingent liability.

Further, the Management of the Holding Company is of the view that no adjustments are required to be made to these Consolidated Financial Statements.

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

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

Subsequently, the Commissioner of Service Tax, has passed Order No. C.No D-III/ST/IV/16/Hqrs//Adjn/DIAL/153/2015/1862-ST dated July 12, 2016 confirming the demand of service tax of Rs. 262.06 crores (after giving cum duty effect) and out of the said demand has

appropriated amount of Rs 130.17 crores already deposited by Holding Company under protest towards service tax, and imposing a penalty of Rs 131.89 crores in respect of this matter.

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

The Holding Company is in process of filing appeal against the order and has disclosed the amount of penalty of Rs. 131.89 crore as contingent liability.

Further, the Management of the Holding Company is of the view that no adjustments are required to be made to these Consolidated Financial Statements.

- d) During the current year, WAISL has received a demand order for interest of Rs. 0.67 crores (proportionate share Rs. 0.17 crore ) computed on availment of 100% cenvat credit on capital goods in the first year of purchase itself during the financial years 2010 – 2011 and 2011 – 2012. The service tax department has contended that WAISL should have availed cenvat credit of 50% in the first year and balance 50% in the second year of purchase/transfer of capital assets from the Holding Company. WAISL has filed an appeal against the said order and believes that the outcome in respect of the matter will be in favour of the WAISL and accordingly, no provision has been considered in this regard.
- e) Celebi has imported equipment worth of Rs. 47.28 crores (proportionate share: Rs 12.29 crores) as on March 31, 2016 [March 31, 2015: Rs. 47.28 crores (proportionate share: Rs 12.29 crores)] through Export Promotion Capital Goods Scheme (EPCG) license obtained from the Customs Department. As per the EPCG license the customs duty on all the imported equipment has been levied at a lower rate of 3%. As per the EPCG authorization terms, Celebi has an obligation of export earning equivalent to eight times of the differential duty amount which will be earned through over a period of eight years. As on March 31, 2016 total duty saved on account of concessional rate of duty is Rs. 6.75 crores (proportionate share: Rs 1.76 crores) [March 31, 2015: Rs. 6.75 crores (proportionate share: Rs 1.76 crores)]. Hence, in case, Celebi is not able to meet its export obligation, it will be required to pay Rs. 6.75 crores (proportionate share: Rs 1.76 crores) [March 31, 2015: Rs. 6.75 crores (proportionate share: Rs 1.76 crores)] along with the interest of approximately Rs. 5.36 crores (proportionate share: Rs. 2.14 crores) [March 31, 2015: Rs. 4.35 crores (proportionate share: Rs 1.13 crores)] calculated @15%.

#### **In respect of claims not acknowledged as debt**

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

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

The Holding Company had provided Rs. 60.96 crores till March 31, 2016 (March 31, 2015: Rs. 60.96 crores). Further, till March 31, 2016 interest of Rs 24.99 crores had also been provided (March 31, 2015: Rs. 24.99 crores), making the total provision of Rs 81.87 crores (March 31, 2015: Rs. 81.87 crores) [net of self-assessment tax paid of Rs. 4.08 crores in earlier years]. The Holding Company is still contesting on the tax and interest demand. The matter is pending with the Hon'ble Delhi High Court and is now listed for hearing on November 28, 2016.

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

The Holding Company had challenged the said circulars issued by MoCA before the Hon'ble Delhi High Court by way of a Writ Petition. The Hon'ble Court, vide its order dated December 21, 2012, had restrained MoCA from taking any coercive measures in the form of initiation of criminal proceedings against the Holding Company and the matter is now listed for hearing on August 3, 2016. Based on an internal assessment and aforesaid order of the Hon'ble High Court, the Management of Holding Company is confident that no liability in this regard would be payable and as such no provision has been made in these Consolidated Financial Statements.

- d) MoCA issued an order no. AV 13024 /03/2011-AS (Pt. I) dated February 18, 2014 requiring the Airport Operators to reverse the expenditure incurred, since inception to till date, towards procurement and maintenance of security systems/equipment and on creation of fixed assets out of PSF (SC) escrow account opened and maintained by the Holding Company (the Airport Operator) in a fiduciary capacity. The Holding Company incurred Rs. 296.90 crores towards capital expenditure (excluding related maintenance expense and interest thereon) till March 31, 2016 (March 31, 2015: Rs. 296.90 crores) out of PSF (SC) escrow account as per Standard Operating Procedure (SOPs), guidelines and clarification issued by MoCA from time to time on the subject of utilization of PSF (SC) funds.

In the opinion of the management of the Holding Company, the above order is contrary to and inconsistent with SOPs, guidelines and clarification issued by MoCA from time to time in this regard and as such had challenged the said order before Hon'ble Delhi High court. The Hon'ble High Court, vide its order dated March 14, 2014, stayed recovery of amount already utilized by the Holding Company from PSF (SC) Escrow Account till date. The matter is now listed for hearing on August 03, 2016.

Based on an internal assessment, the management of the Holding Company is of the view that no adjustments are required to be made in the books of accounts. Further, as directed by the Hon'ble High Court and pending further orders, the Holding Company has charged Rs. 35.62 crores from April 1, 2014 till March 31, 2016 towards the expenditure incurred on repair and maintenance of

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security equipment to the Statement of Profit and Loss which includes Rs. 20.64 crores during the year ended March 31, 2016 (Year ended March 31, 2015: Rs 14.98 crores).

