



Delhi International Airport Limited

ANNUAL REPORT 2018-19

BOARD OF DIRECTORS OF DELHI INTERNATIONAL AIRPORT LIMITED

S. No.	Name of the Director	Designation
1.	Mr. G.M. Rao	Executive Chairman
2.	Mr. G.B.S. Raju	Managing Director
3.	Mr. Prabhakara Rao Indana	Executive Director
4.	Mr. Kada Narayana Rao	Whole-time Director
5.	Mr. Grandhi Kiran Kumar	Director
6.	Mr. Srinivas Bommidala	Director
7.	Mr. Gunuputi Subba Rao	Director
8.	Mr. Suresh Krishan Goyal	Director
9.	Mr. Anil Kumar Pathak	Director (AAI Nominee)
10.	Ms. Rubina Ali	Director (AAI Nominee)
11.	Mr. Anuj Aggarwal	Director (AAI Nominee)
12.	Mr. R.S.S.L.N. Bhaskarudu	Independent Director
13.	Mr. N.C. Sarabeswaran	Independent Director
14.	Ms. V. Siva Kameswari	Independent Director
15.	Dr. Mundayat Ramachandran	Independent Director
16.	Ms. Denitza Weismantel	Director

REPORT OF THE DIRECTORS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

Dear Shareholders,

Your Directors are pleased to present you the Thirteenth 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, 2019. The Consolidated Financial Statements and the Auditor's Report of your Company for the Financial Year ended March 31, 2019 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-19	31-Mar-19	31-Mar-18	31-Mar-18
	(Rs./cr)	(USD Mn)	(Rs./cr)	(USD Mn)
Revenue from Operations	3,262.65	471.79	3,680.97	563.36
Other Income	530.61	76.73	361.87	55.38
Total Revenue	3,793.26	548.52	4,042.84	618.74
Annual fee to AAI	1,591.25	230.10	1,761.47	269.59
Employee benefits expense	186.48	26.96	165.24	25.29
Depreciation and Amortization	639.82	92.52	645.9	98.85
Finance Cost	629.59	91.04	579.15	88.64
Other expenses	972.99	140.70	931.68	142.59
Total expenses	4,020.13	581.32	4,083.44	624.95
Profit/(Loss) before taxation	(226.87)	(32.80)	(40.60)	(6.21)
Provision for taxation – expenses	(115.10)	(16.64)	(78.85)	(12.07)
Profit/(Loss) After Taxation	(111.77)	(16.16)	38.25	5.85
Other comprehensive income/(loss) for the year	(10.13)	(1.47)	12.85	1.97
Total comprehensive Income for the year	(121.90)	(17.63)	51.1	7.82
Earnings Per Share (in Rs)				
- Basic and Diluted	(0.46)		0.16	

[Note: Exchange Rate for March 31, 2019 is 1 USD = INR 69.16 and for March 31, 2018 is 1 USD = INR 65.34]

REVENUE AND PROFIT – STANDALONE

During the financial year ended March 31, 2019, your company has recorded a Total Revenue of Rs. 3,793.26 Cr. as against Rs. 4,042.84 Cr., in the corresponding previous year, being decrease of 6.17%.

Further, your company has also recorded the Loss after Tax of Rs. 111.77 Crores for the year ended March 31, 2019 against the Profit after Tax of Rs. 38.25 Crores, in the corresponding previous year, being a decrease of 392.21 %.

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

- Decrease in Revenue pursuant to implementation of AERA tariff order w.e.f. July 7, 2017
- Higher expenses due to Terminal 2 Operationalized.

FINANCIAL PERFORMANCE ON CONSOLIDATED BASIS

Particulars	31-Mar-19	31-Mar-19	31-Mar-18	31-Mar-18
	(Rs./cr)	(USD Mn)	(Rs./cr)	(USD Mn)
Revenue from Operations	3,253.31	470.44	3,690.31	564.79
Other Income	490.74	70.96	326.98	50.04
Total Revenue (I)	3,744.05	541.40	4,017.29	614.83
Annual fee to AAI	1,571.84	227.29	1,780.88	272.56
Employee benefits expense	186.48	26.96	165.24	25.29
Depreciation and Amortization	639.82	92.52	645.90	98.85
Finance Cost	629.59	91.04	579.15	88.64
Other expenses	974.15	140.86	930.53	142.41
Total Expense (II)	4,001.88	578.67	4,101.70	627.75
(Loss)/Profit before exceptional items and tax [(I)-(II)]	(257.83)	(37.27)	(84.41)	(12.92)
Exceptional Items (net)	-	-	-	-
Profit/(Loss) before taxation	(257.83)	(37.27)	(84.41)	(12.92)

Provision for taxation – expenses	(93.47)	(13.52)	(31.90)	(4.88)
Profit/(Loss) After Taxation	(164.36)	(23.75)	(52.51)	(8.04)
Share of profit of associates and joint ventures	116.05	16.78	96.85	14.82
Profit for the year (A)	(48.31)	(6.97)	44.34	6.79
Other Comprehensive Income				
Items that will not be reclassified to profit or loss in subsequent periods				
Re-measurement gains on defined benefit plans	(0.28)	(0.04)	0.77	0.12
Income tax effect	0.10	0.01	(0.27)	(0.04)
Items that will be reclassified to profit or loss in subsequent periods				
Net movement of cash flow hedges	(15.31)	(2.21)	18.88	2.89
Income tax effect	5.36	0.77	(6.53)	(1.00)
Share of other comprehensive income of associate and joint venture	(0.04)	(0.01)	(0.16)	(0.02)
Total Other Comprehensive Income/(Loss) for the year (net of tax)(A+B)	(10.17)	(1.48)	12.69	1.94
Total Comprehensive Income for the year (net of tax)	(58.48)	(8.45)	57.03	8.73
Earnings Per Share (in Rs)				
- Basic and Diluted	(0.20)		0.18	

[Note: Exchange Rate for March 31, 2019 is 1 USD = INR 69.16 and for March 31, 2018 is 1 USD = INR 65.34]

REVENUE AND PROFIT – CONSOLIDATED

The consolidated revenue is showing a decrease by Rs. 273.25 crores approx. as compared to FY 2017-18, mainly due to reduction in aeronautical tariff w.e.f. July 7, 2017.

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

The following are the highlights of the performance and financial position of the subsidiaries, joint ventures and associates and their contribution to the overall performance of the company during the period of report.

(i) SUBSIDIARIES

The Company has only one subsidiary as on March 31, 2019 i.e. Delhi Aerotropolis Private Limited (DAPL) and it has not commenced its operations. The financial position of DAPL is as follows:

Particulars	Amount (Rs)
Net Revenue (Other Income)	Nil
Profit/ (Loss) Before Tax	(30,100.00)
Profit/ (Loss) After Tax	(30,100.00)

(ii) JOINT VENTURES AND ASSOCIATES

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 Equipment.

Accordingly, the Company has minority equity stake ranging from 26% to 50% in 8 JVs, depending on the nature and size of the business.

Further Company has invested an amount of Rs. 108.33 cr as per the Electricity Act, 2003 in GMR Bajoli Holi Hydro Power Private Limited for purchase of power under Captive arrangement.

The performance and financial position of each of the JVs and Associates during 2018-19 are as follows:

JOINT VENTURES AND ASSOCIATES
(Rs/Crores)

S. No.	Name of Joint Venture Company	Total Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Turnover/Total Income	Profit Before Taxation	Profit after Taxation	% of Equity Shareholding of DIAL
1	WAISL Limited (Formerly known as Wipro Airport IT Services Ltd.)	5	13.36	173.3	154.94	143.08	16.47	12.87	26.00%
2	Celebi Delhi Cargo Terminal Management India Pvt. Ltd.	112	111.20	443.61	220.41	476.66	39.05	24.73	26.00%
3	Delhi Aviation Fuel Facility Pvt. Ltd.	164	82.06	373.88	127.82	168.19	69.30	50.96	26.00%
4	Travel Food Services (Delhi T3) Pvt. Ltd.	14	0.89	46.98	32.09	106.25	5.31	3.82	40.00%
5	Delhi Duty Free Services Pvt. Ltd.	80	248.89	598.66	269.77	1403.25	237.45	152.03	49.90%

6	TIM Delhi Airport Advertisment Pvt. Ltd	18.4 8	60.6 1	152. 83	73.74	299.11	47.88	30.68	49.90%
7	Delhi Airport Parking Service s Pvt. Ltd.	81.4 4	9.88	212. 06	120.7 4	151.40	31.12	20.60	49.90%
8	Delhi Aviatio n Service s Private Ltd.	25	16.1 4	53.4 0	12.26	70.07	13.54	9.62	50.00%
9	GMR Bajoli Holi Hydro Power Private Limited	51 9.43	9 3.11	2176 .99	2176. 99	0	4 .87	4.7 3	20.85%

There is no change in the business of the Company, any of its above mentioned Joint Ventures and there are no new companies which have become and ceased to be subsidiaries, joint ventures and associates during the year.

During the year, your Company has invested Rs. 3700/- towards the equity (being 37% of the share capital) of Section 8, Company namely, Digi Yatra Foundation. It is a SPV formed to own central platform for identity management of passengers, as JV company of private airport operators and AAI. The equity share of JVC will be held by AAI and the Private Airport Operators.

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.

DIVIDEND & APPROPRIATIONS

Your company has not proposed any dividend for the financial year 2018-19 and consequently, no amount has been transferred to reserves.

SENIOR SECURED FOREIGN CURRENCY NOTES 2022 AND 2026 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 from the International Capital Market under Regulation S, at fixed interest rate of 6.125% with bullet repayment in 2022. The same are listed on Singapore Stock Exchange.

Further, your Company has also issued Senior Secured Foreign currency Notes USD 522.60 Mn with the ISIN number USY2R27RAB56 and US246725AB18 under Regulation S and Rule 144A of the U.S. Securities Act 1933, at a fixed interest rate of 6.125% with bullet repayment in October 2026. The same are also listed on Singapore Stock Exchange.

On June 04, 2019 your company has also issued Senior Secured Foreign currency Notes of USD 350 Mn with the ISIN number USY2R40TAB40 and US246724AA69 under Regulation S and Rule 144A of the U.S. Securities Act 1933, at a fixed interest rate of 6.45% with bullet repayment in June 2029 and the same are listed on Singapore Stock Exchange. The funds for the same will be used as Means of Finance for Phase 3A expansion of Delhi Airport.

REGULATORY

As per State Support Agreement signed between DIAL and AAI as part of concession, DIAL is eligible for minimum tariff equivalent to Base Airport Charges as per schedule 8 of state support agreement plus 10% in any year during the concession term. As per the order of Hon'ble Supreme Court the tariff was revised as per AERA order no 40/2015-16 dtd 10th Dec'2015 on 7th July'2017. Since the revised tariff was below the Base Airport Charge plus 10%, your company approached the regulator to allow minimum tariff i.e. BAC plus 10% as provided in the concession. The Regulator had acknowledged the rights provided under the concession agreement and issued the consultation paper no 6/2018-19 on 29th May'2018 for stakeholder's consultation. Post consultation meeting the Regulator revised the tariff equivalent to BAC plus 10% excluding X-Ray charge vide order no 30/2018-19 dtd. 19th Nov'2018 effective from 1st Dec'2018. The X-Ray charges has been effected from 1st Feb'2019 vide order no 39/2018-19 dated January 10, 2019.

Your Company has filed Multi Year Tariff Proposal for the third control period starting 1st April'2019 to 31st March'2024 with the Regulator on 27th November'2018. Further, as the second control period completed on 31st March'2019 in order avoid regulatory vacuum, your company requested the regulator to extend the current tariff till the tariff for third control period is determined. Regulator vide order no 48/2018-19 dated. 25th March, 2019

extended the prevailing tariff i.e. BAC plus 10% for DIAL till 30th Sept'2019 or determination of tariff for third control period whichever is earlier.

AUDIT COMMITTEE

Pursuant to the provisions of Section 177 of the Companies Act, 2013, the Audit Committee, comprises of the following Directors as Members as on March 31, 2019:

S. No.	Name of Members
1	Mr. G. Subba Rao, Chairman
2	Ms. Denitza Weismantel, Director
3	Mr. Anil Kumar Pathak, Director*
4	Mr. N.C. Sarabeswaran, Independent Director
5	Mr. R.S.S.L.N. Bhaskarudu, Independent Director
6	Dr. M. Ramachandran, Independent Director
7	Ms. V. Siva Kameswari, Independent Director

*w.e.f. January 29, 2019 Mr. Anil Kumar Pathak was nominated as member of the Audit committee in place of Mr. S. Suresh, pursuant to his withdrawal of nomination as Director by AAI.

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, the Nomination and Remuneration Committee comprises of the following Directors as Members as on March 31, 2019:

S. No.	Name of Members
1	Mr. G. Subba Rao, Chairman
2	Ms. Usha Padhee, Director**
3	Ms. Denitza Weismantel, Director
4	Mr. N.C. Sarabeswaran, Independent Director
5	Mr. R.S.S.L.N. Bhaskarudu, Independent Director
6	Dr. M. Ramachandran, Independent Director
7	Ms. V. Siva Kameswari, Independent Director

**w.e.f. 27.07.2018 Mr. Arun Kumar was appointed as member of the Nomination and Remuneration Committee in place of Ms. Gargi Kaul, and w.e.f. 29.01.2019 Ms. Usha Padhee was nominated as member of the committee in place of Mr. Arun Kumar. Further w.e.f. 06.06.2019 Ms. Rubina Ali is nominated

as member of the committee in place of Ms. Usha Padhee. The above changes are due to change of nomination of their Directors by AAI.

SHARE ALLOTMENT, TRANSFER & GRIEVANCE COMMITTEE

The Share Allotment, Transfer & Grievance Committee comprises of the following Directors as Members as on March 31, 2019:

S. No.	Name of Members
1	Mr. G. Subba Rao, Chairman
2	Mr. G.B.S. Raju, Managing Director*
3	Mr. Grandhi Kiran Kumar, Director
4	Mr. K. Narayana Rao, Whole Time Director
5	Mr. Anil Kumar Pathak, Director*
6	Ms. Denitza Weismantel, Director

*Mr. G.B.S Raju became member of the Committee w.e.f April 1, 2018, upon cessation of Mr. Srinivas Bommidala as Managing Director of the Company and Mr. Anil Kumar Pathak became member of the Committee w.e.f January 29, 2019 on cessation of Mr. S. Suresh as Director of the Company, pursuant to change of nomination by AAI.

CORPORATE SOCIAL RESPONSIBILITY

As per the provisions of Companies Act, 2013, CSR committee of your Company comprises of the following Directors as Members as on March 31, 2019.

S. No.	Name of Members
1	Mr. R.S.S.L.N. Bhaskarudu, Independent Director, Chairman
2	Mr. G. Subba Rao, Director
3	Mr. K. Narayana Rao, Whole Time Director

The Chief Operating Officer, the Chief Human Resource Officer and Director-Community Services 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, as per the requirements of Companies Act, 2013.

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. 950 lacs towards CSR activities, against which your Company has spent an amount of Rs. 992.37 lacs, being an overspent of Rs. 42.37 Lacs. This overspent of Rs. 42.37 lacs is towards the underspent of Rs. 42 lacs of the CSR amount to be spent in the year 2015-16, due to non- execution of Swachh Bharat initiatives at Delhi.

Further, during the year, DIAL has also spend an amount of Rs. 56 lacs for constructing new classroom in Vocational Training Institute, against the underspent of the year 2017-18. This CSR expenditure of Rs. 56 lacs is over and above the CSR expenditure of Rs. 992.37 lacs.

As required by the provisions of Section 135 and Rules thereunder, the annual report on CSR activities and initiatives, details about the policy developed and implemented by the Company on CSR initiatives taken during the year is annexed as **Annexure B**.

AUDITORS AND AUDITORS' REPORT

On the recommendation of the Board of Directors and Audit Committee the Shareholders of the Company in the Annual General Meeting held on September 5, 2017, has appointed of M/s. S. R. Batliboi & Associates LLP, Chartered Accountants, Bengaluru as Statutory Auditors of the Company, for a period of two Years till the conclusion of 13th AGM and M/s K. S. Rao & Co. as Statutory Auditors of the Company for period 5 years till the conclusion of 16th AGM.

M/s S. R. Batliboi & Associates LLP, Chartered Accountants, Bengaluru will complete its tenure of 10 years as Statutory Auditors of the Company in September 2019 and as per the provision of Section 139 , it cannot be re-appointed for further period. Therefore, the Company in its Board Meeting held on August 8, 2019 has recommended to shareholders the appointment of M/s Walker Chandiok & Co, Chartered Accountants (Firm Registration No. 001076N/N500013) as Statutory Auditors for a period of 5 years in place of M/s. S. R. Batliboi & Associates LLP. M/s Walker Chandiok & Co, will be the Joint Statutory Auditors of the Company with M/s. K.S. Rao & Co.

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.

REPORTING OF FRAUD BY AUDITORS

During the year under review, neither statutory auditors, nor secretarial auditor has reported to the audit committee under section 143(2) of the Companies Act, 2013, any instance of fraud committed against the Company by its officers or employees, the details of which needs to be mentioned in the Board's Report.

COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of section 148(1) of the Companies Act, 2013, are applicable on the Company and accordingly such accounts and records are made and maintained by the Company.

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

Annual Return of the Company is .provided on Company's official website the link of the same is <https://www.newdelhiairport.in/corporate/our-company> .

MEETINGS OF THE BOARD AND COMMITTEES

During the financial year ending March 31, 2019, the details of the meetings of the Board and Committees of the Board and attendance of the Directors are as follows:

BOARD MEETING

Name of Directors	02-May-2018	24-July-2018	23-October-2018	19-December-2018	30-January-2019	20-March-2019
Mr. G.M. Rao	VC	YES	YES	YES	YES	YES
Mr. G. B. S. Raju	YES	YES	YES	YES	VC	YES
Mr. Grandhi Kiran Kumar	YES	YES	YES	YES	NO	VC
Mr. Srinivas Bommidala	YES	YES	NO	VC	NO	NO
Mr. K. Narayana Rao	YES	YES	YES	YES	YES	YES
Mr. Indana Prabhakara Rao	YES	YES	YES	NO	YES	YES
Mr. G. Subba Rao	YES	YES	YES	YES	YES	YES

Mr. R.S.S.L.N. Bhaskarudu	YES	YES	VC	YES	YES	YES
Ms. V. Siva Kameswari	YES	YES	VC	VC	YES	VC
Mr. N.C. Sarabeswaran	YES	VC	VC	YES	VC	VC
Dr. M. Ramachandran	YES	VC	YES	VC	YES	YES
Mr. Suresh Goyal	NO	YES	VC	VC	VC	NO
Mr. S. Suresh	NO	YES	NO	NO	Resigned	N.A
Mr. A. K. Dutta	YES	YES	Resigned	N.A	N.A	N.A
Ms. Gargi Kaul	YES	Resigned	N.A	N.A	N.A	N.A
Mr. Arun Kumar	Not appointed	YES	NO	YES	Resigned	N.A
Ms. Usha Padhee	Not appointed	Not appointed	Not appointed	Not appointed	YES	VC
Mr. Anil Kumar Pathak	Not appointed	Not appointed	Not appointed	Not appointed	NO	YES
Mr. Anuj Aggarwal	Not appointed	Not appointed	YES	YES	NO	YES
Ms. Denitza Weizmantel	VC	NO	VC	NO	VC	VC
Mr. Matthias Engler (Alternate to Ms. Denitza Weismantel)	NA	YES	NA	VC	NA	NA

AUDIT COMMITTEE

Name of Members	02-May-18	24-July-18	22-October-18	30-January-19
Mr. G. Subba Rao	YES	YES	YES	YES
Mr. R.S.S.L.N. Bhaskarudu	YES	YES	VC	YES
Mr. N. C. Sarabeswaran	YES	VC	VC	VC
Ms. V. Siva Kameswari	YES	YES	VC	YES
Dr. M. Ramachandran	YES	VC	YES	YES
Ms. Denitza Weismantel	VC	NO	VC	NO
Mr. S. Suresh	NO	YES	NO	Resigned
Mr. Anil Kumar Pathak	Not Appointed	Not Appointed	Not Appointed	NO
Mr. Matthias Engler (Alternate to Ms. Denitza Weismantel)	NA	YES	NA	NO

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Name of Members	02-May-18	22-October-18	29-January-19
Mr. R.S.S.L.N. Bhaskarudu	YES	VC	YES
Mr. K. Narayana Rao	YES	YES	YES
Mr. G. Subba Rao	YES	YES	YES

NOMINATION AND REMUNERATION COMMITTEE

Name of Members	24-July-18	30-January-19
Mr. G. Subba Rao	YES	YES
Mr. R.S.S.L.N. Bhaskarudu	YES	YES
Mr. N. C. Sarabeswaran	VC	VC
Ms. V. Siva Kameswari	YES	YES
Dr. M. Ramachandran	VC	YES
Ms. Denitza Weismantel	NO	NO
Ms. Usha Padhee	Not Appointed	NO
Mr. Matthias Engler (Alternate to Ms. Denitza Weismantel)	YES	NO

INDEPENDENT DIRECTORS MEETING

Name of Members	20-Mar-19
Mr. R.S.S.L.N. Bhaskarudu	yes
Mr. N.C. Sarabeswaran	VC
Dr. M. Ramachandran	yes
Ms. V. Siva Kameswari	VC

DIRECTORS RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) of the Companies Act, 2013.

1. That in the preparation of the annual accounts for the financial year ended March 31, 2019, 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. That such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied 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, 2019 and of the profit/loss of the Company for that period;
3. That 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. That the annual financial statements have been prepared for the financial year ended March 31, 2019 on a 'going concern' basis;
5. That the company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

SECRETARIAL STANDARDS

The Company complies with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointments

Mr. Anuj Aggarwal, Member HR, AAI was appointed as Additional Director w.e.f August 1, 2018 in place of Mr. A.K. Dutta, Member, ANS, Mr. Anil Kumar Pathak, Member, Planning, AAI was appointed as Additional Director w.e.f January 29, 2019 in place of Mr. S. Suresh, Member Finance, AAI and Ms. Rubina Ali, Joint Secretary, MoCA was appointed as Additional Director w.e.f June 6, 2019 in place of Ms. Usha Padhee, Joint Secretary, MoCA, pursuant to the change of nominations by Airport Authority of India.

Mr. G.M. Rao was appointed as Executive Chairman, Mr. G.B. Raju was appointed as Managing Director and Mr. I. Prabhakara Rao was appointed as Executive Director w.e.f April 1, 2018 for a period of three years.

Mr. Videh Kumar Jaipuriar was appointed as Chief Executive Officer (KMP) w.e.f April 1, 2018, Mr. Hari Nagrani was appointed as Chief Financial Officer w.e.f February 1, 2019 (KMP)

Appointments and Cessation

Pursuant to the change of nominations by Airport Authority of India, Mr. Arun Kumar, Joint Secretary MoCA was appointed as Additional Director w.e.f July 24, 2018 and ceased to be Director w.e.f January 29, 2019 and Ms. Usha Padhee, Joint Secretary MoCA was appointed as Additional Director w.e.f January 29, 2019 and ceased to be Director w.e.f June 6, 2019.

Cessations or Resignations

Mr. Srinivas Bommidala resigned as Managing Director w.e.f March 31, 2018, Mr. Grandhi Kiran Kumar, resigned as Executive Director w.e.f May 31, 2018, however, continue as Non-Executive Directors.

Pursuant to change of nomination of its Directors by Airport Authority of India, Ms. Gargi Kaul, Joint Secretary, MoCA, ceased to be Director w.e.f July 12, 2018, Mr. A.K. Dutta, Member ANS ceased to be Director w.e.f July 31, 2018, Mr. S. Suresh, Member Finance ceased to be Director w.e.f January 29, 2019.

Mr. I. Prabhakara Rao resigned as CEO w.e.f March 31, 2018 and Mr. G. Radha Krishna Babu, resigned as CFO w.e.f February 1, 2019.

The Board of Directors places on record their deep appreciation for the services and support rendered by Mr. Srinivas Bommidala as Managing Director, Mr. Grandhi Kiran Kumar as Executive Director, Ms. Gargi Kaul, Mr. A. K. Dutta, Mr.

S. Suresh, Mr. Arun Kumar, Ms. Usha Padhee as Director(s), Mr. Indana Prabhakara Rao as CEO and Mr. G. Radha Krishna Babu as CFO of the Company.

Mr. Saurabh Jain, continues to be the Company Secretary of the Company.

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 C**. (Website link: <https://www.newdelhiairport.in/corporate/our-company>) Further, there are no changes in the policy, after it was first time approved by the Board.

BOARD EVALUATION

The Company has done a formal annual evaluation of the performance of the Board, its Committees and of individual directors, through a software named Dess Digital Meetings.

SECRETARIAL AUDITOR AND 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, 2019 is attached herewith as **Annexure D**. The Secretarial Audit Report does not contain any qualifications, reservations or adverse remarks.

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, Company has invested an amount of Rs. 3700/- in Equity Capital of Digi Yatra Foundation (being 37% of the total capital of the Company), and there were no other investments made by the Company, except Treasury Investments in Deposits, Mutual Funds, Commercial Papers 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 Group entities 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 E**. The members may refer Note No. 34 to the Standalone Financial Statement which sets out related party disclosure pursuant to Ind AS.

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 F** to the Report. The details of Foreign Exchange earnings and outgo are given in the **Note No. 40** "Other Disclosures" 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 developed, adopted and implemented Enterprise Risk Management to identify the elements of risks, 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.

As per the Risk Management policy, in the opinion of the Board the following risks may threaten the existence of the Company.

S. No.	Risks	Strategic Initiatives to address the Risk
1	Revenue Risk: Significant Dip in revenues impacting Liquidity and profitability	☐ Ensure fair aero revenue from regulator ☐ Maximize non-regulated revenue ☐ Maximize value from existing assets ☐ Promote Delhi as Hub ☐ Increasing high yield cargo throughput ☐ Maximize non regulated revenue except ALD ☐ Cash flow management ☐ Cost containment
2	Litigation Risk: Unfavorable decision on key Litigations (Tariff, NGT, Service tax, etc)	☐ Ensure fair aero revenue from regulator ☐ Effective legal management
3	Reputation Risk: Fall in ASQ Ranking	☐ Minimize unplanned disruptions during Phase 3A expansion project ☐ Implement an effective CRM ☐ Leverage technology and innovation for superior customer experience ☐ Landside connectivity ☐ Drive concept of unified IGIA community
4	New Airports in IGIA vicinity	☐ Promote Delhi as Hub ☐ Improve airfield capacity and OTP ☐ Reduce Processing time ☐ Maximize non-regulated revenue ☐ Landside connectivity ☐ Drive concept of unified IGIA community
5	Receivables Risk	☐ Cash flow management ☐ Cost Containment

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 available on the official website of Delhi Airport and the Website Link is <https://www.newdelhiairport.in/corporate/our-company> .

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(B) Going Concern, 33(ii) and 40 of Notes to the Financial Statements for the year ended March 31, 2019, related to 'Going Concern' and explained in this Report under the paragraph Regulatory.

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.

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 viz. Issue of Equity Shares with differential voting rights, Sweat Equity, ESOP, remuneration details of top ten employees, receipt of commission by MD or WTD from Subsidiaries etc.

Further, your Directors state that, your company has complied with the provisions related to constitution of internal complaints committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Further, 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

G.B.S. Raju

Managing Director Whole-Time Director
DIN-00061686

K. Narayana Rao

DIN-00016262

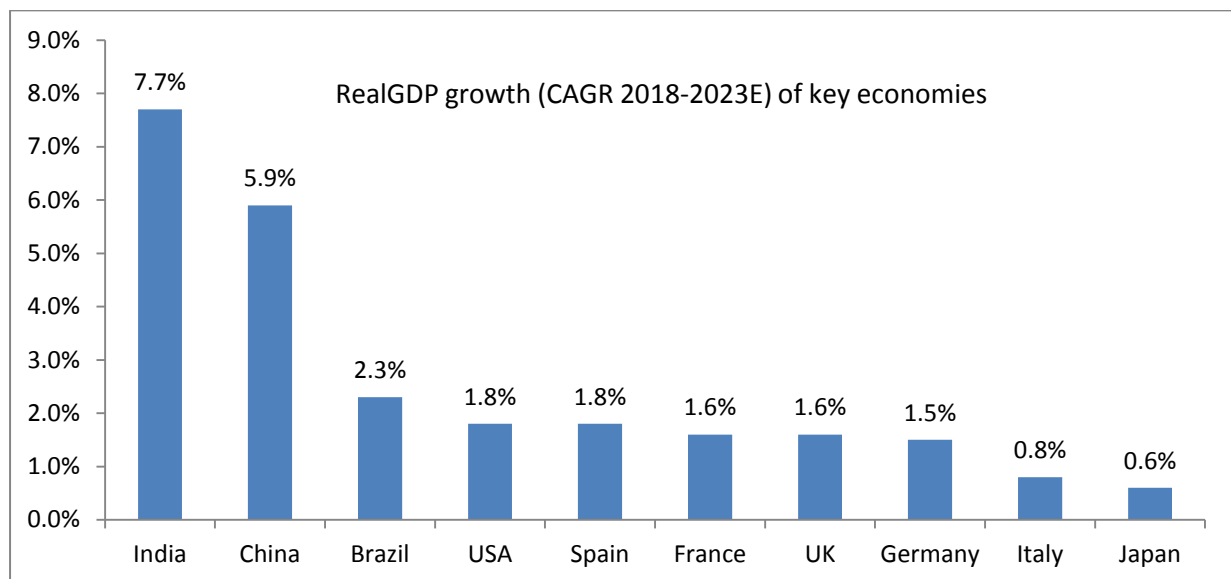
Place: New Delhi

Date: August 08, 2019

MANAGEMENT DISCUSSION AND ANALYSIS

India Macroeconomic Overview

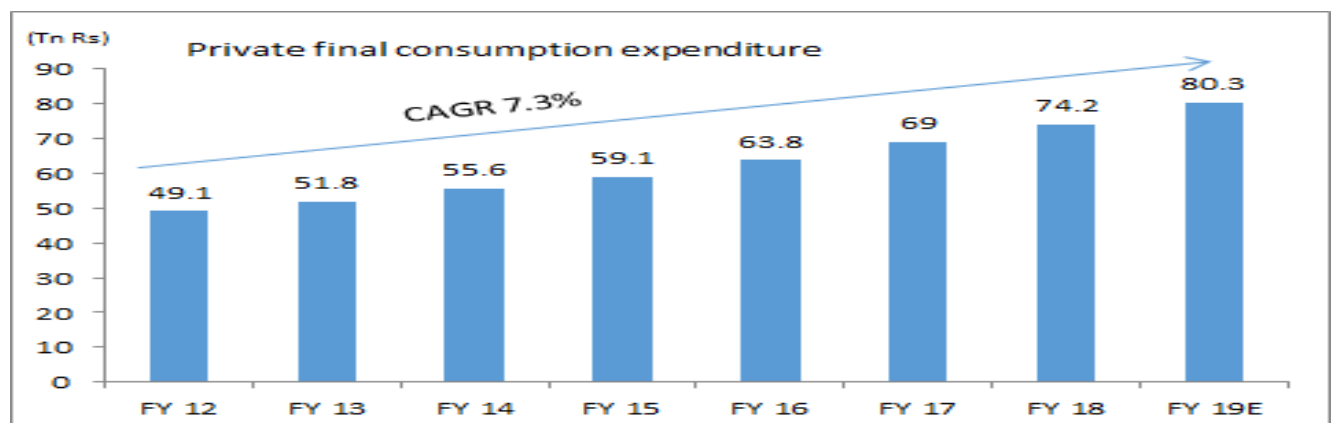
India's economy was the seventh largest in the world by nominal GDP and the third largest by purchasing power parity in 2018, according to the International Monetary Fund ("IMF"). India's real GDP has grown at an average rate of over 7.1% per annum from 2012 to 2018, led by growing domestic consumption, infrastructure spending and private capital expenditure ("PCE"). The IMF estimates 7.7% real GDP compound annual growth rate ("CAGR") for India over 2018-23. The below chart sets out expected growth rates in GDP per capita over 2018-23 for select countries.



Source: International Monetary Fund

Note: GDP at constant prices in national currency

PFCE (Private Final Consumption Expenditure) is a crude indicator of the prosperity of a country. India's PFCE has grown at a CAGR of 7.3% from fiscal year 2012 to fiscal year 2019. Private final consumption expenditure (PFCE) at constant prices is estimated at Rs 80.3 trillion in fiscal year 2019.



Source: Ministry of Statistic and Programme Implementation (MoSPI)

Effects of Economic Conditions in India and Globally

Aggregate passenger traffic at our Airport and, in turn, our results of operations, are linked closely to macroeconomic and political conditions prevailing from time to time in India and globally. As we rely to a significant extent on business- and tourist-passenger traffic, domestic and global economic conditions, risks affecting or reducing air-travel and adverse political conditions have materially and adversely impacted — and likely could impact in the future — passenger traffic in our Airport and, in turn, our revenues and profitability. The air transportation industry is also cyclical and seasonal in nature, with, for example, the Airport typically experiencing higher passenger traffic and ATMs in the first and third quarter of each fiscal year. The passenger traffic at our Airport has increased in the aggregate over the last several years, , and coincided with the growth of the Indian and global economies. India's GDP recently has contracted as a result of high inflation, political conditions and the demonetization and introduction of the goods and services tax regime.

Indian Aviation Industry Overview

According to IATA, the Indian aviation industry is the seventh largest in the world, and is expected to become the third largest by 2024, based on passenger numbers. There are 486 airports and airstrips in India, of which 129 are managed by AAI (not including concession airports). In the last decade, India has seen considerable growth in aviation. According to CRISIL Research, passenger throughput grew to 309 million and cargo throughput to 3.3 million metric tons in fiscal year 2018, registering 14% and 9% CAGR, respectively, for the period ranging from fiscal years 2013 to 2018.

Future Growth Potential

Over the next few years, improving economic growth in India along with favorable demographic factors such as an expanding middle class resulting in higher disposable incomes are expected to result in higher spending on travel as well as increased trade activity and freight traffic. Additionally, revival in the global economy is also likely to lead to greater traffic flows between India and the rest of the world. Other growth drivers for passenger and freight traffic include:

- upgrading of smaller airports and commissioning of green field airports, which will improve air connectivity and provide a boost to domestic traffic growth;
- development of Indian airports as transit hubs to serve traffic between Europe and the Middle East, and East and Southeast Asia;
- the Government of India's focus on increasing exports and manufacturing as a share of GDP; and

- upgraded cargo-handling infrastructure at major airports and the increased focus of Indian airlines on cargo operations.

The Indian aviation industry is also expected to benefit from government policies and initiatives. The Government of India announced the Aviation Policy 2016 with the aim of making flying affordable and convenient for the general population along with establishing an integrated eco-system that will lead to significant growth of the sector in the longer term. The policy covers all key aviation subsectors including airlines, airports, cargo, maintenance, repairs and overhaul services, general aviation, aerospace manufacturing and skill development and emphasized the need to enhance regional connectivity by providing fiscal support, infrastructure development and enhancing the ease of doing business through deregulation, simplified procedures and e-governance. The key objectives of the Aviation Policy 2016 include:

- making India among the global top three nations in terms of domestic and international passenger traffic;
- increasing domestic ticketing to 300 million (by number of passengers) by 2022 and 500 million (by number of passengers) by 2027;
- increasing international ticketing to 200 million (by number of passengers) by 2027;
- increasing cargo volumes to 10 million tons by 2027; and
- removing the minimum five years domestic operations requirement for flying on international routes. However, airlines will still have to utilize at least 20 aircrafts or 20% of their total capacity on domestic routes.

According to the Aviation Policy 2016, tariffs at all airports will be calculated on a 'hybrid till' basis by using 30% of non-aeronautical revenue to cross subsidize aeronautical charges to ensure uniformity and a level playing field across all airport operators.

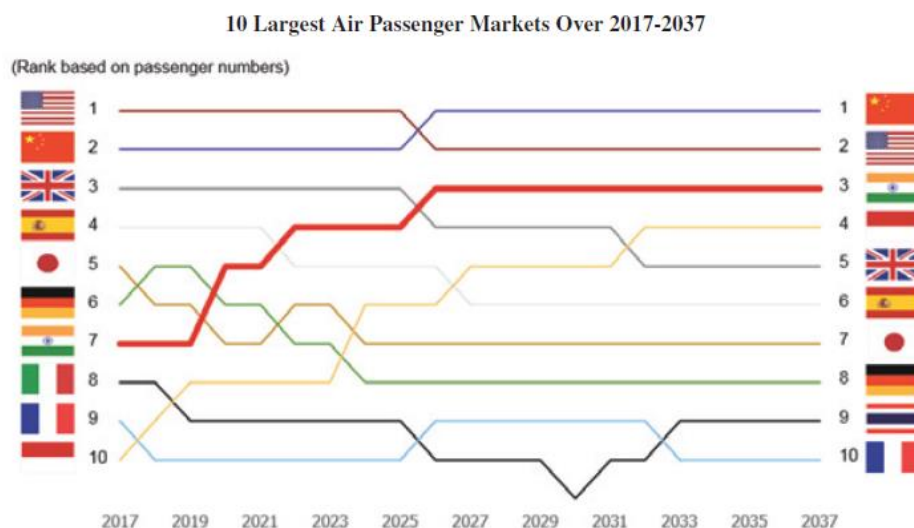
The Government of India also announced a regional connectivity scheme ("RCS"), which is also referred to as UDAN ("Ude Desh Ka Aam Naagarik") in 2016 aimed at improving civil aviation regional connectivity across the country. The RCS will focus on reviving unserved/underserved airports across the country and incentivizing airline operators to operate in regional routes through concessions to reduce operating costs and other forms of financial support. On February 1 2019, the Government of India has allocated a budgetary support of Rs 4.8 billion to UDAN during the interim budget. A total of 38 airports have been made operational in un-served and under-served areas under UDAN.