- f) In TFS, claims have been made by a few capital vendors in relation to work carried out by them during the earlier years for construction of food outlets at the Airport. TFS has disputed these claims in the past. TFS is either in legal proceedings or in arbitration proceedings with the vendors depending on the facts of the claims. However, based on technical assessment supported by the legal confirmation, it has assessed the amount payable to these vendors. Accordingly, it has recorded a payable of Rs 0.95 crores (proportionate share: Rs. 0.38 crores) [March 31, 2015: Rs 0.95 crores (proportionate share: Rs. 0.38 crores)] which is included under the head "Capital Creditors" in these Consolidated Financial Statements. For the balance amount of claims, TFS, based on legal advice, is confident that the extent of claims made by the vendor is not sustainable and therefore untenable.

**36. Retirement Benefit Plan:**

Disclosure as per Accounting Standard 15 (Revised 2005) on "Employee Benefits" issued by the Institute of Chartered Accountants of India:

**Employees Benefit****Defined contribution plans****A) Contribution to provident and other funds under employee benefits expense are as under:**

| <b>Particulars</b>                                    | <b>For the year ended<br/>March 31, 2016</b> | <b>For the year ended<br/>March 31, 2015</b> |
|-------------------------------------------------------|----------------------------------------------|----------------------------------------------|
| Employer's contribution to Provident and other funds* | <b>7.46</b>                                  | 8.07                                         |
| Employer's contribution to Superannuation fund**      | <b>3.10</b>                                  | 3.18                                         |
| <b>Total</b>                                          | <b>10.56</b>                                 | 11.25                                        |

\*Transfer to Capital work-in-progress ('CWIP') & CPD Rs. 0.14 [March 31, 2015: Rs. 0.17 crores]

\*\*Transfer to Capital work-in-progress ('CWIP') & CPD Rs.0.09 crores [March 31, 2015: Rs. 0.11 crores]

The Guidance on Implementing of Accounting Standard 15, Employee Benefits (revised 2005) issued by Accounting Standard Board (ASB) of the Institute of Chartered Accountants of India, states that benefits involving employer established provident funds, which require interest shortfalls to be re-compensated, are to be considered as defined benefit plans. Based on the actuarial valuation and on the assumptions provided below there is cumulative short-fall of Rs. Nil [March 31, 2015: Rs. Nil] which has been provided in the consolidated financial statement and is included in Note 9 - Provision.

| <b>Particulars</b>                              | <b>As at<br/>March 31, 2016</b> | <b>As at<br/>March 31, 2015</b> |
|-------------------------------------------------|---------------------------------|---------------------------------|
| Plan assets at the year end, at fair value      | <b>82.23</b>                    | 76.41                           |
| Present value of benefit obligation at year end | <b>82.23</b>                    | 76.41                           |
| Net (liability) recognized in the balance sheet | -                               | -                               |

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

| <b>Particulars</b> | <b>As at<br/>March 31, 2016</b>                                           | <b>As at<br/>March 31, 2015</b>                                  |
|--------------------|---------------------------------------------------------------------------|------------------------------------------------------------------|
| Discount rate      | <b>7.80%</b>                                                              | 7.80%                                                            |
| Fund rate          | <b>9.30%</b>                                                              | 9.30%                                                            |
| EPFO rate          | <b>8.60%</b>                                                              | 8.60%                                                            |
| Withdrawal rate    | <b>5.00%</b>                                                              | 5.00%                                                            |
| Mortality          | <b>Indian Assured Lives<br/>Mortality (2006-08)<br/>(modified)Ult ***</b> | Indian Assured Lives<br>Mortality (2006-08)<br>(modified)Ult *** |

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

**B) Gratuity expense****Statement of profit and loss**

Net employees benefit expense:

| <b>Particulars</b>                          | <b>For the year ended<br/>March 31, 2016</b> | <b>For the year ended<br/>March 31, 2015</b> |
|---------------------------------------------|----------------------------------------------|----------------------------------------------|
| Current service cost                        | <b>1.88</b>                                  | 1.65                                         |
| Interest cost on benefit obligation         | <b>0.82</b>                                  | 0.72                                         |
| Expected return on plan assets              | <b>(0.95)</b>                                | (0.83)                                       |
| Net actuarial loss recognized in the period | <b>0.11</b>                                  | 1.95                                         |
| <b>Net benefit expense*</b>                 | <b>1.86</b>                                  | 3.49                                         |

\*During the previous year, certain employees were transferred from Cargo Service Center (India) Private Limited to DCSC. The employee benefits obligation in respect of Gratuity for those employees aggregating to Rs.0.26 crores [Proportionate share: Rs 0.07 crores] were also transferred to DCSC. Also, equivalent amount was funded by Cargo Service Center (India) Private Limited to the DCSC Employees Group Gratuity Trust maintained by it. As the transfer of deferred benefit obligations was fully funded directly by Cargo Service Center (India) Private Limited, the Statement of Profit & Loss of the Group was not impacted.

**Balance sheet**

| <b>Particulars</b>              | <b>As at<br/>March 31, 2016</b> | <b>As at<br/>March 31, 2015</b> |
|---------------------------------|---------------------------------|---------------------------------|
| Defined benefit obligation      | <b>(12.45)</b>                  | (11.17)                         |
| Fair value of plan assets       | <b>11.49</b>                    | 9.65                            |
| <b>Plan asset / (liability)</b> | <b>(0.96)</b>                   | (1.52)                          |

**Delhi International Airport Private Limited****CIN. U63033DL2006PTC146936****Notes to the consolidated financial statements for the year ended March 31, 2016****(All amounts in Rupees Crores, unless otherwise stated)****Changes in the present value of the defined benefit obligation are as follows:**

| <b>Gratuity</b>                           | <b>As at<br/>March 31, 2016</b> | <b>As at<br/>March 31, 2015</b> |
|-------------------------------------------|---------------------------------|---------------------------------|
| Opening defined benefit obligation        | <b>11.17</b>                    | 8.04                            |
| Interest cost                             | <b>0.82</b>                     | 0.71                            |
| Current service cost                      | <b>1.89</b>                     | 1.57                            |
| Acquisition cost                          | <b>0.05</b>                     | 0.05                            |
| Benefits paid (including transfer)        | <b>(1.46)</b>                   | (0.74)                          |
| Actuarial losses/ (gain) on obligation    | <b>(0.02)</b>                   | 1.54                            |
| <b>Closing defined benefit obligation</b> | <b>12.45</b>                    | 11.17                           |

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

| <b>Particulars</b>                       | <b>As at<br/>March 31, 2016</b> | <b>As at<br/>March 31, 2015</b> |
|------------------------------------------|---------------------------------|---------------------------------|
| Opening fair value of plan assets        | <b>9.65</b>                     | 8.20                            |
| Acquisition Cost                         | <b>(0.02)</b>                   | -                               |
| Expected return                          | <b>0.99</b>                     | 0.81                            |
| Contributions by employer                | <b>2.32</b>                     | 1.68                            |
| Benefits paid (including transfer)       | <b>(1.38)</b>                   | (0.71)                          |
| Actuarial gains / (loss)                 | <b>(0.07)</b>                   | (0.33)                          |
| <b>Closing fair value of plan assets</b> | <b>11.49</b>                    | 9.65                            |

The Group expects to contribute Rs. 2.35 crores to gratuity fund during the year ended on March 31, 2016 (March 31, 2015: Rs. 2.12 crores).

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

| <b>Particulars</b>                     | <b>As at<br/>March 31, 2016</b> | <b>As at<br/>March 31, 2015</b> |
|----------------------------------------|---------------------------------|---------------------------------|
|                                        | <b>(%)</b>                      | <b>(%)</b>                      |
| Investments with insurer managed funds | <b>100</b>                      | 100                             |

**In respect of the Holding Company and joint venture company, Celebi only.**

**The Principal assumptions used in determining gratuity for the Group's plan are shown below:**

| <b>Particulars</b>                              | <b>As at<br/>March 31, 2016</b> | <b>As at<br/>March 31, 2015</b> |
|-------------------------------------------------|---------------------------------|---------------------------------|
| Discount rate                                   | <b>7.54% - 8.00%</b>            | 7.75% - 8.50%                   |
| Expected rate of return on assets               | <b>5% - 9.40%</b>               | 5% - 9.40%                      |
| Expected rate of increase in compensation level | <b>5.50% - 14%</b>              | 5.25% - 10%                     |
| Attrition rate                                  | <b>3% - 23%</b>                 | 3% - 23%                        |

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**Experience adjustments for the current year are & previous year are as follows:**

| <b>Particulars</b>                                     | <b>As at<br/>March 31, 2016</b> | <b>As at<br/>March 31, 2015</b> |
|--------------------------------------------------------|---------------------------------|---------------------------------|
| Defined benefit obligation                             | <b>12.45</b>                    | 11.17                           |
| Plan assets                                            | <b>11.49</b>                    | 9.65                            |
| Funded status                                          | <b>(1.19)</b>                   | (1.52)                          |
| Experience gain/ (loss) adjustment on plan liabilities | <b>0.03</b>                     | (0.33)                          |
| Experience gain/ (loss) adjustment on plan assets      | <b>(0.07)</b>                   | (0.33)                          |
| Actuarial gain /(loss) due to change on assumptions    | <b>-</b>                        | (1.08)                          |

Notes:-

1. The information relating to experience adjustments has been given to the extent available.
2. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
3. The overall expected rate of return on plan assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

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**37. Derivative Instruments:****a. In respect of the Holding Company: -**

As per the conditions precedent to disbursement of loan, the Holding Company has entered into interest rate swap (IRS) agreements from floating rate of interest to fixed rate of interest against its outstanding foreign currency loan of USD 86.45 million [March 31, 2015: 90.23 million].

| <b>Particulars of Derivatives</b>                                                                           | <b>Purpose</b>                                                                                                                                                                                |                              |                       |                |
|-------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------|----------------|
| Interest rate swap outstanding as at Balance sheet date: USD 86.453 million (March 2015: USD 90.23 million) | Hedge of variable interest outflow on External Commercial Borrowing. Swap to pay fixed rate of interest as mentioned below tranche wise and receive a variable rate equal to 6 months' LIBOR: |                              |                       |                |
|                                                                                                             | <b>March 31, 2016</b>                                                                                                                                                                         | March 31, 2015               | <b>March 31, 2016</b> | March 31, 2015 |
|                                                                                                             | <b>ECB Amount (USD in Millions)</b>                                                                                                                                                           | ECB Amount (USD in Millions) | <b>Interest Rate</b>  | Interest Rate  |
|                                                                                                             | <b>86.45</b>                                                                                                                                                                                  | 90.23                        | <b>1.94%</b>          | 1.94%          |

However these IRS of USD 86.453 million (March 31, 2015: USD 90.230 million) [1.94% p.a. on notional amount payable semiannually and receive USD 6 months LIBOR, semi-annually] were effective from June 30, 2015.

Since the critical terms of the IRS and those of the principal term loan are same, based on the internal assessment carried out by the management of Holding Company, the net impact of the marked to market valuation of the IRS, net of gain/loss on the underlying loan, is not expected to be material and accordingly no adjustment has been made in the consolidated financial statements.