According to AAI, under UDAN-I, 128 routes were awarded, of which 72 routes were operational as of February 14, 2019. Under UDAN-II, 312 routes were awarded, of which 68 were operational as of February 14, 2019. Additionally, 31 new helipads have been approved under UDAN I. According to IATA the Indian Airport market will go to the third largest in the world in the year 2037 from the 7th largest in 2017, Currently, 53% of India's airport passenger traffic is handled

under PPP model, while the remaining 47% is managed by AAI. With the major upcoming greenfield airports (Navi Mumbai, Goa and Bhogapuram) and brownfield investments in Delhi, Bengaluru, Hyderabad and Chennai airports, airport investments are expected to pick up significantly.

The aforementioned factors are expected to result in continued high growth for the Indian aviation industry.

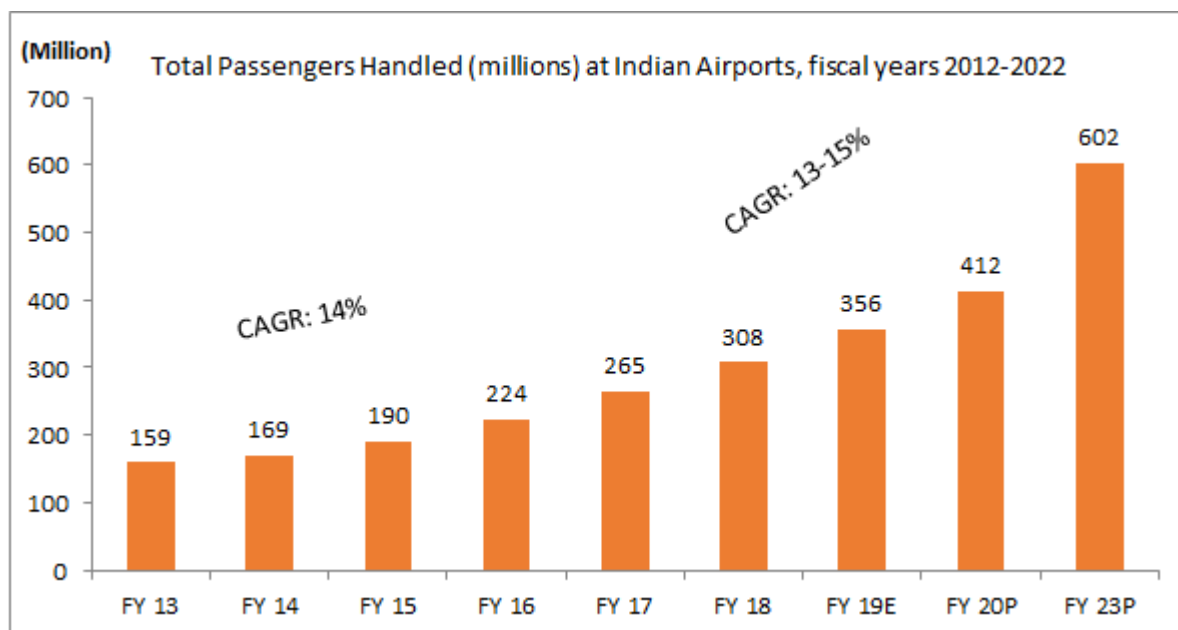
According to IATA, India will be the third largest Air Passenger Market over 2017-2037



Source: IATA

Indian Air Traffic Outlook

Indian passenger air traffic grew at a CAGR of 14% from fiscal year 2013 to fiscal year 2018, driven by economic growth and the growing availability of low cost air travel options. Passenger air traffic is projected to grow at a CAGR of 13-15% from fiscal year 2018 to fiscal year 2023, according to CRISIL Research. Growth is expected to be led by domestic traffic, which is projected to grow at 13-15% during this period, while international traffic is projected to grow at 8-10% over this period. Currently, the route between Mumbai and Delhi is the third busiest domestic route in the world. Continued economic growth, improved connectivity to tier 2 and tier 3 cities and increase in transit passengers at Indian Airports will be the key drivers behind passenger air traffic growth.



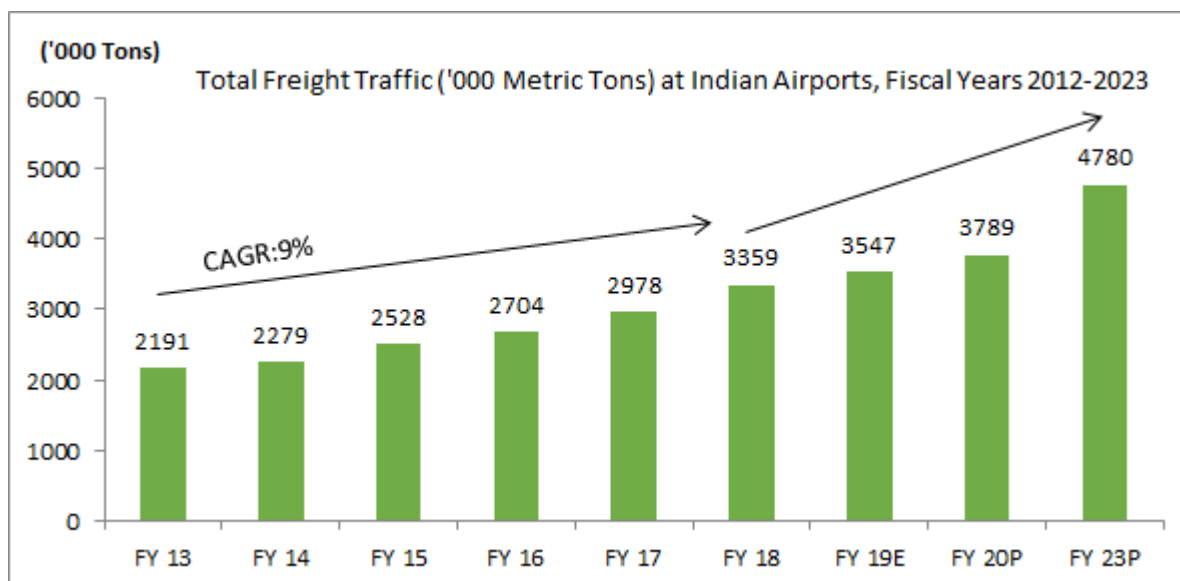
Break-up of overall passenger traffic handled at Indian airports

	FY13	FY14	FY15	FY16	FY17	FY18	FY19E	FY20P	FY23P
Domestic	73%	72%	73%	75%	78%	79%	80%	81%	83%
International	27%	28%	27%	25%	22%	21%	20%	19%	17%

Source: CRISIL Research

Note: "E" refers to Estimate; "P" refers to Projection.

Indian freight traffic grew at a CAGR of 9% from fiscal year 2013 to fiscal year 2018. Freight traffic is projected to grow at a CAGR of 7-9% from fiscal year 2017 to fiscal year 2022, according to CRISIL Research. Growth is expected to be driven by improved domestic and global economic conditions, which would result in increased Indian trade. Key sectors expected to drive the growth in freight traffic are e-commerce, pharmaceuticals, auto components, and electrical and electronic goods.



Break-up of overall freight traffic handled at Indian airports

	FY13	FY14	FY15	FY16	FY17	FY18	FY19E	FY20P	FY23P
Domestic	36%	37%	39%	39%	38%	36%	37%	37%	38%
International	64%	63%	61%	61%	62%	64%	63%	63%	62%

Source: CRISIL Research

Note: "E" refers to Estimate; "P" refers to Projection.

Operational Performance - Delhi Airport

Located within the city of New Delhi between the Connaught Place central business district and the key commercial and residential suburb of Gurugram, the Airport is connected to the surrounding region by several links, including a dedicated high-speed Airport Express metro line connecting directly to Terminal 3, an eight-lane access road linked to National Highway 8, a major transportation artery in the National Capital Region and Terminal 1 has been recently joined to the Delhi Metro network, connecting it with all parts of the city. With no other major international airport serving northern India, we expect to benefit from the projected increase in international and domestic passenger traffic to the region.

Delhi Airport serves the entire National Capital Region of India and is emerging as a leading aviation hub in South Asia. According to data compiled by AAI, the Delhi Airport is the busiest and largest airport in India in terms of passenger traffic and passenger capacity.

Delhi airport is the only Airport in India with three runways, and currently has the capacity to handle 66 million passengers and 1.8 million metric tons of cargo per year. The Airport's facilities include two cargo terminals and three passenger terminals, with a total of 321 check-in counters and 84 aerobridges, as well as three A380 compliant boarding gates.

Passenger traffic at the Airport has grown substantially, from 16.2 million passengers in 2006 at the beginning of the Concession, to nearly 69.2 million passengers in fiscal year 2019, a compound annual growth rate ("CAGR")¹ of over 11.8%. Cargo volume has also increased rapidly, from 383,052 metric tons in fiscal year 2006 to 1,042,948 metric tons in fiscal year 2019. In the fiscal years ended March 31, 2019, 2018 and 2017, total passenger traffic at the Airport was 69.2 million, 65.7 million and 57.7 million, respectively, while the total cargo traffic in metric tons was 1,042,948, 963,032 and 857,419, respectively, for the same periods. In fiscal year 2019, the Airport handled 476,720 air traffic movements, which are all aircraft arrivals and departures to and from the Airport. Subject to tariff levels, increasing passenger and cargo traffic through the Airport is a key driver of our growth and increased revenue.

Summary Historical Results of Traffic Numbers

Air Traffic Movement by Delhi Airport

YEAR	INTERNATIONAL				DOMESTIC				General Aviation	Grand Total	Growth %
	SCHEDULED	NON-SCH	TOTAL	Int Growth %	SCHEDULED	NON-SCH	TOTAL	Dom Growth %			
2014-15	85,009	801	85,810	0%	214,724	355	215,079	5%	22,561	323,450	3%
2015-16	87,822	1,253	89,075	4%	254,763	275	255,038	19%	21,583	365,696	13%
2016-17	98,970	1,378	100,348	13%	297,043	408	297,451	17%	19,520	417,319	14%
2017-18	106,226	2,672	108,898	9%	331,985	416	332,401	12%	17,944	459,243	10%
2018-19	112,629	2,079	114,708	5%	345,033	688	345,721	4%	16,291	476,720	4%

Total passengers handled at Delhi Airport

YEAR	INTERNATIONAL (In millions)					DOMESTIC (In millions)				Grand Total	Growth %
	DEPARTURE	ARRIVAL	TRANSIT	TOTAL	Int Growth %	DEPARTURE	ARRIVAL	TOTAL	Dom Growth %		
2014-15	6.76	6.56	0.21	13.53	7%	13.80	13.65	27.45	13%	40.99	11%
2015-16	7.17	6.81	0.17	14.15	5%	17.35	16.92	34.27	25%	48.42	18%
2016-17	7.84	7.54	0.12	15.50	10%	21.33	20.87	42.21	23%	57.70	19%
2017-18	8.84	8.46	0.08	17.38	12%	24.45	23.86	48.31	14%	65.69	14%
2018-19	9.54	9.09	0.08	18.71	8%	25.43	25.10	50.52	5%	69.23	5%

Cargo handled at Delhi Airport

YEAR	INTERNATIONAL ('000 Metric Tonnes)				DOMESTIC ('000 Metric Tonnes)				Grand Total	Growth%
	Export	Import	TOTAL	Int Growth %	Export	Import	TOTAL	Dom Growth %		
2014-15	231.09	193.68	424.78	9%	170.54	101.23	271.76	26%	696.54	15%
2015-16	249.39	242.67	492.06	16%	192.17	102.94	295.11	9%	787.17	13%
2016-17	283.51	275.56	559.06	14%	189.03	109.33	298.36	1%	857.42	9%
2017-18	332.48	318.94	651.42	17%	194.20	117.41	311.61	4%	963.03	12%
2018-19	341.55	310.42	651.97	0%	239.84	151.14	390.98	25%	1,042.95	8%

Financial Performance Overview

For the fiscal year ended March 31, 2019, your Company had total income of Rs. 37,932.6 million (US\$ 548.4 million) and EBITDA of Rs. 10,425.4 million (US\$ 150.7 million), a decrease of 6.2% and 12.0%, respectively, from total income

of Rs. 40,428.4 million and EBITDA of Rs. 11,844.5 million for fiscal year ended March 31, 2018.

The revenue of your Company is derived principally from aeronautical operations, which include domestic and international landing fees, domestic and international parking and housing fees, user development fees, baggage x-ray charges, fuel farm and common user terminal equipment ("CUTE") counter charges and are regulated by AERA under the terms of the OMDA and the SSA, and non-aeronautical services, which are derived primarily from commercial and other activities at the Airport and are not regulated. Your Company also earn lease rental revenue from license fees in connection with certain commercial property development activities at the Airport.

Particulars	2019		2018	
Revenue from Operations				
Revenue from Aeronautical Operations	9,878.0	26.0%	17,054.8	42.2%
Revenue from Non-Aeronautical Operations	20,909.1	55.2%	17,988.1	44.5%
Other operating revenue (Commercial Property Development)	1,839.4	4.8%	1,766.8	4.3%
Total Revenue from Operations	32,626.5	86.0%	36,809.7	91.0%
Other Income	5,306.1	14.0%	3,618.7	9.0%
Total Income	37,932.6	100%	40,428.4	100%
Total of Non-Aeronautical Revenue and Revenue from Commercial Property Development	22,748.5	60.0%	19,754.9	48.9%

Revenue from Aeronautical Operations

Revenues from aeronautical operations were Rs. 9,878.0 million in fiscal year 2019 as against, Rs. 17,054.8 million, accounting for 26.0% and 42.2% and of total income in those periods. The table below sets forth the amount of revenue from each type of aeronautical service for the given period.

	Year ended March 31,			
	(Rs. In millions except percentages)			
	2019		2018	
Revenue from Aeronautical Operations				
Landing and Parking Charges	5,932.50	60.1%	7,222.7	42.3%
Baggage X-ray Charges	131.5	1.3%	-	-
User Development Fee	1996.2	20.2%	7893.8	46.3%
CUTE Counter Charges	129.2	1.3%	170.6	1.0%
Fuel farm	1,688.60	17.1%	1,767.7	10.4%
Total	9,878.00	100%	17,054.8	100%

Diversified revenue sources:

We have a well-diversified revenue mix comprising aeronautical, non-aeronautical and commercial property development. Aeronautical revenues comprise landing fees, parking and housing fees, user development fee and common user terminal equipment charges. Non-aeronautical revenues comprise income from food and beverages, duty-free shops, advertisement/hoarding and display, car park, cargo, bridge mounted equipment, ground handling, car rental, flight catering, fuel throughput charges, transit hotel, land and space, hangar rent and ATM/lounges rent. Revenue from commercial property development comprise lease income.

Revenue from Non-Aeronautical

Revenue from non-aeronautical operations were Rs. 20,909.1 million in the fiscal year 2019 as compared to , Rs. 17,988.1 million in the fiscal years 2018, accounting for 55.2% and 44.5% of our total income in those years. The table below sets forth the amount of revenue from certain types of our non-aeronautical services for the given year.

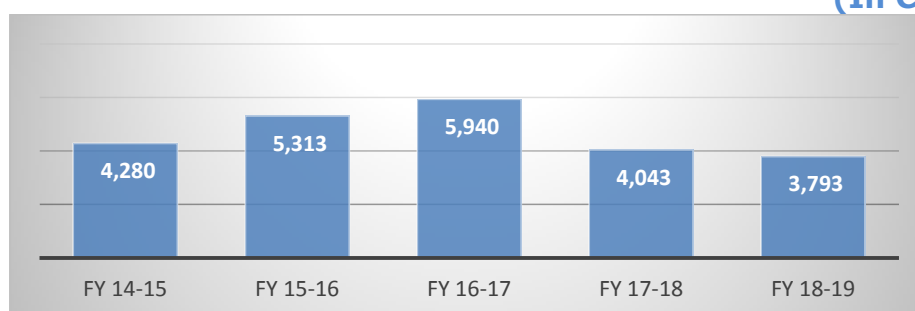
	Year ended March 31,			
	(Rs. In millions except percentages)			
	2019		2018	
Revenue from Non-Aeronautical Operations				
Duty Free	4631.2	22.10%	3784.2	21.00%
Retail	1657.7	7.90%	1333.0	7.40%
Advertisement	1657.4	7.80%	1709.8	9.50%
Food and Beverages	1533.9	7.30%	1346.6	7.50%
Cargo	2417.5	11.60%	2069.9	11.50%
Ground Handling	1315.5	6.30%	1244.0	6.90%
Parking	310.8	1.50%	258.9	1.40%
Land and Space - Rentals	3798.2	18.20%	3493.3	19.40%
Other	3676.9	17.30%	2748.4	15.40%
Total	20909.1	100%	17988.1	100%

(1) Others primarily include revenue from IT services, including maintenance, management, upgrades and modernization of IT resources at the airport received from one of the joint ventures, income from foreign exchange counters and flight catering charges

The details of last five years Financial Parameters are as follows :

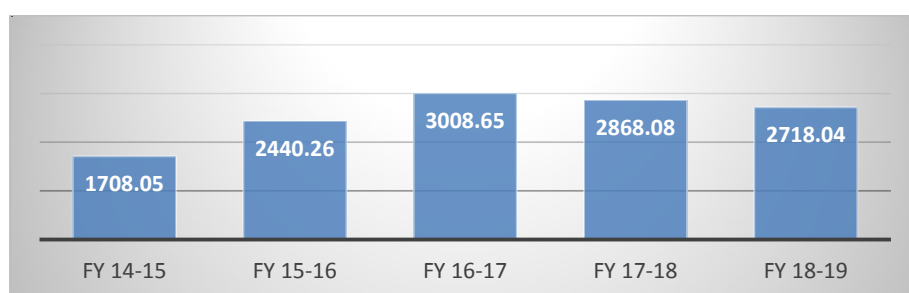
Gross Revenues

(In Crs)



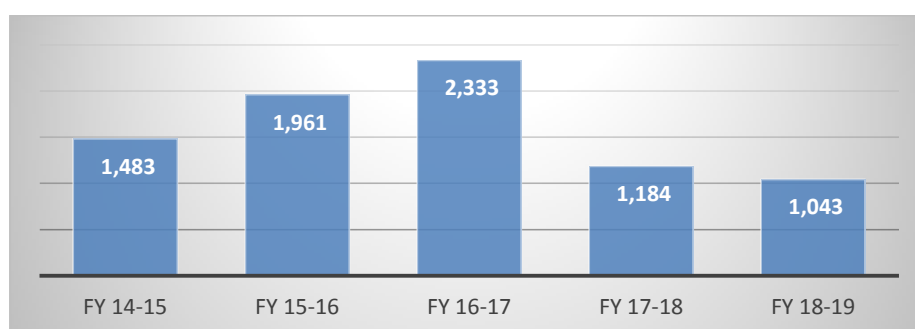
Net Worth

(In Crs)



EBITDA and EBITDA Margin

(In Crs)



Phase 3A Expansion Plan

The current phase of our Master Plan, the Phase 3A Expansion, includes, among others, (i) expansion of Terminal 1, including improvements to the terminal approach, the buildings, the apron and the surrounding infrastructure; (ii) construction of a fourth runway and the refurbishment of one of our existing runways; (iii) enhancement of airfields and construction of new taxiways, including the north parallel taxiway and dual eastern parallel cross taxiways; and (iv) the widening of existing roads and curbs and the construction of a grade separator, new roads and a new access tunnel. Upon completion of the Phase 3A Expansion, we expect passenger capacity of the Airport to increase from 66 million passengers per year to 100 million passengers per year.