**b. In respect of DDFSPL**

In DDFSPL, forward exchange contracts & cross currency options are used to hedge its exposure to movements in foreign exchange rates:

| <b>Derivative outstanding at Reporting date</b> | <b>Currency</b> | <b>As at March 31, 2016</b> | <b>As at March 31, 2015</b> |
|-------------------------------------------------|-----------------|-----------------------------|-----------------------------|
| Cross Currency Swap                             | <b>USD</b>      | <b>1.42</b>                 | 1.67                        |
|                                                 | <b>INR</b>      | <b>73.05</b>                | 86.03                       |

**Delhi International Airport Private Limited****CIN. U63033DL2006PTC146936****Notes to the consolidated financial statements for the year ended March 31, 2016****(All amounts in Rupees Crores, unless otherwise stated)****38. Particulars of un-hedged foreign currency exposure as at the Balance sheet date are as under:**

| <b>Particulars</b>                                                  | <b>As at March 31, 2016</b>           |                 |                                             | <b>As at March 31, 2015</b>           |                 |                                             |
|---------------------------------------------------------------------|---------------------------------------|-----------------|---------------------------------------------|---------------------------------------|-----------------|---------------------------------------------|
|                                                                     | <b>Amount<br/>(Rs. In<br/>crores)</b> | <b>Currency</b> | <b>Foreign<br/>Currency<br/>(in crores)</b> | <b>Amount<br/>(Rs. In<br/>crores)</b> | <b>Currency</b> | <b>Foreign<br/>Currency (in<br/>crores)</b> |
| <b>Other<br/>Current &amp;<br/>Non-<br/>current<br/>Liabilities</b> | <b>4.02</b>                           | <b>EURO</b>     | <b>0.05</b>                                 | 3.78                                  | EURO            | 0.05                                        |
|                                                                     | <b>1.32</b>                           | <b>GBP</b>      | <b>0.01</b>                                 | 0.81                                  | GBP             | 0.01                                        |
|                                                                     | <b>0.05</b>                           | <b>SGD</b>      | <b>0.00</b>                                 | 0.04                                  | SGD             | 0.00                                        |
|                                                                     | <b>-</b>                              | <b>CHF</b>      | <b>-</b>                                    | 0.05                                  | CHF             | 0.00                                        |
|                                                                     | <b>0.14</b>                           | <b>AUD</b>      | <b>0.00</b>                                 | -                                     | AUD             | -                                           |
|                                                                     | <b>51.74</b>                          | <b>USD</b>      | <b>0.77</b>                                 | 54.16                                 | USD             | 0.86                                        |
| <b>Borrowings<br/>(Including<br/>Current<br/>Maturity)</b>          | <b>2522.17</b>                        | <b>USD</b>      | <b>37.77</b>                                | 2402.80                               | USD             | 38.10                                       |
| <b>Advances<br/>Recoverable<br/>in cash or<br/>kind</b>             | <b>1.83</b>                           | <b>USD</b>      | <b>0.03</b>                                 | 12.40                                 | USD             | 0.20                                        |
| <b>Receivable<br/>(Including<br/>Trade &amp;<br/>Non- trade)</b>    | <b>18.63</b>                          | <b>USD</b>      | <b>0.28</b>                                 | 18.86                                 | USD             | 0.30                                        |
|                                                                     | <b>0.04</b>                           | <b>GBP</b>      | <b>0.00</b>                                 | 0.69                                  | GBP             | 0.01                                        |
|                                                                     | <b>0.15</b>                           | <b>EURO</b>     | <b>0.00</b>                                 | 0.03                                  | EURO            | 0.00                                        |
|                                                                     | <b>0.13</b>                           | <b>CHF</b>      | <b>0.00</b>                                 | 0.27                                  | CHF             | 0.00                                        |

**Closing exchange rates in Rs:**

| <b>Currency</b> | <b>As at<br/>March 31, 2016</b> | <b>As at<br/>March 31, 2015</b> |
|-----------------|---------------------------------|---------------------------------|
| EURO            | <b>75.78</b>                    | 67.19                           |
| GBP             | <b>96.15</b>                    | 92.47                           |
| SGD             | <b>49.55</b>                    | 45.48                           |
| CHF             | <b>68.67</b>                    | 64.60                           |
| USD             | <b>66.77</b>                    | 63.06                           |
| AUD             | <b>51.41</b>                    | 48.40                           |
| JPY             | <b>0.60</b>                     | 0.53                            |

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**39. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006**

As per the available information with the Management of the Group, the total dues payable to enterprises registered under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) are as below:

| <b>Particulars</b>                                                                                                                                                                                                                                                                  | <b>As at March 31, 2016</b> | <b>As at March 31, 2015</b> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year                                                                                                                                                            |                             |                             |
| Principal amount due to micro and small enterprises                                                                                                                                                                                                                                 | <b>0.67</b>                 | 1.02                        |
| Interest due on above                                                                                                                                                                                                                                                               | <b>Nil</b>                  | Nil                         |
|                                                                                                                                                                                                                                                                                     |                             |                             |
| The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year                                                                               | <b>Nil</b>                  | Nil                         |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.                                                            | <b>Nil</b>                  | Nil                         |
| The amount of interest accrued and remaining unpaid at the end of each accounting year                                                                                                                                                                                              | <b>Nil</b>                  | Nil                         |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006 | <b>Nil</b>                  | Nil                         |