Awards and Recognition

Your Company, has received numerous awards and has been recognized in various rankings in recent years, including the following:

- Golden Peacock Business Excellence Award under Transportation (Aviation) sector for the year 2018
- Silver Recognition under ACI Asia- Pacific Green Airports Program 2018
- Best Airport Staff Award" India and Central Asia at 2018 Skytrax Airport Awards
- Wings India Award for "Most Sustainable and Green Airport"
- Business Process Management (BPM) Asia Achiever's Award 2018
- Best Airport in India by Travel & Leisure Magazine
- National Award for Excellence in Energy Management 2018 by CII

- Golden Peacock Sustainability Award 2018 from Institute of Directors (IOD)
- Grow Care Safety Award 2018 in Gold Category
- 3rd CII National 5S -Sustenance Award 2018
- PR World Awards - Gold for Positive PR for reopening of Terminal 2 of Delhi Airport in the category of PR achievement of the Year
- Hermes Platinum Award for Social Media Campaign #Creating Tomorrow Together
- 6 Awards in 32nd National Convention on Quality Concepts (NCQC 2018)"
- National KAIZEN Circle Competition 2018
- PRCI - Silver for PR Case Study
- Delhi Airport conferred 4-Star Airport by Skytrax in London - 2019
- Bronze Award for PR Case Study Award
- Silver Award for Corporate Brochure
- Bronze Award for Social Media Campaign of the Year
- Garden Tourism Festival Awards - Multiple awards
- Best Airport in India and Central Asia by Skytrax
- "Platinum Recognition" in Over 45 million passengers per annum category in ACI Asia-Pacific Green Airports Recognition 2019

**World's No 1 Airport
ACI -ASQ Award Ceremony, Halifax – 2018**



Delhi Airport is conferred with Global 4 Star Airport & Best Airport in India & Central Asia by Skytrax



Golden Peacock National Training Award for the year 2019



Platinum Environmental Recognition by ACI



Human Resources of DIAL

Learning and Development

DIAL promotes an environment of continuous learning, growth and personal achievement. Along with DISHA (DIAL IGIA's service & hospitality Academy), GMRAA (GMR Aviation Academy), and various training partners, we were able to deliver qualitative learning and skill development solutions. During the year, we conducted various behavioural programs, such as Execution effectiveness, Emotional Intelligence, Negotiation & Influencing skills, Frugality, Presentation skills, Conflict management, Managerial effectiveness, and Art of delegation among others, to empower our employees in the current dynamic environment.

Along with the facilitator led programs, this year we enabled learning through online programs through Skill Soft Virtual University, where 894 courses were completed on constructive feedback, Feedback skills, Presentation skills and Team management.

To enable our front end employees to provide exceptional service to passengers, which reflects our GMR Values in true sense, BEING GMR was undertaken. The way we treat our passengers has large impact on our **Skytrax** Rankings. Our customer facing teams have to effectively deal with a variety of stakeholders including CISF and Immigration Personnel who work on a SOP which has a high emphasis on Airport Security. The program, consisting of 2 full day workshops, 6 contact sessions, creation of individual development plan and evaluation, had to ensure that the customer Facing Teams provide a unique GMR experience to the passengers ensuring complete compliance to the security protocols. The classroom sessions focused on aspects like: My Promise to My Guest, The Quality in My Service, What's Not Being Said – The Mastery of Listening.

Gender Equality:

Several women welfare initiatives are undertaken last year to promote gender equality and women empowerment. Initiatives such as Soaring High, a program for women in transition, HARMONY- gender sensitivity dialogue initiative by NHRD, All women's workshop on gender sensitivity by Shakuntala David, were undertaken to increase awareness on gender diversity and facilitate gender sensitive approach striving towards equal participation of both women and men in our day to day work.

Employee engagement

We focus on building an engaging and motivating work culture by celebrating various festivals, arranging star employees' lunch, kids carnival, Batchet café, Performance conversation workshop by RR Nair, DIAL Sports championship, PASH program in association with ministry of labor and employment and Department wise CSR initiatives. To promote upward communication, we have sent out Know your policy communique, conducted CXO forums. A new matrix

for IJP selection was adopted and shared with all the employees to promote transparency. To promote employee wellness, the living well series was initiated. Sessions like, Breast Cancer Awareness, Cancer Awareness, Stress Management, Lifestyle & Health Management and Weight Loss Challenge were organized across 8 locations. In order for employees to get a holistic experience, these programs were followed by one to one sessions with subject matter experts. Along with the living well series, the existing medical room was upgraded, new medical room is being constructed and emergency mock drills along with ARFF and other stakeholders of Delhi airport emergency planning committee were conducted, to promote employee wellness and safety.

To strengthen our ties with our external stakeholder community, these wellness initiatives were extended to them as well.

This year we again organized our Talent Show Pratibha 2.0, which was bigger, better and bolder to provide employees a chance to continue exploring and nurturing their personal talent. An entertaining, engaging, fun filled event, Pratibha 2.0 was arranged by 15 cross functional members and few senior leadership team members. The event was inaugurated by Videh Kumar Jaipuriar(CEO-DIAL), Douglas Webster(COO-DIAL) and GPTW CFT at New Udaan Bhawan. The events in 13 categories were organized across New Udaan Bhawan Lawn Area, Auditorium and Terminal 3. The event culminated with prize distribution and best wishes from all the SCMs.



CSR Initiatives

BRIEF REPORT ON DIAL-CSR (2018-2019)

Preventive Health Care and Sanitation

DIAL-CSR has initiated Health and Sanitation programs in target communities in Delhi. The program includes women & child development; Life Skill Education for Adolescents; Mobile Medical Units and General Health Awareness. Under women & child development program, around 340 women received antenatal & postnatal care, through Gynae clinic, nutrition Program and awareness sessions. More than 500 People with Disability were benefitted through enabling equipment support, physiotherapy, medicines & counseling to care takers given by DIAL CSR. Special education and speech therapy was provided to 28 mentally retarded and hearing-impaired children. Eight differently abled students were provided electric tricycles in periphery of the airport.

The Mobile Medical units operate in association with HelpAge India and their outreach is in 26 locations in periphery of the airport benefitting about 17500 community members. More than 4000 blankets were distributed among people living in shelter homes & streets during winter.

Preventive health care services to more than 6000 people were supported through GMRVF in Srikakulam, Dhenkanal, Raipur and Chamoli districts. Around 1000 families were provided flood relief through KITCO.

With the support of DIAL CSR, Can-Support, enhanced capacity of stakeholders & through more than 1200 home visits and provided palliative care to more than 130 cancer patients in Delhi and NCR.

To promote hygiene, sanitation drive was organized in six government schools in periphery of IGI airport. DIAL CSR also installed water tanks in order to operationalize individual sanitary Latrines (ISL) constructed last year in 100 households in Savda JJ colony. More than 700 students were provided sanitation facilities by construction/renovation of toilet blocks in four schools through Deepalaya NGO in Delhi. DIAL CSR contributed to GMRVF under **Swachh Bharat Abhiyan** for maintenance of 8 community toilets in Andhra Pradesh, Karnataka & Chhattisgarh catering to more than 5500 users.



Promoting Education including Vocational Skills

Enhancing Quality of Education: Recognizing the importance of Early Childhood Education in the holistic development of children, DIAL-CSR runs 4 Balabadis (Pre-schools for the children of 3-5-year age group) covering 121 under-privileged children. DIAL-CSR is running a Kid Smart, Technology-aided Early Learning Centers in MCD (Municipal Corporation of Delhi) Boys Primary school, Shahabad Mohammadpur with 330 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 benefiting 146 children at Savda Ghevra, which provides tuition support to the slow learners. DIAL-CSR continued intervention called Minimum Learning Standard (MLS) program with 152 students, which is based on the NCERT given Minimum Learning Level that emphasizes on learner's focused age appropriate learning. During the year, DIAL CSR collaborated with three govt schools in periphery of the airport for Mission Buniyaad through which 350 students achieved age appropriate learning levels.

In the year 2018-2019, 5 meritorious students hailing from under-privileged background were adopted as part of the Gifted Children Scheme & continued 25 students from previous year. Under this program, the prime focus is to support academic expenditure of children from underprivileged community. Children are selected at a very young age (5-6 years) and nurtured by admitting them into good

English medium schools. Education of all (30) Gifted Children is supported from LKG until they get their first job.

DIAL-CSR has contributed to GMRVF for improving quality of education over 6000 children in Holi, Chamba, Dhenkanal, Chamoli, Srikakulam, Raipur and Bangalore through computer education and library facilities in schools and tent schools for children from marginalized community. DIAL CSR also supported activities of Christ Educational Society for providing educational support to more than 400 marginalized students and enhance learning for students through creative classes.

Skill Development: DIAL- CSR is implementing various initiatives for empowering youth and women, including vocational training for drop out youth, promotion of entrepreneurial skills among women and coaching youth for entry-level jobs.

Centre for Empowerment and Livelihoods-Delhi (CEL-D): Started in September 2009, the center is engaged in imparting vocational skill trainings for under-privileged dropout youth. Since inception, above 6000 youth have been trained, with a settlement rate of more than 80%. During the year, training was provided in various trades like Basic Computers; Basic Electrical; Refrigeration and Air Conditioning; B. Cargo Management; Excavator Operator; Welding & Fabrication, Food Production & Service etc. All the courses are being run in partnership with leading industries like, Volvo, Scheineder, Voltas, ATDC, VDMA, CELEBI, LBF etc. A total of 1133 under-privileged youth were trained with settlement rate of 91%. Soft skill module was digitalize which will benefit more than 5000 youth every year. DIAL CSR certified prior skills of 677 housekeepers & gardeners. Six new classrooms were constructed in CEL-D campus to enhance the training capacity in coming years. DIAL CSR sponsored vocational training of 80 differently youth by providing grant support to Sarthak Education Society in Delhi & NCR.

As part of its support to the **Skill India Initiative**, besides running CEL-D, DIAL CSR has supported GMRVF to impart employability training of more than 4000 youth & women with settlement rate of 73% through 8 vocational training centers, in Madhya Pradesh, Andhra Pradesh and Karnataka.

Empowerment Support

Improving livelihoods of communities from vulnerable and backward areas is important to improve quality of life. Similarly, exposure to opportunities for the marginalized is identified as a key in bridging the rich poor divide. Pratibha Library provides opportunities to youth from disadvantaged background to access resources and study material to grow in their career and compete in competitive exams. Around 150 youth were beneficiaries of different services of the library. A Community Resource Center (CRC) is run at Savda Ghevra to help community to get access to Government schemes by providing them relevant information. In the reporting period assistance was extended to more than 600 people to get enrolled in

different Government schemes like *Pradhan Mantri Jan Dhan Yojana*; *Sukanya Yojna*, *Aadhar Card*; old age pension, getting widow pension, income certificate, PAN card etc. Livelihoods restoration of 130 families was supported through GMRVF in Dhenkanal district of Odisha by promoting off farm micro enterprises like dairy, goatary and similar activities.



Gender Equality

DIAL-CSR is running a craft production center at CEL-D. 41 women were trained on fabric/ jute based product making during the year. Average monthly income of 15 women was enhanced to Rs.6000/month.

Twenty-two marginalized and disadvantaged women from the community were selected through a rigorous process and provided with financial assistance to support existing income generation activity or to initiate livelihood programs

16 girls from marginalized families pursuing professional courses were provided with scholarship and another 80 girls were provided educational support to pay their course fee and help them to complete their education.

More than 220 girl trainees were provided commuting expenses to undertake vocational training. 30 women were made literate through Computer Based Functional Literacy (CBFL) program at Savda & Mehramnagar village in Delhi. DIAL CSR supported Aseem Foundation to restore livelihood of around 20 war widows with Samba brigade in Jammu by establishing bakery unit.



Employee Volunteering:

DIAL-CSR believes in effective partnership and participation of corporate employees in community services. During the period 2018-19, 113 employee involvement programs were organized to create opportunities for employee involvement, and 956 employees and family members were involved and invested 3546 hours in community services.



ENVIRONMENT HEALTH AND SAFETY:

As a responsible entity, DIAL fulfils all its actions and obligations towards environment protection. This forms part of the core policy of the Company and it focusses on pollution control and natural resources preservation by integrating its policies, systems, procedures and infrastructure. The key objectives are to maximise economic and environmental sustainability of the Delhi Airport infrastructures and its operations, by implementing and monitoring green infrastructure guidelines and a tough environment regimen.

The environmental concerns are addressed by effective business aspect and associated impact analysis with necessary action plan and control within the framework of ISO 140001:2015 Environment Management Systems (EMS) and by Sustainability Management Framework based on GRI Standard. These also provide the structure for review and continual improvements in the system.

DIAL always takes proactive approach towards environment management and sustainability development at Delhi Airport. Following are some of our initiatives and achievements towards ensuring Sustainable Airport function:

- First Carbon Neutral Airport in Asia-Pacific region under ACI's Airport Carbon Accreditation. Delhi Airport achieved "Neutrality, Level 3+" in 2016 and have been continuing at Level 3+ since then
- Airport's Terminal 3 is a LEED India Gold certified green building under "New Construction" category and it is the first airport in the world to achieve this. Terminal 3 is also Platinum rated Green Building under IGBC "Existing Building" category

- First airport globally to have adopted, live building performance monitoring and scoring platform "ARC" by USGBC/GBCI. DIAL has also achieved LEED Platinum based on ARC score and is the first airport globally to do so.
- The energy efficiency measures implemented at DIAL has been registered in UNFCCC as Clean Development Mechanism project; it is the first airport project in the world to have achieved this credential
- Installed 7.84 MW solar PV plant in the airside premises of Delhi Airport and is the first airport in the country to have megawatt scale solar plant within the airport. DIAL also uses renewable energy based electricity from off site sources.
- First airport in India to have implemented Airport Collaborative Decision Making (A-CDM) which aims at improving Air Traffic Flow and Capacity Management and Emission Reduction
- 16.6 MLD state-of-the-art "Zero Discharge" sewage treatment plant treats entire sewage water generated in Delhi Airport, the treated water is used for horticulture, toilet flushing and HVAC make up
- Constructed more than 300 rainwater harvesting structures to improve the groundwater level within the airport and in the surrounding area
- Achieved Platinum Level under Green Company Framework by CII-GBC for its environmental excellence in the field of environmental sustainability
- The Energy Management System of Airport is certified under ISO 50001:2011 and is the first Airport in the world to be certified for ISO 50001:2011 Energy Management System
- Promoted Multimodal Connectivity to reduce emission. There is a dedicated metro line connecting Delhi Airport to the city, besides road connectivity
- Installed dedicated CNG fuelling station at IGIA, which helps in minimising the GHG emission load at IGIA
- The energy efficient and environment-friendly infrastructures also include state-of-the-art STP and WTP, Energy efficient BMEs, Advanced Fuel Hydrant Systems, FEGP and PCA supply systems
- Won numerous award and recognition for its excellent performance towards environmental sustainability and climate change mitigation initiatives. These include ACI Green Airport Recognition 2017,18 & 19, National Award for Excellence in Energy Management - 2015, 2016, 18 by CII, Wings India Most Sustainable Airport in India, Golden Peacock Sustainability Award - 2015 & 2018 by Institute of Directors, Golden Peacock Environment Management Award - 2014 by Institute of Directors etc. among numerous other achievements.

Initiatives undertaken by DIAL towards reducing environmental impact:

Making it a responsible global hub as well. We ensure that every decision and action taken has long-term viability and sustainability. We measure the impact of each of these decisions and actions on our business, community and planet to keep track of our environmental impact. To serve our communities responsibly, we conserve energy and water, manage waste, monitor and mitigate noise and keep looking for new avenues to become more environment-friendly.