- 40.** The Financial Statements of the Holding Company does not include Accounts for Passenger Service Fee - Security Component [PSF- (SC)] as the same are maintained separately in the fiduciary capacity by the Holding Company on behalf of Government of India and are governed by Standard Operating Procedure issued vide letter number AV/13024/047/2003-SS/AD dated January 19, 2009 issued by Ministry of Civil Aviation, Government of India.
- 41.** The Financial Statements of the Holding Company does not include billing to airlines for Development Fees (DF) by the Holding Company. As per the Management of the Holding Company, it's responsibility is restricted only to the billing on behalf of Airports Authority of India (AAI) in accordance with provisions of AAI (Major Airports) Development Fee Rules, 2011 and DF Standard Operating Procedures.
- 42.** The Holding 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 Holding Company that can be utilized for payment of import duty. As at March 31, 2016 the Holding Company had cumulatively utilized custom duty credit scrip amounting to Rs. 89.60 crores (March 31, 2015: Rs. 89.60

crores) in lieu of payment of import duty in respect of import of fixed assets (including capital work in progress).

The Holding Company was of the view that such credit entitlements constitute capital grant and thus, was recording fixed assets (including capital work in progress) imported, at net amount (after excluding the amount of custom duty paid by using these scrips. However, the Expert Advisory Committee ('EAC') of the Institute of Chartered Accountants of India, pursuant to a specific application by the Holding Company in this regard, has clarified vide its opinion viz. TD/EAC/1484/13 dated November 19, 2013 that such scrips should be recognised and accounted as grant related to revenue under Accounting Standard 12 – Accounting for Government Grants.

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

However, Airport Authority of India ('AAI') has expressed different view on this and argued that amount utilized under SFIS should be treated as revenue and accordingly revenue share on amount of Rs 89.60 crores is payable to AAI. Enforcing their view, AAI had written letter to ICICI bank on July 06, 2015 instructing bank to remit Rs. 41.21 crores from Receivable Escrow Account of the Holding Company as revenue share to AAI's bank account as per terms of the escrow agreement. The Holding Company has disputed the contention of AAI and accordingly written to ICICI Bank not to remit the amount as per the provisions of the escrow agreement.

Further, the Holding Company had also filed a writ petition against the AAI's letter in Hon'ble Delhi High Court on July 10, 2015 disputing the demand and the letter unilaterally issued by AAI and prayed for quashing of demand by AAI. Court has granted the interim relief and disposed with a direction to Holding Company to seek remedy under the provisions of Arbitration law. Accordingly Holding Company filed a petition under section 9 of the Arbitration and Conciliation Act seeking interim restraint to AAI from enforcing its demand which was granted by the court in favour of Holding Company. Now Holding Company has issued a notice to AAI invoking arbitration under article 15.2 of OMDA where Holding Company has nominated its arbitrator and asked AAI to nominate its arbitrator so that further proceedings of arbitration can commence. In the meanwhile Holding Company's petition before Hon'ble Delhi High Court is now listed for hearing on October 04, 2016.

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

Further, the management of Holding Company does not anticipate any further utilization for eligible imports.

43. The Holding Company has received advance development costs of Rs. 653.13 crores (March 31, 2015: Rs. 653.13 crores) from various developers at Commercial Property District towards facilitating the development of common infrastructure there in. As per the term of the agreement, the Holding 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 Holding Company has no right to escalate the development cost and in case any portion of the advance development cost is not utilized by the Holding Company towards development of any infrastructure

facility, the same shall be returned to the Developers upon earlier of the expiry of the initial term of agreement or upon termination of the development agreement. As at March 31, 2016, the Holding Company has incurred development expenditure of Rs. 433.71 crores (March 31, 2015: Rs. 383.87 crores) which has been adjusted against the aforesaid advance and balance amount is disclosed under other long term liabilities and current liabilities.

44. The Holding 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 Holding Company. The financial statements of such marketing fund are being audited by one of the Joint Statutory auditors of the Holding Company. As at March 31, 2016, the Holding Company has billed Rs 71.04 crores (March 31, 2015: Rs. 51.86 crores) towards such Marketing Fund and has incurred expenditure amounting to Rs. 31.50 crores (net of income on temporary investments) till March 31, 2016 (March 31, 2015: Rs. 26.27 crores) from the amount so collected. The balance amount of Rs. 39.54 crores as at March 31, 2016 (March 31, 2015: Rs. 25.59 crores) pending utilization, against such sales promotion activities is included under "Other liabilities" as specific fund to be used for the purposes to be approved by the Marketing fund committee constituted for this purpose.
45. (i) During the previous year, the Holding Company had issued 6.125% senior secured notes due 2022 of USD 288.75 Million on February 3, 2015 to refinance its existing external commercial borrowings of USD 288.75 Million. As a result of such refinancing, certain Interest rate swap (IRS) which were outstanding on the existing external commercial borrowings of USD 288.75 Million (prior to refinancing) were cancelled and the Holding Company had to pay Rs. 91.83 crores as a result of cancellation of such IRS. The same had been disclosed as an Exceptional item in the statement of Profit & Loss Account, as per the requirement of Accounting Standard – 5 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies' in the previous year ended March 31, 2015.

(ii) During the previous year, DAPSPL had refinanced its existing Indian Rupee Term Loan from Andhra Bank through State Bank of India (SBI) on January 30, 2015. The term loan from SBI carries interest at Base rate plus spread, which is subject to reset at the end of every 12 months from the date of first disbursement. Interest on term varies between 11.25% to 12.25% per annum. The loan is repayable in 38 quarterly structured instalments starting from October 2015 and instalments are ranging from Rs. 1.76 crores [proportionate share: Rs. 0.89 crores] to Rs. 5.15 crores [proportionate share: Rs. 2.57 crores]. A prepayment charge of Rs. 1.4 crores [proportionate share: Rs. 0.70 crores] was paid to Andhra Bank for pre-closure of the loan and the same has been charged and disclosed as an exceptional item in the Statement of Profit & Loss.

Further, the aforesaid loan with State Bank of India is secured by way of an exclusive first charge on the revenue, profit, receivables, book debts, outstanding monies, recoverable claims and cash flows, both present and future and by way of Pledge of 30% of the issued and paid up capital of DAPSPL, to be pledged at all the times during the tenor of loan. However, DAPSPL as at March 31, 2016 has pledged 1.89 crores shares (proportionate share: 0.94 crores shares) [March 31, 2015: 1.89 crores shares (proportionate share: 0.94 crores shares)] held by the Holding Company representing 23.15% of the total issued and paid up share capital. The management of DAPSPL is in the process of discussing with bankers / shareholders to pledge remaining shares and comply with such requirements; and is of the view that financial impact, if any, of the same would not be material.

(iii) During the previous year, the Holding Company had divested its stake in Devyani Food Street Private Limited (DFSPL) and Delhi Cargo Service Centre Private Limited (DCSC) on February 10, 2015 and March 16, 2015 respectively, which was approved by Board of directors of the Holding Company in their meeting held on February 9, 2015. The profit on sale of investment in DFSPL and DCSC amounting to Rs. 17.68 crores and accumulated opening balances of DFSPL and DCSC amounting to Rs. 16.89 crores

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**Notes to the consolidated financial statements for the year ended March 31, 2016**

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has been disclosed as Exceptional item in the statement of Profit & Loss Account, as per the requirement of Accounting Standard – 5 ‘Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

46. GMR Airports Limited (Holding company of DIAL) has bought an additional stake of 10% in the Holding Company from Malaysia Airports (Mauritius) Private Limited on May 25, 2015. Consequent to this, GMR Airports Limited shareholding in the Holding Company has increased to 64% and Malaysia Airports (Mauritius) Private Limited shareholding in the Holding Company has reduced to Nil.
47. Airport Economic Regulatory Authority (“AERA”) has passed the tariff order No. 40/2015-16 dated December 8, 2015 (issued on December 10, 2015) wherein Authority has decided to adjust DF of Rs. 3,241.37 crores out of allowed DF of Rs. 3,415.35 crores based on the actual expenditure spent towards project. The authority had decided to adjust the balance amount of DF of Rs. 173.98 crores as on March 31, 2014 on utilization basis as and when it is incurred. However, the Holding Company availed Rs. 3,415.35 crores of Loan based on the DF Orders and DF collected from passengers is used for payment of interest and principal till March 31, 2016. Accordingly, the differential interest i.e. paid by the Holding Company on DF Loans and considered on actual spent amounting to Rs. 47.90 crores is required to be absorbed by the Holding Company. Accordingly, during the year ended March 31, 2016 interest expense of Rs. 47.90 crores (March 31, 2015: Nil) has been provided in the books of accounts.

Further, the Holding Company has incurred a sum of Rs. 17.29 crores towards interest from December 2011 to February 2012 which is not allowed by AERA and accordingly interest expense of Rs. 17.29 crores (March 31, 2015: Nil) has also been provided in the books of accounts.

48. A survey under section 133A of the Income Tax Act, 1961 was carried out at the premises of the Holding Company by the Income Tax authorities on June 22, 2016 and June 23, 2016. The Income Tax department has sought certain information vide its letter dated July 18, 2016, which the management of Holding Company is in the process of providing to department. The management of the Holding Company believes that it has complied with all the applicable provisions of the Income Tax Act, 1961 and does not expect any additional tax liability on account of survey operations.
49. The Comptroller and Auditor General of India (CAG) had conducted the performance audit of PPP (Public Private Partnership) project of AAI at Delhi Airport for the period 2006 to 2012. CAG has presented its report before Rajya Sabha on August 17, 2012 wherein they have made certain observations on the Holding Company. The Public Accounts Committee (PAC), constituted by the Parliament of India, has examined the CAG report and submitted its observations and recommendations to Lok Sabha vide its Ninety fourth report in February 2014.

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

50. During the Financial Year 2014-15, GMR Infrastructure (Singapore) Pte. Ltd (a subsidiary of GMR Infrastructure Limited) purchased 40.10% shares held by Greenwich Investments Limited in DAPSPL. By virtue of the acquisition of shares, DAPSPL became a subsidiary of GMR Infrastructure Limited, requiring DAPSPL to appoint independent directors. Currently, DAPSPL is in the process of appointing independent directors. As a result, financial results have been approved by the Board of Directors of DAPSPL at their meeting held on April 29, 2016, and the management doesn't expect any material adjustments or consequences in relation to this matter, affecting these results.
51. During the previous year, based on shareholders transfer agreement dated 22 April 2014, Somerset India Fund, Mauritius has transferred its entire shareholding in TFS to Travel Food Services Private Limited, Mumbai.