- Implemented robust Greenhouse Gas Accounting and Management mechanism to identify emission hot spots and take adequate action
- Use of CNG vehicle and electric buses
- Undertook large plantation and green cover
- Installed fuel hydrant systems in apron area to avoid fuel spills and reduce vehicular emissions
- Use of Airport-Collaborative Decision Making (A-CDM) for airport operation to minimise the aircraft delay and associated emissions
- Maximum utilisation of rapid exit taxiways to minimise aircraft taxiing time and fuel combustion
- Installed 16.6 MLD zero discharge sewage treatment plant and more than 300 rainwater harvesting infrastructure
- Implemented effective waste management practice for solid waste other type of waste generated
- Initiated dedicated carpool website for employees to participate in reducing air emission and fuel consumption
- Connectivity with Delhi Metro along with six lane road infrastructure reduces vehicular congestion and emission
- Implementation of TaxiBot for aircraft push back and taxi procedure, which has improved operational efficiency and reduced aircraft fuel consumption. Commitment to make Delhi Airport "Single use plastic free" Aircraft noise management and complaint system

Annexure - A

Delhi International Airport Limited

CIN. U63033DL2006PLC146936

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 or associate companies or joint ventures

Part "A": Subsidiaries

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

S. No.

Name of subsidiary		Delhi Aerotropolis Private Limited
The date since when subsidiary was acquired		
Reporting period for subsidiary concerned, if different from the holding company's reporting period	Same as the Holding Company	
Reporting currency and exchange rate as on the last date of the relevant Financial year in case of foreign subsidiaries	NA	
Share Capital	0.10	
Reserve and Surplus	(0.16)	
Total Assets	0.00	
Total Liabilities	0.07	
Investments	-	
Turnover	0.00	
Loss before Taxation	(0.003)	
Provision for Taxation	-	
Profit after Taxation	(0.003)	

on the year end									
No.	1,25,00,000	10,83,34,241	92,22,505	4,26,40,000	13,00,000	4,06,38,560	56,00,000	3,99,20,000	2,91,20,000
Amount of investment in Associates /Joint Venture	12,50,00,000	1,08,33,42,410	9,22,25,050	42,64,00,000	1,30,00,000	40,63,85,600	5,60,00,000	39,92,00,000	29,12,00,000
(Cash value)									
Extent of Holding %	50.00 %	20.85%	49.90 %	26.00 %	26.00 %	49.90 %	40.00 %	49.90 %	26.00 %
4 Descriptio n of how there is significant influence	Holding more than 20% Capital and Agreement								
5. Reason why the associate/j oint venture is not consolidat ed	Not Applicable								
6. Networth attributabl e to Shareholdi ng as per latest audited Balance Sheet (Rs. in crore)	20.57	106.68	39.47	63.98	4.77	45.57	5.95	164.12	57.68

6. Profit/Loss for the year (Rs. in crores)	8.08	-4.73	26.31	49.27	12.87	16.00	3.82	137.37	21.73
i. Considered in Consolidation (Rs. in crores)	4.04	-0.99	13.13	12.81	3.35	7.98	1.53	68.55	5.65
ii. Not considered in Consolidation (Rs. in crores)	4.04	-3.74	13.18	36.46	9.52	8.02	2.29	68.82	16.08

Note : DIAL has invested in DIGI Yatra foundation, a Special Purpose Vehicle (SPV) formed as central platform for identity management of passengers, as Joint Venture (JV) of private airport operators and AAI under Section 8 of the Companies Act, 2013 (Not for Profit Organization). It has been decided by AAI that initially for incorporation AAI, DIAL and Bangalore International Airport Limited (BIAL) will form this Company with shareholding of 26:37:37 respectively. Currently DIGI Yatra foundation is having paid up capital of Rs. 10,000 and DIAL has invested Rs. 3,700. In future, the equity share of Joint Venture Company (JVC) will be 26% of AAI and remaining 74% will be equally divided amongst the Private Airport Operators viz. BIAL, Cochin International Airport Limited, DIAL, GMR Hyderabad International Airport Limited (GHIAL), Mumbai International Airport Limited (MIAL) i.e. 14.8% each.

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

G.B.S. Raju

Managing Director

DIN-00061686

Place : New Delhi

Date : August 08 2019

K. Narayana Rao

Whole-Time Director

DIN-00016262

Hari Nagrani

Chief Financial Officer

Saurabh Jain

Company secretary

Annexure - B

Delhi International Airport Limited

CIN. U63033DL2006PLC146936

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.	Delhi International Airport 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. The Company is driven by Group's vision to make a difference 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 & Livelihoods and Community Development. The Company carry out its CSR activities on its own, or through 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>): The detailed note is given as part of Chapter on MDA, which forms part of this report. Weblink:https://www.newdelhiairport.in/corporate/our-company and for overview of Projects or Programs is http://www.newdelhiairport.in/csr.aspx
2	The Composition of the CSR Committee	(i) Mr. R.S.S.L.N. Bhaskarudu, Independent Director (ii) Mr. G. Subba Rao, Director (iii) Mr. K. Narayana Rao, Whole time Director
3	Average net profit of the company for last three financial years 2015-16; 2016-17; 2017-18	2015-16 – Rs. 632,74,33,271 (Rs. 632.74 cr) 2016-17 – Rs. 929,66,75,631 (Rs. 929.67 cr) 2017-18 Loss - Rs (138,78,08,897) (Rs. 138.78 cr) Average Net Profit – Rs 474,54,33,335 (Rs. 474.54 cr)
4	Prescribed CSR Expenditure (two per cent of the	Rs. 9,49,08,667 [Rs. 950 Lacs (rounded off)]

	amount as in item 3 above)	
5	Details of CSR spent during the financial year 2018-19	Rs. 950 Lacs for FY 2018-19 Rs. 42.37 Lacs for the underspent of FY 2015-16 Rs. 56 Lacs for the underspent of FY 2017-18
	(a) Total amount to be spent for the financial year	Rounded off to Rs. 950 Lakhs
	(b) Amount unspent, if any;	NIL
	(c) Manner in which the amount spent during the financial year is detailed below.	Refer As per details below

CSR ACTIVITIES UNDERTAKEN BY COMPANY DIRECTLY & THROUGH CONTRIBUTION TO GMRVF

(Rs./Lakhs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Remark
S N o .	CSR project or activity identified and Execution Details	Activity as per Schedule VII of the Companies Act 2013	Projects or programs (1) Local area or other (2) District where the projects or Programs was undertaken	Amount outlay (budget)	Amount spent on the projects or programs	Cumulative expenditure up to the reporting period.	Amount spent: Direct or through implementing agency	
1	Preventive Health Care Services through	Preventive	Savda Ghevra JJ colony;	87.50	85.27	85.27	Direct	More than 340 women & kids under

	• Women & Child development (WCD) services including nutrition • Care & support for people with disability • Preventive health care services at door steps through MMUs • Palliative care to cancer patients • Blankets to people in shelter homes & streets • E tricycles for students with disabilities	Health Care & Sanitation	Slums in periphery of IGI Airport & Delhi NCR					WCD and covered appx.500 people with disability for care & support. Covered more than 17500 registered users through 2 MMUs operated in partnership with HelpAge India and 130 cancer patients provided palliative care. Around 4000 people on street received blankets and 8 students with disabilities received e tricycles.
	Support preventive health care initiatives in other locations through • Preventive health care services • Medical aid to poor patients • Relief to flood victims	Preventive Health Care & Sanitation	Dhenkanal in Odisha, Chamoli in UK, Srikakulam in AP, Raipur in CG and Kerala	23.50	23.50	23.50	Indirect	Provided health care services to more than 3200 women & children in Dhenkanal, Chamoli & Raipur. More than 4500 BPL patients provided medical aid in AP & relief to 1000 families in Kerala

	Improve Sanitation in target communities through • Installation of water tanks for household toilets • Construction/repairing of school toilets • Sanitation drives	Preventive Health Care & Sanitation	Savda Ghevra JJ colony, and schools in periphery of IGI Airport, Delhi & NCR	15.50	16.16	16.16	Direct	Installed water tanks in 100 households at Savda. Constructed/renovated 6 toilet blocks in 4 schools through Deepalaya, used by 700 students and organized sanitation drive in 6 schools with an outreach of 3300 students
	Support GMRVF run sanitation initiatives in other locations in India through • Maintenance of community toilets	Preventive Health Care & Sanitation	Bangalore (KA), Srikakulam in AP & Raipur in CG	22.70	22.70	22.70	Indirect	Provided sanitation facility to more than 500 families & 5500 users through maintenance of 8 community toilets
2	Quality Education accessibility in target communities through • Running Balwadis, Kidsmart and remedial classes, MLS, Adult literacy • Sponsoring education of disadvantaged children	Promoting Education including Vocational Skills	Savda Ghevra JJ colony, Mehramnagar and Shabad Mohamadpur, Delhi	28.00	33.25	33.25	Direct	Improved learning levels of more than 1000 children through different initiatives including mission Buniyaad and supported education of 30 adopted children under Gifted Children

								Scheme at Delhi. 30 women made literate through adult literacy prog
	Support GMRVF run quality improvement education initiatives in other parts of country through - Supporting tent (bridge) schools - Educational inputs through libraries, kidsmart & tuitions - Grant support to like minded organization	Promoting Education including Vocational Skills	Bangalore (KA) Chamoli (UK), Dhenkanal (Odisha), Srikakulam (AP), Raipur (CG)	87.50	87.50	87.50	Indirect	Improved learning levels of more than 6000 schoolchildren through initiatives like bridge schools, tuitions, computer enabled learning, libraries etc.
	Running vocational training institute at Delhi for training 1000 school & college dropout youth through - Running 11 trades in Delhi - Construction of new classrooms for vocational training institute - Digitalization of soft skill module - Sponsoring vocational training of differently abled youth	Promoting Education including Vocational Skills	Hindi speaking states of India focusing Delhi & NCR	364.00	402.38	402.38	Direct	Trained 1133 drop out youth in 12 trades with settlement rate of 91%, certified prior skills of 700 workforce from airport, constructed 6 new classrooms and sponsored vocational training of 80 differently abled youth through Sarthak
	Contribution to GMR Varalakshmi Foundation (GMRVF)	Promoting Educ	Bangalore (KA), Vizianagr	186.00	186.00	186.00	Indirect	Total 4093 youth trained

	for supporting other vocational training institutes across India for training around 4000 youth	ation including Vocational Skills	am (AP), Chhindwara (MP) Shrikakulam, Vijaywada & Nellore (AP)					across 8 vocational training centers with settlement of 73%.
	Empower communities including youth through Community Resource Center	Promoting Education including Vocational Skills	Savda JJ colony & airport surrounding communities in Delhi	6.00	6.00	6.00	Indirect	Empowered more than 500 people by linking them with benefits of govt.schemes due to them in Delhi
	Contribution to GMR Varalakshmi Foundation (GMRVF) for supporting farmers through Restoration of livelihoods	Promoting Education including Vocational Skills	Dhenkanal (Odisha)	40.00	40.00	40.00	Indirect	Restored livelihoods of 130 families by supporting cattle, goatary & other off farm micro enterprises
3	Empowering women through - Training & marketing of products - Promoting vocational education - Scholarship for professional courses - Welfare support to war widows - Support for self-enterprising	Gender Equality	Delhi & Samba in Jammu	41.80	42.11	42.11	Direct	Enhanced livelihoods of more than 40 women and promoted vocational education among 220 girls. Provided scholarship to 96 girls and 22 women supported for enterprise development

								in Delhi Supported bakery unit to Smba Brigade through Aseem Foundation for supporting livelihoods of around 20 war widows
4	Administrative Expenses	-		47.50	47.50	47.50	Dire ct	Actual cost incurred on HR/Admin is more than 125 lakhs
	Total			950.00	992.37	992.37	42.37 Lakhs overspent	
	Committed amount from underspent of 2017-2018 for construction of new classrooms at vocational training institute			55.60	56.00 lakhs over & above 992.37 lakhs			

Out of 992.37 lakhs, an amount of Rs. 42.37 Lakhs is to be taken against under-spent CSR Budget for the year 2015-16, which may be attributed as below:

Activity / Project	Overspent (Lakh Rs)	Rationale	Remarks
Improving learning levels of school students	4.70	DIAL CSR received request from Govt schools from the periphery of IGI Airport to support 'Mission Buniyad through inputs in Para-teachers, TLM & Monitoring. Total 900 students covered and 350 have improved their learning levels	Schedule VII –II
Vocational Training	37.67	Provided vocational training to more than 300 youth in Delhi which includes 133 in employability and 200 in program for short term certification of	Schedule VII –II

		skills	
Total	42.37		

Further, in addition to the above amount, DIAL has spend an amount of Rs. 56 Lacs for construction of new classrooms at vocational training institute against the amount underspent of 2017-2018.

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

K. Narayana Rao Whole Time Director DIN 00016262	R.S.S.L.N. Bhaskarudu Independent Director (Chairman CSR Committee) DIN 00058527
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ANNEXURE – C

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

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

2.1. Role of the Committee

- (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

- (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

- (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

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

2.5. Committee Member's Interest

- (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

- (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

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

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

4.1. Appointment criteria and qualifications

- (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

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

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

5.1. General

- (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

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

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

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.

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019
[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 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 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, 2019.

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, 2019 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, 2019, 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 Control period of 5 years period (i.e. 2009 - 2014). DIAL vide appeal no 10/2012 had filed an appeal before Airport Economic Regulatory Authority Appellate Tribunal ("AERAAT") on certain disputed issues in the Tariff order of first control period No.03/2012-13. Subsequently, Hon'ble High Court of Delhi vide its final order dated January 22, 2015, against the writ petition filed by the Company in this matter, ordered that the tariff determined by AERA for the first control Period shall continue till the disposal of the appeals pending against the said Tariff Order, by AERAAT.

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

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

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

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

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



TDSAT order to reflect in the tariff determination by AERA for the next control period i.e. 2019 -2024. DIAL's appeal against the second control period shall be heard in due course.

During the year, AERA has issued tariff order with respect to Base Airport Charges for the second control period, which the airport operator is entitled to receive as minimum charges in accordance with Schedule 6 of State Support Agreement (SSA) read with Schedule 8 of SSA. The order on the Base Airport Charges was issued on November 19, 2018 (except the order for baggage X-ray charge), and revised tariff made applicable from December 1, 2018. The order for baggage X-ray charges has been issued on January 10, 2019 and effective from February 1, 2019.

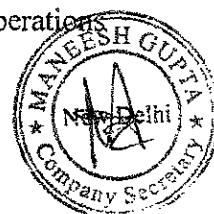
DIAL has filed tariff proposal for the third control period starting April 1, 2019 to March 31, 2024 with the regulator on November 27, 2018. Further, as the second control period completed on March 31, 2019, DIAL requested the AERA to extend the current tariff till the tariff for third control period is determined. Accordingly, AERA vide order no. 48/2018-19 dated March 25, 2019 extended the prevailing tariff for DIAL till September 30, 2019 or determination of tariff for third control period, whichever is earlier.

Basis the cash projections prepared by the management of the Company for the next one year, the management expects to have cash profits. Further considering the Company's business plan and the availability of sufficient cash reserves as at March 31, 2019, the management do not foresee any uncertainty in continuing its business/operations and meeting its liabilities for the foreseeable future.

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 : May 14, 2019

A circular stamp with the text "MANEESH GUPTA" at the top, "New Delhi" in the center, and "Company Secretary" at the bottom. A handwritten signature is written over the stamp.

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, 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 28, 2018 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, 2018 as prescribed under Schedule III Part I of the Companies Act, 2013;
21. Report of the Board of Directors for the financial year ended March 31, 2018;
22. Borrowings and registration of charges;
23. Investment of the Company's funds including inter corporate loans and investments.

Place : New Delhi
Date : May 14, 2019



Maneesh Gupta
FCS No. 4982
C P No. 2945

Annexure - E

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

G.B.S. Raju

Managing Director

DIN-00061686

Place: New Delhi

Date: July 24, 2018

K. Narayana Rao

Whole-Time Director

DIN-00016262

ANNEXURE – E – I

S. No.	Particulars	Details			
1	Name(s) of the related party and nature of relationship	GMR Infrastructure Limited Holding Company	GMR Aviation Academy (A Business unit of GMR Airports Limited)	Raxa Security Services Limited GMR Group Entity and fellow Subsidiary of DIAL	GMR Energy Ltd. and/or its Subsidiaries GMR Group Entity and Fellow Subsidiary of DIAL
2	Nature of contracts/ arrangements/transactions	Grant of Secured Loan for an amount upto Rs. 400 Cr at an interest rate of 10.15% p.a. for a short term period of one year.	Setting up of Office Space.	Extension of Contract for a short term period of Six months only for availing security and technical consultancy services.	License Agreement for allotment of office space upto 3400 sqm at building no. 302
3	Duration of the contracts / arrangements/transactions	One year	Duration of the Contract upto March 31,	Six Months	5 years

	ctions		2020		
4	Salient terms of the contracts or arrangements or transactions including the value, if any:	DIAL has extended the said loan to Borrower against equitable mortgage over land parcels aggregating to 800 acres which are held by subsidiaries of Borrower and pledge of 924,750,000 equity shares in GMR Generation Assets Limited	Space of 210 sqm is provided to the party at Terminal-2, adjacent to DIAL Aviation Security Training Institute at a license fee of Rs. 3,475.00 per sqm/per month	at an annual increment of 9% P.A in monthly rate over the 5th year rates	Upto 3,400 Sq. mtr at Rs. 1733.53 per sqm per month effective from April 1, 2019 and Rs. 183.24 per sqm per month effective from April 1, 2019 plus 7.5 % escalation cost for every year)
5	Date(s) of approval by the Board, if any:	May 02, 2018	July 24, 2018	January 30, 2019	January 30, 2019
6	Amount paid as advances, if any:	NA	Security Deposit of 06 months	On same terms as are of existing agreement	6 months License Fees and CAM Charges and 3 Months Electricity Charges in Advance

ANNEXURE F

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

A) Conservation of energy-

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

- Automation of break down maintenance performance tracking.
- Achieved GreenCo Platinum Level under Green Company Framework by CII-GBC. DIAL has been accredited highest rating for Energy category in service industry.
- Successful recertification of EnMS ISO 50001:2011.
- Network 18 & Honeywell Smart building Awards 2017
 - i. Smartest Building in India (3rd year in a row)
 - ii. Smartest Large Airport In India (3rd year in a row)
 - iii. Greenest Building in India
 - iv. Safest Building in India
 - v. Most Productive Building in India
- IGI Airport received "Excellent Energy Efficient Unit" at national Energy Management Award'2018.
- "Platinum" Recognition for DIAL in "ACI Asia-Pacific Green Airports Recognition 2019"
- Indira Gandhi International Airport has been shortlisted from India for "Honeywell Global Iconic Building Campaign".
- T3 certified for IGBC Platinum rating.
- Terminal 1 is fully converted to LED.
- BMA area of Terminal 1 is fully converted to LED.
- Street lights around Terminal 1 converted into LED.
- Terminal 2 lights fully converted to LED
- Around 200 street lights on the Central Spine has been converted into LED.
- Around 100 lights on the approaching road to T3 installed.
- 55% of signage light at Terminal 3 has been changed to LED.
- SHA area of T3 completely converted to LED.
- Street light control has been fitted with seasonal control.
- Overall Terminal lighting control at T3 has been improved through LCMS logic change.
- 100% of Apron high mast at T3 has been changed to LED.
- 30% of T-3 conventional lights converted to LED.
- 100% of Apron high mast at T1 & T2 has been changed to LED.
- 5 MW power purchase has been initiated through open access.
- REC unit generation is now of the order of 10,000.
- Extending UPS supply from Substation to minimize the inventory of UPS and AC at the Perimeter Intrusion Detection System
- Retrofit LED conversion of 100% of AGL Sign Boards.
- Conversion of Dual lamps light fixtures to single lamp fixtures to minimize the spares as well as energy
- Solar Power operated traffic blinkers are installed at airside with three days back up without sun.

- Conversion of 100% perimeter lighting to LEDs from Conventional light fixtures.
- Conversion of halogen based signage's to LEDs signage's.
- Conversion of Halogen based Light Fixture to LED Light Fixture for Taxi Lanes.
- Conversion of HPSV high mast light fixture to LEDs light fixture in Cargo Apron area.
- Conversion of 100% LEDs in Ancillary buildings.
- Conversion of Dual lamps light fixtures to single lamp fixtures to minimize the spares as well as energy.

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

- Entire power generated from the 7.84 MWp Solar power plants is being consumed during the day time, 17% of DIAL's consumption

(iii) The Capital Investment on Energy Conservation Equipments : NIL

(B) Technology Absorption :

(i) the efforts made towards technology absorption

- a. Installation of Chiller Plant Manager and Automatic Tube Cleaning Systems at T3
- b. Replacement of 2 Star & 3 Star AC (old) with 5 Star rating AC at T1
- c. Trials completed for deployment of UV Tube at Recirculated AHUs at T3.
- d. Trials completed for deployment of Customized Variable Frequency drive at T2 AHU to operate without CMS.
- e. Deployment of O2 infusion machine to improve O2 level content.
- f. Deployment of Fragnance through AHU in Terminals.
- g. Developed Qlikview tool for the monitoring of AGL serviceability trend
- h. Trials conducted at site to monitor the failure of individual light and transfer of information using IOT at Airside
- i. Online prepaid metering system.
- j. IOT based control and monitoring of apron flood lighting system.
- k. CCTVs installation for safety of equipment's installed at airside substations.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;

- Procurement of AGL Cable made from Indian Manufacturer to reduce the import without compromising quality
- Installation of Destratification fan at T1 Food court area
- Deployment of Dehumidifier fan at T1 Food court area during peak monsoon

(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.: NA

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 given in the Note 4o given in the Notes to Accounts of Financial Statements for the year ended March 31, 2019.

For and on behalf of the Board of Directors

G.B.S. Raju
Managing Director
DIN 00061686

K. Narayana Rao
Whole-Time Director
DIN-00016262

Place: New Delhi
Date: August 08, 2019

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited) ("the Company" or "DIAL"), which comprise the Balance sheet as at March 31, 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("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, 2019, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

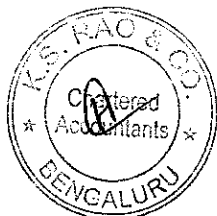
Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

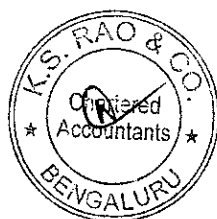
We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.



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Key audit matters	How our audit addressed the key audit matter
Assumption used for valuation of Call Spread Options (as described in note 31.2 and note 36 of the standalone Ind AS financial statements)	
The Company has purchased derivative financial instruments, i.e. call spread options to hedge its foreign currency risks relating to the long-term debt issued in foreign currency. Management has designated these derivative financial instruments and the aforesaid debt at initial recognition as cash flow hedge relationship as per Ind AS 109. The valuation of hedging instrument is complex, and necessitates a sophisticated system to record and track each contract and calculate the related valuations at each financial reporting date. Since valuation of hedging instruments and consideration of hedge effectiveness involves both 'significant assumptions and judgements' and involvement of management's expert, and therefore, is subject to an inherent risk of error. We have identified valuation of hedging instruments as a key audit matter in view of the significant judgements, estimates and complexity involved.	Our audit procedures to assess hedge accounting included the following: • assessing the design, implementation and operating effectiveness of management's key internal controls over derivative financial instruments and the related hedge accounting; • reviewed the documentation for the designated hedge instrument which defines the nature of hedge relationship; • considered the consistent application of the accounting policies and assessed the hedge accounting methodologies applied; and compared these to the requirements of Ind AS 109; • assessed the reasonability of the inputs and assumptions used, while valuing the hedging instruments; • involved a specialist in testing the fair values of derivative financial instruments and compared the results to management's results; • reviewed the related disclosures in note 31.2 and note 36 to the standalone Ind AS financial statements;



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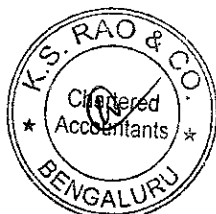
<u>Non-consideration of certain incomes/credits for calculation of Monthly Annual Fee (MAF) payable to Airport Authority of India (AAI) (as described in note 31.1 and note 40(i) of the standalone Ind AS financial statements)</u>	
As per the Concession Agreement (OMDA) entered with AAI in April 2006, the Company is required to pay annual fee (AF) to AAI at 45.99% on its projected revenue, which is payable in twelve equal monthly instalments (MAF). Per the management; certain incomes / credits arising on adoption of Ind-AS were not in contemplation of parties in April 2006 when OMDA was entered, and they do not represent receipts from business operations or from any external sources, and therefore these incomes / credits should not form part of Revenue for the purpose of calculation of MAF payable to AAI. Therefore, the Company, based on legal opinion, has provided MAF to AAI based on Revenue as per Ind AS Financial Statements after adjusting such incomes/credits. We identified the non-consideration of these incomes/credits for calculation of MAF payable to AAI as a key audit matter, because of its significance to the financial statements and it involves significant management judgements.	Our audit procedures to assess the calculation of MAF included the following: • evaluating the legal opinion obtained by management, • checking the exclusions made by the Company on the basis the legal opinion, • assessing the design, implementation and operating effectiveness of management's key internal controls over MAF payable and related accounting; • verifying representations made by the Company to AAI containing these exclusions; • reviewed the related disclosures in note 31.1 and note 40(i) to the standalone Ind AS financial statements with respect to these significant judgements for calculating MAF.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



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Responsibilities of Management for the Standalone Ind AS Financial Statements

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

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

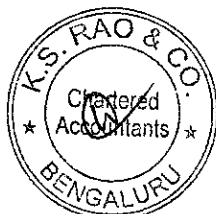
Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

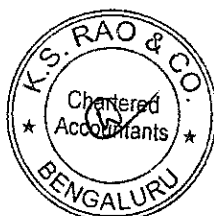
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

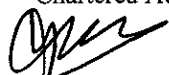


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- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 33(II)(a) to (f) to the standalone Ind AS financial statements;
 - The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - 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

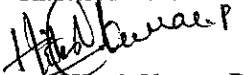


Yogesh Midha
Partner

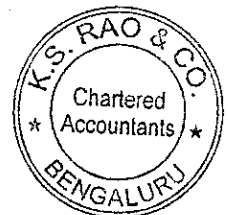
Membership Number: 094941
Place: New Delhi
Date: May 2, 2019



For K.S. Rao & Co.
ICAI Firm Registration Number: 003109S
Chartered Accountants


per **Hitesh Kumar P**
Partner

Membership Number: 233734
Place: Bengaluru
Date: May 2, 2019



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

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets were physically verified by the management in the previous years in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to information and explanations given by the management, the title deeds of immovable properties included in included in property, plant and equipment 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. There was no inventory lying with third parties.
- (iii) (a) The Company has granted loans to its Intermediate Holding Company covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanation given us, the terms and condition of the grant of such loans are not prejudicial to the Company's interest.
- (b) The Company has granted loans to its Intermediate Holding Company covered in the register maintained under section 189 of the Companies Act, 2013. The schedule of repayment of principal and payment of interest has been stipulated for the loans granted and the repayment/receipts are regular.
- (c) There are no amounts of loans granted to its Intermediate Holding Company listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.
- (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 within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (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.



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- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a case of service tax.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, wealth tax, service tax, excise duty, custom duty, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty, value added tax, goods and service tax and cess which have not been deposited on account of any dispute, are as follows*:

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

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

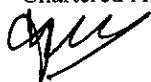


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- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments) and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (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 by the company or no fraud / material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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



per **Yogesh Midha**
Partner
Membership Number: 094941
Place: New Delhi
Date: May 02, 2019



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



per **Hitesh Kumar P**
Partner
Membership Number: 233734
Place: Bengaluru
Date: May 02, 2019



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

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

We have audited the internal financial controls over financial reporting of Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited) ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

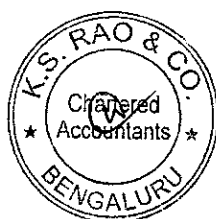
The Company's Board of Director is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal 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 with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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



S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
4th Floor, Worldmark-2, Office- 405,
Asset No. 8, IGI Airport Hospitality District, Aerocity,
New Delhi- 110037, India.

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

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these standalone financial statements 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 with reference to these standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 With Reference to these Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

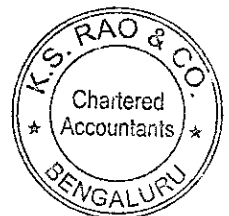
For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration Number: 101049W/E300004
Chartered Accountants


per Yogesh Midha
Partner
Membership Number: 094941
Place: New Delhi
Date: May 02, 2019



For K. S. Rao & Co.
Firm Registration Number: 003109S
Chartered Accountants


per Hitesh Kumar P
Partner
Membership Number: 233734
Place: Bengaluru
Date: May 02, 2019



		March 31, 2019	March 31, 2018
ASSETS			
(1) Non-current assets			
Property, plant and equipment	4	6,484.51	6,806.21
Capital work in progress	4	245.90	194.44
Intangible assets	5	387.29	395.30
Investment in subsidiary, associates and joint ventures	6.1	289.37	289.37
Financial assets			
(i) Investment	6.2	0.01	0.01
(ii) Loans	7	1.89	2.46
(iii) Other financial assets	8	329.24	1.20
Other non-current assets	9	950.49	10.43
Current tax assets		63.79	45.85
		8,752.49	7,745.27
(2) Current assets			
Inventories	11	7.33	6.39
Financial assets			
(i) Investments	6.3	1,455.41	2,584.46
(ii) Trade receivables		117.71	525.13
(iii) Cash and cash equivalents	13	226.34	374.97
(iv) Bank balance other than cash and cash equivalents	14	398.94	91.27
(v) Loans	7	401.35	1.58
(vi) Other financial assets	8	330.65	123.16
Other current assets	9	37.64	40.18
		2,975.37	3,747.14
Total Assets		11,727.86	11,492.41
EQUITY AND LIABILITIES			
(1) Equity			
Equity Share Capital	15	2,450.00	2,450.00
Other Equity			
(i) Retained earnings	16	282.48	422.57
(ii) Cash flow hedge reserve	16	(14.44)	(4.49)
		2,718.04	2,868.08
(2) Non-current liabilities			
Financial Liabilities			
(i) Borrowings	17.	5,564.65	5,249.12
(ii) Other financial liabilities	18.	337.51	323.02
Deferred revenue	19.	1,901.00	1,577.23
Deferred tax liabilities (net)	10	101.60	224.87
Other non-current liabilities	20	61.10	102.57
Long term provisions	22	-	1.45
		7,965.86	7,478.26
(3) Current liabilities			
Financial Liabilities			
(i) Trade payables	21		
-Total outstanding dues of micro enterprises and small enterprises		5.19	7.35
-Total outstanding dues of creditors other than micro enterprises and small enterprises		296.68	416.60
(ii) Other financial liabilities	18.	388.34	442.88
Deferred revenue	19.	101.14	85.94
Other current liabilities	20	198.21	143.39
Short term provisions	22	45.13	40.64
Liabilities for current tax (net)		9.27	9.27
		1,043.96	1,146.07
Total liabilities		9,009.82	8,624.33
Total equity and liabilities		11,727.86	11,492.41

Summary of significant accounting policies

3

The accompanying notes are an integral part of these standalone financials statements and have been taken on record by the board of directors vide their meeting dated May 02, 2019.

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

per Yogesh Midha
Partner
Membership no: 094941
Place: New Delhi
Date : May 02, 2019



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

per Hitesh Kumar P
Partner
Membership no: 233734
Place: Bengaluru
Date : May 02, 2019



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

G.B.S Raju
Managing Director
DIN-00061686

K. Narayana Rao
Whole Time Director
DIN-00016262

Videh Kumar Jaipuria
Chief Executive Officer

Hari Nagrani
Chief Financial Officer

Saurabh Jain
Company Secretary
Place: New Delhi
Date : May 02, 2019



Particulars	Notes	March 31, 2019	March 31, 2018
I REVENUE			
Revenue from operations	23	3,262.65	3,680.97
Other income	24	530.61	361.87
Total Income (I)		3,793.26	4,042.84
II EXPENSES			
Annual fee to Airports Authority of India (AAI) [refer note 40(i)]		1,591.25	1,761.47
Employee benefits expense	25	186.48	165.24
Depreciation and amortization expense	26	639.82	645.90
Finance costs	27	629.59	579.15
Other expenses	28	972.99	931.68
Total Expense (II)		4,020.13	4,083.44
III (Loss) before tax (I)-(II)		(226.87)	(40.60)
Current tax		-	-
Adjustment of tax relating to earlier years	10	-	(4.88)
Deferred tax (credit)	10	(115.10)	(73.97)
IV Total Tax (credit)		(115.10)	(78.85)
V (Loss)/ Profit for the year (III-IV)		(111.77)	38.25
Other Comprehensive Income			
A Items that will not be reclassified to profit or loss in subsequent years			
Re-measurement (loss) / gain on defined benefit plans		(0.28)	0.77
Income tax effect		0.10	(0.27)
B Items that will be reclassified to profit or loss in subsequent years			
Net movement of cash flow hedges	29	(15.31)	18.88
Income tax effect		5.36	(6.53)
VIII Total Other Comprehensive (Loss)/Income for the year (net of tax) (A+B)		(10.13)	12.85
IX Total Comprehensive (Loss)/ Income for the year (net of tax) (VII+VIII)		(121.90)	51.10
X (Loss)/ Earnings per equity share: [nominal value of share Rs. 10 (March 31, 2018 : Rs. 10)]			
(1) Basic	30	(0.46)	0.16
(2) Diluted	30	(0.46)	0.16

Summary of significant accounting policies

3

The accompanying notes are an integral part of these standalone financials statements and have been taken on record by the board of directors vide their meeting dated May 02, 2019.

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

[Signature]

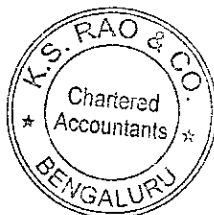
per Yogesh Midha
Partner
Membership no: 094941
Place: New Delhi
Date : May 02, 2019



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

[Signature]

per Hitesh Kumar P
Partner
Membership no: 233734
Place: Bangalore
Date : May 02, 2019



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

[Signature]

G.B.S Raju
Managing Director
DIN-00061686

K. Narayana Rao
Whole Time Director
DIN-00016262

Videh Kumar Jaipurian
Chief Executive Officer

Hari Nagrani
Chief Financial Officer

[Signature]
Saurabh Jain
Company Secretary
Place: New Delhi
Date : May 02, 2019



Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)
CIN: U63033DL2006PLC146936
Standalone Statement of Change in Equity for the year ended March 31, 2019
(All amounts in Rupees crore, except otherwise stated)

	Equity share capital	Reserves and Surplus	Item of OCI	Total equity
		Retained earnings	Cash flow hedge reserve*	
Balance as at March 31, 2017	2,450.00	575.49	(16.84)	3,008.65
Profits for the year	-	38.25	-	38.25
Other comprehensive income (net of tax)	-	0.50	12.35	12.85
Payment of dividends (Refer Note 16.1)	-	(159.25)	-	(159.25)
Dividend distribution tax (Refer Note 16.1)	-	(32.42)	-	(32.42)
Balance as at March 31, 2018	2,450.00	422.57	(4.49)	2,868.08
Adjustment in retained earning for change in accounting policy (net of tax)	-	(5.02)	-	(5.02)
Depreciation charge to retained earnings	-	(23.12)	-	(23.12)
Loss for the year	-	(111.77)	-	(111.77)
Other comprehensive loss (net of tax)	-	(0.18)	(9.95)	(10.13)
Balance as at March 31, 2019	2,450.00	282.48	(14.44)	2,718.04

Summary of significant accounting policies (Refer Note 3)

* The Company had entered into "Call spread Option" with various banks for hedging the repayment of 6.125% Senior secured notes (2022) of USD 288.75 million and 6.125% Senior secured notes (2026) of USD 522.60 million, which are repayable in February 2022 and October 2026 respectively. The Company has adopted the Cash Flow Hedge accounting for Call spread Options as per Ind AS 109. Accordingly, the effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the standalone statement of profit and loss.

The accompanying notes are an integral part of these standalone financials statements and have been taken on record by the board of directors vide their meeting dated May 02, 2019.

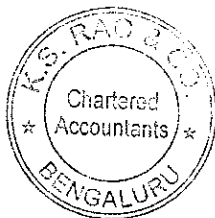
As per our report of even date
For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration No. : 101049W/E300004
Chartered Accountants

per Yogesh Midha
Partner
Membership no: 094941
Place: New Delhi
Date : May 02, 2019



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

per Hitesh Kumar P
Partner
Membership no: 233734
Place: Bangalore
Date : May 02, 2019



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

G.B.S Raju
Managing Director
DIN-00061686

Videh Kumar Jaipuria
Chief Executive Officer

Saurabh Jain
Company Secretary
Place: New Delhi
Date : May 02, 2019

K. Narayana Rao
Whole Time Director
DIN-00016262

H.N. Nagrani
Chief Financial Officer



Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)
CIN. U63033DL2006PLC146936
Standalone Statement of Cash Flows for the year ended March 31, 2019
(All amounts in Rupees crore, except otherwise stated)

	Notes	March 31, 2019	March 31, 2018
Cash flow from operating activities			
(Loss) before tax		(226.87)	(40.60)
<i>Adjustment to reconcile profit before tax to net cash flows</i>			
Depreciation and amortization expenses		639.82	645.90
Provision for Bad debts / Bad Debts Written off		0.17	0.31
Interest income on deposits/current investment		(102.93)	(47.47)
Exchange differences unrealised (net)		97.91	(54.15)
Gain on sale of current investments-Mutual fund		(125.55)	(125.03)
Income from Duty credit scrips		(55.11)	(30.27)
Loss on discard of Property Plant and Equipments		-	0.08
Dividend Income on non current investments carried at cost		(63.59)	(67.76)
Interest on Borrowings		381.05	346.88
Call spread option premium		194.56	153.65
Rent expenses on financial assets carried at amortised cost		0.51	0.47
Interest expenses on financial liability carried at amortised cost		48.04	74.41
Deferred income on financial liabilities carried at amortized cost		(108.89)	(79.60)
Fair value gain on financial instruments at fair value through profit or loss		(1.05)	(23.57)
		<u>678.07</u>	<u>753.25</u>
Working capital adjustments:			
(Decrease) in trade payables		(122.96)	(19.75)
(Decrease) in other non current liabilities		(44.42)	(10.38)
Increase/(Decrease) in other current liabilities		52.42	(63.76)
Increase/(Decrease) in non current deferred revenue		430.27	(124.09)
Increase/(Decrease) in current deferred revenue		15.20	(0.24)
(Decrease) in non current financial liabilities		(32.30)	(31.51)
(Decrease)/Increase in current financial liabilities		(51.77)	141.84
Decrease in trade receivables		407.25	373.44
(Increase)/Decrease in inventories		(0.94)	1.03
(Increase)/Decrease in other non current assets		(0.67)	0.04
Decrease/(Increase) in other current assets		2.54	(3.66)
(Increase) in other current financial assets		(138.37)	(34.93)
(Increase) in other Non current financial assets		(134.37)	(0.97)
Decrease/(Increase) in non current loans		0.57	(0.82)
Decrease in current loans		0.23	0.58
(Decrease)/Increase in non current provisions		(1.45)	0.24
Increase in current provisions		4.77	4.15
Cash generated from operations		<u>1,064.07</u>	<u>984.46</u>
Direct taxes paid (net)		(17.94)	(17.93)
Net cash flows from operating activities (A)		<u><u>1,046.13</u></u>	<u><u>966.53</u></u>
Cash flows from investing activities			
Purchase of property plant and equipments, including capital work in progress and capital advances		(1,336.88)	(185.77)
Purchase of non-current investments		-	(108.33)
Purchase of current investments		(16,997.47)	(14,874.91)
Sale/maturity of current investments		18,253.12	14,634.39
Inter corporate deposits given		(400.00)	-
Dividend Income		63.59	67.76
Interest received		88.92	43.48
Investment of Margin Money Deposit		(0.01)	(0.01)
Investments in other fixed deposits with original maturity of more than three months (net)		(307.67)	(45.27)
Net cash flows used in investing activities (B)		<u><u>(636.40)</u></u>	<u><u>(468.66)</u></u>

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Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)
CIN. U63033DL2006PLC146936
Standalone Statement of Cash Flows for the year ended March 31, 2019
(All amounts in Rupees crore, except otherwise stated)

	Notes	March 31, 2019	March 31, 2018
Cash flows from financing activities			
Final dividend paid		-	(159.25)
Dividend distribution tax		-	(32.42)
Option premium paid		(194.19)	(144.49)
Interest paid		(364.17)	(340.86)
Net cash flows used in financing activities (C)		(558.36)	(677.02)
Net decrease in cash and cash equivalents (A + B + C)		(148.63)	(179.15)
Cash and cash equivalents at the beginning of the year		374.97	554.12
Cash and cash equivalents at the end of the year		226.34	374.97
Components of cash and cash equivalents			
Cash on hand		0.04	0.02
Cheques/ drafts on hand		0.22	0.48
With banks			
- on current account		26.08	110.91
- on deposit account		200.00	263.56
Total cash and cash equivalents (Refer Note 13)		226.34	374.97

Summary of significant accounting policies

3

Explanatory notes to statement of cashflows

1. The above cash flow statement has been compiled from and is based on the standalone balance sheet as at March 31, 2019 and the related standalone statement of profit and loss for the year

and cash equivalents include Rs. 0.56 crore (March 31, 2018: Rs. 1.23 crore) pertaining to Marketing Fund, to be used for sales promotional activities.