52. In the board meeting of TFS held on April 30, 2014, the management team recommended surrendering two highly loss making outlets i.e. Ember Bar and CCD Square. Consequently the liquor licenses were not renewed for the said outlets for previous year and current year. In current year, outlet CCD Square, located at LA24 and another outlet Smoke House, location IN43 was closed because of revamp. Accordingly, carrying value of assets lying at these stores amounting to Rs. 0.37 crores [proportionate share: Rs. 0.15 crores] was written off in Consolidated Statement of Profit and Loss. Further, the management has decided to replace Ember Bar with another Brand outlet. As per internal assessment of management, assets lying at Ember Bar will continue to be used by new brand outlet and accordingly assets lying at aforesaid outlet continues to be disclosed at their carrying cost as at March 31, 2016.
53. As per the license agreement entered between Holding Company and TFS dated February 06, 2010 license fee payable by “TFS” to “Holding Company” in relation to a particular month means the higher of the revenue share amount or Minimum Monthly Guarantee (“MMG”) on an aggregate basis with respect to each of the Location[s]. However, as per clause 3.3.2 under the scheme of settlement dated on 16 February 2013, the aforesaid method of computation of license fee as was changed and the license fee for all of the locations for a month shall be higher of the aggregate of the revenue share in respect of each location or the aggregate “MMG” of the Location[s]. However TFS continued to booked license fee on higher of the revenue share amount or Minimum Monthly Guarantee (“MMG”). TFS contested on this and put forward that license fee should be calculated on higher of “MMG” or revenue share. Based on TFS arguments, during the year “Holding Company” agreed to the contention and issued a credit note for Rs. 0.73 crores [proportionate share: Rs. 0.29 crores] and Rs. 0.23 crores [proportionate share: Rs. 0.09 crores] for the reversal of excess billing and interest thereon respectively from April 2012 to September 2015.
54. During the previous year, DCSC was of the view that it is eligible for tax exemption under section 80IA of the Income Tax Act, 1961. DCSC had a MAT credit of Rs. 0.61 crores (proportionate share: Rs. 0.16 crores). In view of the exemption available under section 80IA, DCSC did not foresee any utilisation of the MAT credit during the carried forward period of availability of MAT credit. So the MAT credit is written off completely in the previous year.
55. **Insurance claim recoverable**

There was a fire in Import 2 building (a section in office premises of “Celebi”) on intervening night between January 4, 2012 and January 5, 2012. The Celebi lost all accounting records supporting the transactions recorded in the books of account relating to the period ended January 4, 2012 and earlier periods. The fire did not impact the accounting package, database and servers. The fire resulted in structural collapse and destruction of all offices and assets at Import 2 building. As per the Concession Agreement, Celebi is under obligation to reconstruct the area and has also taken insurance for such assets.

Celebi had submitted its final fire insurance claim on July 8, 2013 to the surveyor regarding the loss under the policy and as at March 31, 2016 incurred Rs. 12.69 crores (net) (proportionate share: Rs. 3.30 crores) [March 31, 2015: Rs. 12.69 crores (net) (proportionate share: Rs. 3.30 crores)]. During the current year, Celebi has received an amount of Rs. 7.37 crores [proportionate share: Rs. 1.92 crores] on June 29, 2015 against the aforementioned insurance claim amounting to Rs. 12.11 crores (net) from National Insurance Company Limited. The differential amount of Rs. 4.74 crores (proportionate share: Rs. 1.23 crores) has been capitalized during the year as the original assets lost in fire were received from Holding Company as part of Concessionaire Agreement at Nil price. Accordingly, an amount of Rs. 0.59 crores (proportionate share: Rs. 0.15 crores) has been provided as depreciation on the amount so capitalized under books.

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56. The Group has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Group is in the process of updating the documentation for transactions entered into with the related parties and covered enterprises during the financial year and expects such records to be in existence latest by the due date as required under that law. The management is of the opinion that its transactions are at arm's length so that the aforesaid legislation will not have any impact on the consolidated financial statements, particularly on the amount of tax expense and that of provision for taxation.
57. DASPL is in the process of appointing a Company Secretary as required under the provision of Section 203 of the Companies Act, 2013.
58. In case of DASPL, one of the vendor has provided the performance bank guarantee to the extent of Rs. 2.5 crores (proportionate share: Rs. 1.25 crores) [March 31, 2015: Nil (proportionate share: Nil)] , not satisfied with the performance of the product, DASPL during the year has encashed the Bank Guarantee provided by the Vendor. However, Vendor has issued a legal notice to DASPL challenging the encashment. DASPL has replied for the same stating appropriate reasons for encashment. There is no further communication from the vendor with respect to encashment of Bank Guarantee. Based on the legal opinion obtained by DASPL, it believes that Vendor may revert for the return of amount of Bank Guarantee encashed. Accordingly, the same is disclosed under Other current liabilities.

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**59. Addition information pursuant to Schedule III of the Companies Act, 2013.**