3. Changes in liabilities arising from financing activities:-

Particulars	Liabilities arising from financing activities		Assets held to hedge long term borrowings
	Borrowings	Interest accrued on Borrowings	Derivative instrument- Cash flow hedge- call spread option
As at March 31, 2018	5,249.12	105.33	0.97
Cash flows	-	(364.17)	(194.19)
Non-cash changes			
Finance cost	8.23	372.82	194.56
Foreign exchange fluctuation	307.30	-	-
Change in Fair values	-	-	193.29
As at March 31, 2019	5,564.65	113.98	194.63

4. The accompanying notes are an integral part of these standalone financial statements and have been taken on record by the board of directors vide their meeting dated May 02, 2019.

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

per Yogesh Midha
Partner
Membership no: 094941
Place: New Delhi
May 02, 2019



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

per Hitesh Kumar P
Partner
Membership no: 233734
Place: Bengaluru
Date : May 02, 2019



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

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

K. Narayana Rao
Whole Time Director
DIN-00016262

Videh Kumar Jaipuriar
Chief Executive Officer

Harp Nagrani
Chief Financial Officer

Saurabh Jain
Company Secretary
Place : New Delhi
Date : May 02, 2019



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

CIN. U63033DL2006PLC146936

Notes to the standalone financial statements for the year ended March 31, 2019

(All amounts in Rupees Crore, except otherwise stated)

1. Corporate information

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

2. (A) Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and presentation requirement of division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III), as applicable to the standalone financial statements.

Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

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

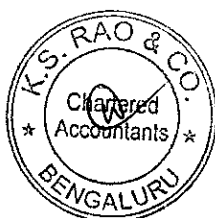
- Derivative Financial Instruments
- Certain financial assets and liabilities (refer accounting policy regarding financial instruments) which have been measured at fair value.

(B) Going Concern:

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

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

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



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

CIN. U63033DL2006PLC146936

Notes to the standalone financial statements for the year ended March 31, 2019

(All amounts in Rupees Crore, except otherwise stated)

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

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

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

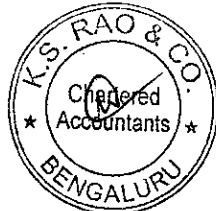
DIAL has filed an appeal in the Hon'ble Supreme Court of India on July 21, 2018 for few matters in respect of TDSAT order dated April 23, 2018 and same was listed on September 4, 2018 wherein, Hon'ble Supreme Court has issued notices in the matter. The matter was listed before Registrar on February 22, 2019 wherein last opportunity has been granted to AERA and airlines to file their arguments. The matter has been re-notified for May 8, 2019.

During the year, AERA has issued tariff order with respect to Base Airport Charges for the second control period, which the airport operator is entitled to receive as minimum charges in accordance with Schedule 6 of State Support Agreement (SSA) read with Schedule 8 of the SSA. The order on the Base Airport Charges was issued on November 19, 2018 (except the order for baggage X-ray charges), and revised tariff made applicable from December 1, 2018. The order for baggage X- ray charges had been issued on January 10, 2019 and effective from February 1, 2019.

DIAL has filed tariff proposal for the third control period starting April 1, 2019 to March 31, 2024 with the regulator on November 27, 2018. Further, as the second control period completed on March 31, 2019, DIAL requested the AERA to extend the current tariff till the tariff for third control period is determined. Accordingly, AERA vide order no 48/2018-19 dated March 25, 2019 extended the prevailing tariff for DIAL till September 30, 2019 or determination of tariff for third control period, whichever is earlier.

Basis the cash projections prepared by the management of the Company for the next one year, the management expects to have cash profit. Further considering the Company's business plans and the availability of sufficient cash reserves as at March 31, 2019, the management do not foresee any uncertainty in continuing its business/ operations and meeting its liabilities for the foreseeable future and accordingly, these standalone financial statements have continued to be prepared on a going concern basis.

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3. Summary of significant accounting policies

a. Change in accounting policies and disclosures

New and amended standards

The Company applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Several other amendments and interpretations apply for the first time in March 2019, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

Ind AS 115 Revenue from Contracts with Customers

The Company has adopted the Ind AS 115 "Revenue from Contracts with Customers" with effect from April 1, 2018 as notified on March 28, 2018 and establishes a five-step model to account for revenue arising from contracts with customers. The new revenue standard supersedes all previous revenue recognition requirements under Ind AS. This new standard requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. Adoption of the new rules has affected the timing of revenue recognition for certain transactions of the Company. Ind AS 115 permits two possible methods of transition:

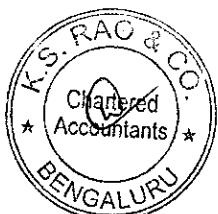
- Retrospectively to each prior reporting period presented in accordance with Ind AS 8 [*Accounting Policies, Changes in Accounting Estimates and Errors*] with the option to elect certain practical expedients as defined within Ind AS 115 (the full retrospective method); or
- Retrospectively with the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

The Company has applied the modified retrospective approach and accordingly, the application of Ind AS 115 has impacted the Company's accounting for advance from customers with consequential impact on deferred taxes and debited the retained earnings at April 1, 2018 by Rs. 5.02 crore (net of tax). Due to the application of Ind AS 115, revenue for the period is higher by Rs. 4.80 crore, finance expense is higher by Rs. 2.41 crore, deferred tax expense is lower by Rs. 0.81 crore and profit after tax is higher by Rs. 1.58 crore.

The cumulative effect of initially applying Ind AS 115 is recognised at the date of initial application as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and continues to be reported under Ind AS 11 and Ind AS 18.

Amendment to Ind AS 38 Intangible asset acquired free of charge

The amendment clarifies that in some cases, an intangible asset may be acquired free of charge, or for nominal consideration, by way of a government grant. In accordance with Ind AS 20 Accounting for Government Grants and Disclosure of Government Assistance, an entity may choose to recognise both the intangible asset and the grant initially at fair value. If an entity chooses not to recognise the asset initially at fair value, the entity recognises the asset initially at a nominal amount plus any expenditure that is directly attributable to preparing the asset for its intended use. The amendment also clarifies that revaluation model can be applied for asset which is received as government grant and measured at nominal value. These amendments do not have any impact on the Company's financial statements.



Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Considerations

The appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the date of the transactions for each payment or receipt of advance consideration. This Interpretation does not have any impact on the Company's financial statements.

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

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

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact. These amendments do not have any impact on the Company as the Company has no deductible temporary differences or assets that are in the scope of the amendments.

b. Use of estimates

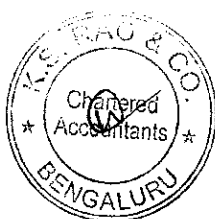
The preparation of the standalone financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the standalone financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 31. Accounting estimates could change from year to year. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the standalone financial statements in the year in which changes are made and, if material, their effects are disclosed in the notes to the standalone financial statements.

b. Current versus non-current classification

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

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

The Company classifies all other assets as non-current.



A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

c. Investments in Associates, Joint Ventures and Subsidiary

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

d. Property, Plant and Equipment

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

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

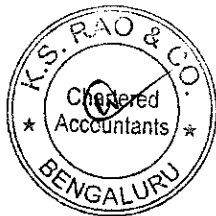
Capital work in progress includes leasehold improvements under development as at the balance sheet date.

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

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the standalone statement of profit and loss when the asset is derecognised.

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

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.



e. Depreciation on Property, Plant and Equipment

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

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

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

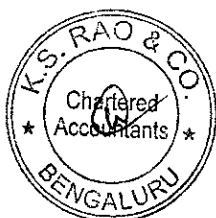
The Property, plant and equipment acquired under finance lease is depreciated over the asset's useful life; or over the shorter of the asset's useful life and the lease term, if there is no reasonable certainty that the Company will obtain ownership at the end of lease term.

On June 12, 2014, the Airport Economic Regulatory Authority ("the Authority") has issued a consultation paper viz.05/2014-15 in the matter of Normative Approach to Building Blocks in Economic Regulation of major Airports wherein it, interalia, mentioned that the Authority proposes to lay down, to the extent required, the depreciation rates for airport assets, taking into account the provisions of the useful life of assets given in Schedule II of the Companies Act, 2013, that have not been clearly mentioned in the Schedule II of the Companies Act, 2013 or may have a useful life justifiably different than that indicated in the Companies Act, 2013 in the specific context to the airport sector. Pursuant to above, the Authority has issued order no. 35/2017-18 on January 12, 2018 which is further amended on April 09, 2018, in the matter of Determination of Useful life of Airport Assets, which will be effective from April 01, 2018.

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

In order to align the useful life of passenger related Furniture and Fixtures as per AERA order, the Company has revised the useful life and charged the depreciation of Rs. 23.12 crore related to the assets whose life were expired by March 31, 2018 to other equity as at April 01, 2018 and depreciation of Rs. 2.37 crore to the standalone statement of profit and loss.

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



f. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets include software, upfront fee paid as airport concessionaire rights and other costs (excluding operation support costs) paid to the Airports Authority of India (AAI) pursuant to the terms and conditions of the OMDA.

g. Amortisation of intangible assets

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in these standalone financial statements.

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

h. Government Grant and subsidies

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

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

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

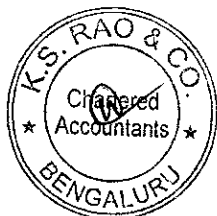
i. Borrowing cost

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

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

j. Leases

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



Company as a lessee:

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

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

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

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

Company as a lessor:

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

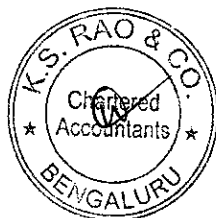
Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfers from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

k. Inventories

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

l. Impairment of non-financial assets

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



In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account.

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

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

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

m. Provisions, Contingent liabilities and Commitments

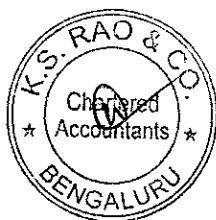
Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.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

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

Contingent liability is disclosed in the case of:

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

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



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

n. Contingent assets

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

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

o. Retirement and other Employee Benefits

Defined benefit plan

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

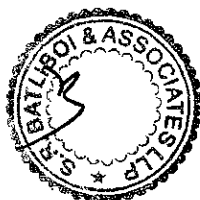
Retirement benefit in the form of Superannuation Fund and Employee State Insurance are defined contribution schemes and the contributions are charged to the standalone statement of profit and loss of the year when the contributions to the respective funds are due. The Company has no obligation, other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

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

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

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

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



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

CIN. U63033DL2006PLC146936

Notes to the standalone financial statements for the year ended March 31, 2019

(All amounts in Rupees Crore, except otherwise stated)

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

Subsequent measurement

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

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

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 12.

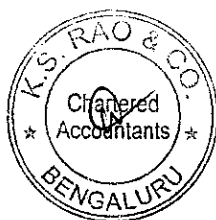
Financial assets at FVTPL: FVTPL is a residual category for financial assets. Any Financial asset, which does not meet the criteria for categorization as at amortized cost or as at Fair Value through OCI (FVTOCI), is classified as at FVTPL.

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

Derecognition of financial assets

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

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



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

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

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the standalone statement of profit and loss:

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

p. Financial Instruments

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

1) Financial assets

Initial recognition and measurement

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

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

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

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



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

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

Impairment of financial assets

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

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

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

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

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

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

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

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

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



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

II) Financial liabilities

Initial recognition and measurement

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

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

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

Subsequent measurement

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

Loans and borrowings

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

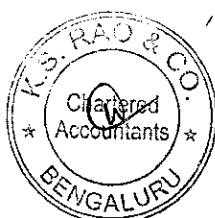
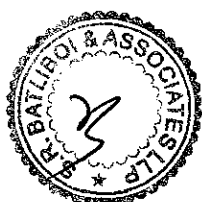
Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the standalone statement of profit and loss.

Derecognition

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

Offsetting of financial instruments

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



q. Derivative financial instruments and hedge accounting

Initial Recognition and subsequent measurement

The Company uses derivative financial instruments, such as call spread options, to hedge its foreign currency risks.

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

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

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

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

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

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

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

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

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



Presentation of derivative contracts in the financial statement

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

r. Cash and cash equivalents

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

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

s. Foreign currencies

Functional Currency

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

Transactions and Translations

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

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

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

t. Fair value measurement

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

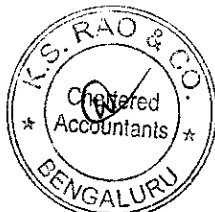
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes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

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

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

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

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



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

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

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

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

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

The Company determines the policies and procedures for recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. External valuers are involved for valuation of significant assets or liabilities such as derivative instruments.

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

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

a) Disclosures for valuation methods, significant estimates and assumptions (note 36)

b) Quantitative disclosures of fair value measurement hierarchy (note 37)

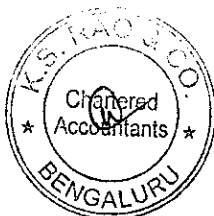
c) Financial instruments (including those carried at amortised cost)

u. Revenue recognition

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

Revenue from contract with customer

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



Revenue from Operations

Significant financing component

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

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

Contract balances

Contract assets

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

Trade receivables

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

Contract liabilities

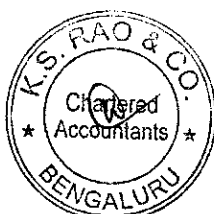
A contract liability is the obligation to transfer services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognised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

Income from services

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

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

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



Interest income

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

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

Dividends

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

Claims

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

v. Taxes

Tax expense comprises current tax and deferred tax.

Current income tax

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

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

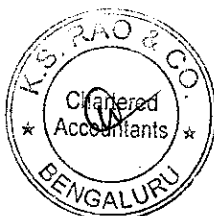
Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates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

Deferred tax

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

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

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



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

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

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

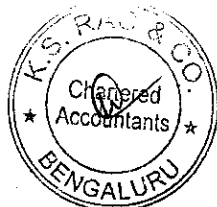
The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

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

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

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



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

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

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

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

w. Operating segments

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

x. Proposed dividend

As per Ind AS –10, 'Events after the Reporting period', the Company disclose the dividend proposed by board of directors after the balance sheet date in the notes to these standalone financial statements. The liability to pay dividend is recognised when the declaration of dividend is approved by the shareholders.

y. Earnings per share

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

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

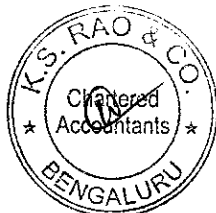
z. Corporate Social Responsibility ('CSR') expenditure

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

aa. Cash Flow Statement

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

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Notes to the standalone financial statements for the year ended March 31, 2019

(All amounts in Rupees crore, except otherwise stated)

4 Property, plant and equipments

	Buildings	Leasehold improvement	Bridges, Culverts, Bunders etc.	Electrical Installations and Equipment	Roads-Other than RCC	Runways, Taxiways & Apron etc.	Plant and Machinery	Office Equipment	Computer and data processing units	Furniture and Fittings	Vehicles	Total	Capital work in progress (CWIP)
Gross block (at cost)													
As at March 31, 2017	4,430.78	7.47	396.61	1,005.45	218.09	2,193.44	2,303.87	11.20	69.71	223.87	12.41	10,872.90	123.94
Reclassification	2.14	-	-	(0.57)	4.45	-	(0.72)	-	-	(5.30)	-	-	-
Additions	8.52	2.36	0.32	14.56	1.78	9.30	7.22	0.23	14.85	11.88	1.25	72.27	70.50
Disposals	-	-	-	-	-	-	(0.15)	(0.04)	(2.09)	(0.04)	-	(2.32)	-
Adjustments [refer note (a) below]	(10.46)	-	-	(0.17)	-	-	(0.07)	-	-	-	-	(10.70)	-
As at March 31, 2018	4,430.98	9.83	396.93	1,019.27	224.32	2,202.74	2,310.15	11.39	82.47	230.41	13.66	10,932.15	194.44
Additions													
Disposals	37.77	5.98	0.01	35.28	11.95	31.44	146.11	1.68	19.07	41.96	4.22	335.47	51.46
Adjustments [refer note (a) below]	-	-	-	-	-	-	(0.08)	-	-	-	(0.17)	(0.25)	-
At March 31, 2019	4,465.76	15.81	396.94	1,054.55	236.27	2,234.18	2,456.18	13.07	101.54	272.37	17.71	11,264.38	245.90
Depreciation													
As at March 31, 2017	984.73	0.91	100.52	551.45	117.16	645.74	920.03	9.64	45.22	108.25	7.98	3,491.63	-
Reclassification	0.02	-	-	(0.01)	0.06	-	(0.01)	-	-	(0.05)	-	-	-
Charge for the year	145.68	2.33	13.31	120.76	31.57	94.45	192.26	0.51	7.15	27.38	1.15	636.55	-
Disposals	-	-	-	-	-	-	(0.08)	(0.04)	(2.09)	(0.03)	-	(2.24)	-
As at March 31, 2018	1,130.43	3.24	113.83	672.20	148.79	740.19	1,112.20	10.11	50.28	135.54	9.13	4,125.94	-
Charge for the year													
Disposals	149.12	4.16	13.35	104.61	32.63	97.44	196.28	0.60	9.70	22.13	1.04	631.06	-
Charge to reserve [refer note 3(e)]	-	-	-	-	-	-	(0.08)	-	-	-	(0.17)	(0.25)	-
At March 31, 2019	1,279.55	7.40	127.18	776.81	181.42	837.63	1,314.13	10.71	59.98	175.06	10.00	4,779.87	-
Net block													
As at March 31, 2018	3,300.55	6.59	283.10	347.07	75.53	1,462.55	1,197.95	1.28	32.19	94.87	4.53	6,806.21	194.44
As at March 31, 2019	3,186.21	8.41	269.76	277.74	54.85	1,396.55	1,142.05	2.36	41.56	97.31	7.71	6,484.51	245.90

Note:

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

b. Buildings include space given on operating lease.