| Statement of Net Assets as on and Share in profit or loss for the year ended:-Name of the entity in the Group | As at March 31, 2016                                  |                 |                                     |               | As at March 31, 2015                                  |                 |                                     |               |
|---------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|-----------------|-------------------------------------|---------------|-------------------------------------------------------|-----------------|-------------------------------------|---------------|
|                                                                                                               | Net Assets i.e., total assets minus total liabilities |                 | Share in Profit or Loss             |               | Net Assets i.e., total assets minus total liabilities |                 | Share in Profit or Loss             |               |
|                                                                                                               | As % of consolidated net asset                        | Amount          | As % of consolidated profit or loss | Amount        | As % of consolidated net asset                        | Amount          | As % of consolidated profit or loss | Amount        |
| <b>Holding Company</b>                                                                                        |                                                       |                 |                                     |               |                                                       |                 |                                     |               |
| DIAL                                                                                                          | 95.60%                                                | 2,234.54        | 48.16%                              | 363.61        | 96.26%                                                | 1,724.00        | -6.62%                              | (19.91)       |
|                                                                                                               |                                                       |                 |                                     |               |                                                       |                 |                                     |               |
| <b>Subsidiary</b>                                                                                             |                                                       |                 |                                     |               |                                                       |                 |                                     |               |
| <b>Indian:-</b>                                                                                               |                                                       |                 |                                     |               |                                                       |                 |                                     |               |
| DAPL                                                                                                          | 0.00%                                                 | 0.01            | 0.00%                               | (0.00)        | 0.00%                                                 | 0.02            | 0.00%                               | (0.01)        |
|                                                                                                               |                                                       |                 |                                     |               |                                                       |                 |                                     |               |
| <b>Associate (Investment as per Equity method)</b>                                                            |                                                       |                 |                                     |               |                                                       |                 |                                     |               |
| <b>Indian:-</b>                                                                                               |                                                       |                 |                                     |               |                                                       |                 |                                     |               |
| EDWPCL                                                                                                        | 0.00%                                                 | -               | 0.00%                               | 0.01          | 0.00%                                                 | -               | 0.00%                               | 0.01          |
|                                                                                                               |                                                       |                 |                                     |               |                                                       |                 |                                     |               |
| <b>Jointly controlled entities (as per proportionate consolidation)</b>                                       |                                                       |                 |                                     |               |                                                       |                 |                                     |               |
| <b>Indian:-</b>                                                                                               |                                                       |                 |                                     |               |                                                       |                 |                                     |               |
| DASPL                                                                                                         | 0.59%                                                 | 13.68           | 1.00%                               | 7.54          | 0.60%                                                 | 10.73           | 1.02%                               | 3.06          |
| DDFSPL                                                                                                        | -1.29%                                                | (30.16)         | 30.10%                              | 227.23        | -2.69%                                                | (48.25)         | 57.99%                              | 174.38        |
| TFS                                                                                                           | 0.11%                                                 | 2.51            | 1.15%                               | 8.65          | 0.06%                                                 | 1.14            | 1.97%                               | 5.91          |
| DFSPL*                                                                                                        | 0.00%                                                 | -               | 0.00%                               | -             | 0.00%                                                 | -               | 2.02%                               | 6.08          |
| DAFFPL                                                                                                        | 0.83%                                                 | 19.38           | 2.57%                               | 19.36         | 0.92%                                                 | 16.51           | 4.79%                               | 14.41         |
| CELEBI                                                                                                        | 1.13%                                                 | 26.34           | 5.48%                               | 41.35         | 1.36%                                                 | 24.34           | 14.19%                              | 42.68         |
| DCSC*                                                                                                         | 0.00%                                                 | -               | 0.00%                               | -             | 0.00%                                                 | -               | 2.15%                               | 6.46          |
| WAISL                                                                                                         | 0.10%                                                 | 2.44            | -0.64%                              | (4.83)        | 0.05%                                                 | 0.98            | -3.33%                              | (10.02)       |
| DAPSPL                                                                                                        | 1.84%                                                 | 43.08           | 1.71%                               | 12.90         | 2.24%                                                 | 40.17           | 2.19%                               | 6.60          |
| TIMDAA                                                                                                        | 1.09%                                                 | 25.51           | 10.48%                              | 79.12         | 1.19%                                                 | 21.28           | 23.63%                              | 71.05         |
|                                                                                                               | <b>4.39%</b>                                          | <b>102.78</b>   | <b>51.83%</b>                       | <b>391.32</b> | <b>3.74%</b>                                          | <b>66.89</b>    | <b>106.62%</b>                      | <b>320.61</b> |
|                                                                                                               |                                                       |                 |                                     |               |                                                       |                 |                                     |               |
| <b>Total</b>                                                                                                  | <b>100%</b>                                           | <b>2,337.33</b> | <b>100%</b>                         | <b>754.94</b> | <b>100%</b>                                           | <b>1,790.91</b> | <b>100%</b>                         | <b>300.70</b> |
| <b>Less: tax expenses</b>                                                                                     |                                                       |                 |                                     | <b>200.64</b> |                                                       |                 |                                     | <b>25.82</b>  |
| <b>Total</b>                                                                                                  |                                                       | <b>2,337.33</b> |                                     | <b>554.30</b> |                                                       | <b>1,790.91</b> |                                     | <b>274.88</b> |

\*W.e.f. February 10, 2015 & March 16, 2015, DFSPL & DCSC respectively ceased to be a jointly controlled entity pursuant to sale of its stake by DIAL; hence disclosures relating to net assets have not been given.

**Delhi International Airport Private Limited**

**CIN. U63033DL2006PTC146936**

**Notes to the consolidated financial statements for the year ended March 31, 2016**

**(All amounts in Rupees Crores, unless otherwise stated)**

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60. Previous year's figures have been regrouped and re-arranged wherever necessary to conform to those of current year.
61. Certain amounts (currency value or percentages) shown in the various tables and paragraphs included in the Consolidated Financial Statements have been rounded off or truncated as deemed appropriate by the management of the Holding Company.

As per our report of even date

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

-Sd/-  
**Per Yogesh Midha**  
Partner  
Membership No. 94941  
Place : Gurgaon  
Date: July 20, 2016

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

-Sd/-  
**Per G.Srinivas**  
Partner  
Membership No. 86761  
Place : New Delhi  
Date: July 20, 2016

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

-Sd/-  
**Srinivas Bommidala**  
Managing Director  
DIN-00061464

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

-Sd/-  
**Radhakrishnababu G**  
Chief Financial Officer

-Sd/-  
**Saurabh Jain**  
Company Secretary

Place : New Delhi  
Date: July 20, 2016