Gross block Rs. 234.64 crore (March 31, 2018: Rs. 233.27 crore).

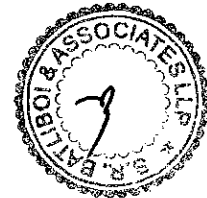
Depreciation charge for the year Rs. 7.83 crore (March 31, 2018: Rs. 7.75 crore).

Accumulated depreciation Rs. 67.95 crore (March 31, 2018: Rs. 60.12 crore).

Net book value Rs. 166.75 crore (March 31, 2018: Rs. 173.15 crore)



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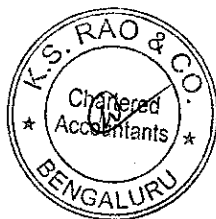


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5 Intangible assets

	Airport concessionaire rights	Computer software	Total
Gross block (at cost)			
As at March 31, 2017	490.52	41.16	531.68
Additions	-	0.58	0.58
As at March 31, 2018	490.52	41.74	532.26
Additions	-	0.75	0.75
As at March 31, 2019	490.52	42.49	533.01
Amortisation			
As at March 31, 2017	88.75	38.86	127.61
Charge for the year	8.20	1.15	9.35
As at March 31, 2018	96.95	40.01	136.96
Charge for the year	8.20	0.56	8.76
As at March 31, 2019	105.15	40.57	145.72
Net Block			
As at March 31, 2018	393.57	1.73	395.30
As at March 31, 2019	385.37	1.92	387.29

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6.1 Investment in subsidiary, associates and joint ventures

Investments carried at cost
Unquoted equity shares fully paid up

Investment in subsidiary

Delhi Aerotropolis Private Limited

100,000 shares of Rs 10 each (March 31, 2018 : 100,000 shares of Rs 10 each)

Investment in associates

Celebi Delhi Cargo Terminal Management India Private Limited

29,120,000 shares of Rs. 10 each (March 31, 2018 : 29,120,000 shares of Rs. 10 each)

Delhi Duty Free Services Private Limited

39,920,000 shares of Rs. 10 each (March 31, 2018 : 39,920,000 shares of Rs. 10 each)

Delhi Airport Parking Services Private Limited

40,638,560 shares of Rs 10 each (March 31, 2018:40,638,560 shares of Rs 10 each)

Travel Food Services (Delhi Terminal 3) Private Limited

5,600,000 shares of Rs. 10 each (March 31, 2018 : 5,600,000 shares of Rs. 10 each)

TIM Delhi Airport Advertising Private Limited

9,222,505 shares of Rs. 10 each (March 31, 2018 : 9,222,505 shares of Rs. 10 each)

DiGi Yatra Foundation

370 shares of Rs. 10 each (March 31, 2018 : Nil)

Investment in joint ventures

Delhi Aviation Services Private Limited

12,500,000 shares of Rs. 10 each (March 31, 2018 : 12,500,000 shares of Rs. 10 each)

Delhi Aviation Fuel Facility Private Limited

42,640,000 shares of Rs. 10 each (March 31, 2018 : 42,640,000 shares of Rs. 10 each)

WAISL Limited (formerly known as Wipro Airport IT Services Limited)*

1,300,000 shares of Rs. 10 each (March 31, 2018 : 1,300,000 shares of Rs. 10 each)

GMR Bajoli Holi Hydropower Private Limited

108,334,241 shares of Rs. 10 each (March 31, 2018 : 108,334,241 share of Rs. 10 each)

Aggregate book value of unquoted non-current investment

6.2 Investments

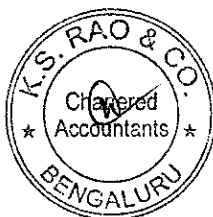
Carried at fair value through profit and loss

East Delhi Waste Processing Company Private Limited

7,839 shares of Rs 10 each (March 31, 2018 :7,839 shares of Rs 10 each)

* The Company is proposing to sale its entire investment in WAISL Limited (formerly known as Wipro Airport IT Services Limited) of Rs 1.30 cr. (1,300,000 shares of Rs. 10 each) to Antariksh Softtech Private Limited based on valuation of independent valuer.

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6.3 Current Investments

Investments carried at fair value through profit or loss

Investment in mutual fund

Unquoted investments

	Current	
	March 31, 2019	March 31, 2018
ICICI Prudential Liquid Regular Plan Growth	232.38	285.37
[8,437,391.38 units (March 31, 2018 : 11,130,257.38) of Rs. 100 each]		
Bank of Baroda Mutual Fund	50.06	35.10
[2,34,043.88 unit (March 31, 2018 : 176,460.73) of Rs. 1000 each]		
Axis Liquid Fund Growth	94.62	175.42
[4,58,166.66 units (March 31, 2018 : 913,307.88) of Rs. 1000 each]		
Birla Sunlife Cash Plus- Inst- Growth	-	517.92
[Nil (March 31, 2018 : 16,757,830.39) of Rs. 100 each]		
IDFC Cash Fund Growth Regular Plan	-	83.03
[Nil (March 31, 2018 : 394,752.88) of Rs. 1000 each]		
DHFL Mutual Fund	-	150.31
[Nil (March 31, 2018 : 6,680,746.71) of Rs. 100 each]		
Invesco Mutual Fund	-	150.32
[Nil (March 31, 2018 : 630,626.71) of Rs. 1000 each]		
Kotak Liquid Scheme	75.06	145.42
[1,98,960.52 units (March 31, 2018 : 413,959.05) of Rs. 1000 each]		
Reliance Mutual Fund	-	77.04
[Nil (March 31, 2018 : 7,593,237.26) of Rs. 1000 each]		
Sundaram Money Fund Regular - Growth	75.09	175.37
[1,91,42,370.75 units (March 31, 2018 : 48,059,856.01) of Rs. 10 each]		
DSP Mutual Fund	-	230.53
[Nil (March 31, 2018 : 931,807.72) of Rs. 1000 each]		
LIC Nomura Liquid Fund	-	90.20
[Nil (March 31, 2018 : 287,655.12) of Rs. 1000 each]		
IDBI Mutual Fund	-	90.16
[Nil (March 31, 2018 : 487,216.23) of Rs. 1000 each]		
UTI- Liquid Fund-Cash Plan-INST Growth	167.91	-
[5,50,544.26 units (March 31, 2018 : Nil) of Rs. 1000 each]		
Tata Liquid Fund Plan A - Growth	100.08	-
[3,41,515.63 units (March 31, 2018 : Nil) of Rs. 1000 each]		

Investments carried at amortised cost

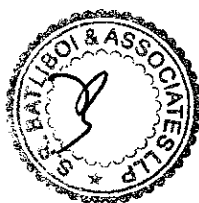
Investment in Commercial Papers

SREI Infrastructure Finance Limited	242.82	378.27
[5,000 (March 31, 2018 : 8,000) Units of Rs. 5,00,000 each]		
SREI Equipment Finance Limited	167.53	-
[3,500 (March 31, 2018 : Nil) Units of Rs. 5,00,000 each]		
Piramal Enterprises	49.61	-
[1,000 (March 31, 2018 : Nil) Units of Rs. 5,00,000 each]		
JM Financial Products Limited	200.25	-
[4,400 (March 31, 2018 : Nil) Units of Rs. 5,00,000 each]		

Aggregate book value of unquoted investments

1,455.41 2,584.46

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7. Loans

Unsecured, considered good

Carried at amortised cost

Security deposits

Unsecured, considered good

Inter corporate loan

Unsecured, considered good to related parties [refer note 34(b)]

(A)

Advances

Doubtful, to related parties [refer note 34(b)]

Less: provision for doubtful advances [refer note 34(b)]

(B)

Total (A+B)

Non current		Current	
March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
1.89	2.46	1.35	1.58
-	-	400.00	-
1.89	2.46	401.35	1.58
2.82	2.82	-	-
(2.82)	(2.82)	-	-
1.89	2.46	401.35	1.58

8. Other Financial assets

Derivative Instrument carried at fair value through OCI #

Cash flow hedge- Call spread option

Carried at amortised cost

Interest accrued on fixed deposits and others

Non-trade receivable [refer note 40(b)]

[net of provision of doubtful debts Rs 0.85 crores (March 31, 2018 Rs. 0.46 crores)]

Unbilled receivables (March 31, 2018 Unbilled revenue)

Other recoverables from related parties [refer note 34(b)]

Margin money deposit * (refer note 13)

Other receivable

Total other financial assets

Non current		Current	
March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
194.63	0.97	-	-
-	-	33.19	19.18
134.37	-	42.17	47.39
-	-	164.73	9.11
-	-	19.52	17.65
0.24	0.23	-	-
-	-	71.04	29.83
329.24	1.20	330.65	123.16

#Financial assets at fair value reflect the change in fair value of call spread options, designated as cash flow hedges to hedge the future cash outflow in USD on settlement of foreign exchange borrowings of USD 811.35 million (Rs. 5,610.89 crore) [March 31, 2018: USD 811.35 million (Rs. 5,301.36 crore)] on senior secured foreign currency notes.

* Rs 0.24 crore (March 31, 2018: Rs. 0.23 crore) against License fee to South Delhi Municipal Corporation.

9. Other assets

Capital advances

Advances other than capital advance

Advance to suppliers

Other advances

Less: provision for doubtful advances

Others

Prepaid expenses

Deposit with government authorities including paid under protest [refer note 33 II (e)]

Balance with statutory / government authorities

Gratuity fund balance (net) [refer note 32(b)]

Total other assets (A+B+C)

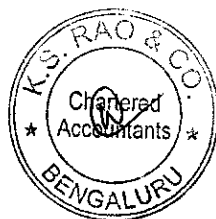
(A)

(B)

(C)

Non current		Current	
March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
944.50	4.60	-	-
944.50	4.60	-	-
-	-	17.04	15.02
-	-	0.05	0.05
-	-	(0.05)	(0.05)
-	-	17.04	15.02
5.99	5.83	6.39	6.52
-	-	4.09	4.07
-	-	8.16	14.57
-	-	1.96	-
5.99	5.83	20.60	25.16
950.49	10.43	37.64	40.18

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10. Income tax

	March 31, 2019	March 31, 2018
Current income tax:		
Adjustment of tax relating to earlier years	-	(4.88)
Deferred tax:		
Relating to origination and reversal of temporary differences	(115.10)	(73.97)
Income tax expense reported in the statement of profit or loss	(115.10)	(78.85)

OCI Section

	March 31, 2019	March 31, 2018
Deferred tax related to items recognised in OCI during the year:		
Re-measurement gains (losses) on defined benefit plans	0.10	(0.27)
Cash flow Hedge Reserve	5.36	(6.53)
Income tax charged to OCI	5.46	(6.80)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2019 and March 31, 2018:

	March 31, 2019	March 31, 2018
Accounting profit before tax	(226.87)	(40.60)
Tax at the applicable tax rate of 34.94% (March 31, 2018: 34.94%)	(79.27)	(14.19)
Exempt income not included in calculation of tax	(22.22)	(23.68)
Assets capitalised in the Income Tax Act in current year but in the books in previous year	-	(22.13)
Tax on depreciation charged to opening retained earnings	(8.08)	-
Impact of increment in tax rate	-	0.98
Other adjustments	1.26	5.20
Tax on Ind AS 115 transition impact adjustment in opening retained earnings	(2.71)	-
Tax effect of items on which deferred taxes has not been accounted	(7.94)	(13.27)
Adjustment of tax relating to earlier years	-	(4.88)
Previously unrecognised tax losses used to reduce deferred tax expense	-	(11.24)
Tax effect of expenses that are not deductible in determining taxable profit:		
Donation paid disallowed	3.86	4.74
Interest on delayed payment of Income Tax	(0.01)	(0.38)
At the effective income tax rate of 50.74% (March 31, 2018: 48%)	(115.10)	(78.85)
Total tax expense reported in the statement of profit and loss	(115.10)	(78.85)

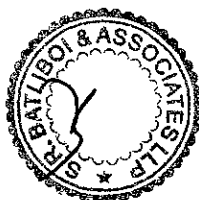
Deferred tax:

	Balance sheet		Statement of profit or loss	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Deferred tax liability				
Accelerated depreciation for tax purposes	(925.05)	(972.74)	47.68	42.63
Derivative liability-mark to market loss on IRS	-	-	-	4.96
On account of upfront fees being amortized using EIR method	(16.16)	(18.26)	2.10	2.68
Fair value of investment in mutual fund	(0.37)	(11.71)	11.34	(8.27)
Cash Flow Hedge	(80.33)	(0.71)	(85.11)	(0.71)
	(1,021.91)	(1,003.41)	(23.99)	41.29
Deferred tax asset				
Unabsorbed depreciation	818.45	649.27	169.18	51.52
Others Disallowances	13.05	36.16	(23.11)	8.21
Unrealised forex loss on borrowings	-	10.06	(10.06)	(7.20)
Intangibles (Airport Concession rights)	62.79	66.71	(3.92)	(3.25)
Advance from customer	1.87	-	(0.81)	-
Non Trade Receivable Deferment	10.91	-	10.91	-
Other borrowing cost to the extent not amortised	13.24	16.34	(3.10)	(2.92)
Marketing Fund Liability	-	-	-	(13.68)
	920.31	778.54	139.09	32.68
Net deferred tax assets/(liabilities)	(101.60)	(224.87)	(115.10)	(73.97)

Reconciliations of net deferred tax liabilities / (assets)

	March 31, 2019	March 31, 2018
Opening balance as at beginning of the year	224.87	292.04
Tax expense during the period recognised in profit or loss	(115.10)	(73.97)
Tax expense during the period recognised in opening reserves [refer note 3(a)]	(2.71)	-
Tax (expense)/ income during the period recognised in OCI	(5.46)	6.80
Closing balance	101.60	224.87

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



11. Inventories

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

March 31, 2019	March 31, 2018
7.33	6.39
7.33	6.39

12. Trade receivables

Trade receivables

Related parties [refer note 34(b)]
Others [refer note 40(b)]

Current	
March 31, 2019	March 31, 2018
18.90	106.28
98.81	418.85
117.71	525.13

Break up for security details:

Trade receivables

Secured, considered good**
Unsecured, considered good [refer note 40(b)]
Trade Receivables which have significant increase in credit risk

19.47	220.32
98.24	304.81
3.01	3.23
120.72	528.36

Impairment Allowance (allowance for credit loss)

Less: Unsecured, considered good

(3.01)	(3.23)
117.71	525.13

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

Trade receivables includes:-

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

Delhi Duty Free Services Private Limited
GMR Warora Energy Limited
GMR Infrastructure Limited
GMR Aviation Private Limited
GMR Bajoli Holi Hydropower Private Limited
GMR Airports Limited
GMR Kamalanga Energy Limited
TIM Delhi Airport Advertising Private Limited
WAISL Limited

Current	
March 31, 2019	March 31, 2018
-	16.37
2.31	-
0.74	0.36
0.02	0.02
2.48	0.50
0.20	-
1.95	-
0.67	30.37
5.74	37.35

13. 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

Non-current		Current	
March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
-	-	26.08	110.91
-	-	200.00	263.56
-	-	0.22	0.48
-	-	0.04	0.02
(A)	-	226.34	374.97

Other bank balances

- Margin money deposit*

0.24	0.23	-	-
0.24	0.23	-	-
(0.24)	(0.23)	-	-
(B)	-	226.34	374.97

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

Total (A+B)

Cash and cash equivalents includes balance on current account with banks for Rs. 0.56 crore (March 31, 2018: Rs 1.23 crore) in respect of Marketing Fund.

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

At March 31, 2019, the Company has available Rs. 230.71 crore (March 31, 2018: Rs. 225.81 crore) of undrawn borrowing facilities for future operating activities.

14. Bank balances other than cash and cash equivalents

Balances with banks:

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

March 31, 2019	March 31, 2018
398.94	91.27
398.94	91.27

Deposits with bank includes Rs. 57.73 crore (March 31, 2018: Rs. 49.32 crore) in respect of Marketing Fund.

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

Financial assets carried at amortised cost

Investment in commercial papers (refer note 6.3)

Trade Receivable (refer note 12)

Cash and cash equivalents (refer note 13)

Bank balance other than Cash and cash equivalents (refer note 14)

Loans (refer note 7)

Other financial assets (refer note 8)

Non current		Current	
March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
-	-	660.21	378.27
-	-	117.71	525.13
-	-	226.34	374.97
-	-	398.94	91.27
1.89	2.46	401.35	1.58
329.24	1.20	330.65	123.16
(A)	3.66	2,135.20	1,494.38

Financial assets carried at Fair value through profit or loss

Investment in mutual funds (refer note 6.3)

Investments in Equity Shares (refer note 6.2)

-	-	795.20	2,206.19
0.01	0.01	-	-
0.01	0.01	795.20	2,206.19
(B)	3.67	2,930.40	3,700.57

Total financial assets (A+B)



Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)
CIN. U63033DL2006PLC146936
Notes to the standalone financial statements for the year ended March 31, 2019
(All amounts in Rupees crore, except otherwise stated)

15. Equity Share Capital

Authorised shares (No. in crores)

300 (March 31, 2018: 300) equity shares of Rs. 10 each

March 31, 2019	March 31, 2018
3,000	3,000
3,000	3,000

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

245 (March 31, 2018: 245) equity shares of Rs.10 each fully paid up

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

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

At the beginning of the year

Issued during the year

Outstanding at the end of the year

March 31, 2019		March 31, 2018	
No. in crore	(Rs. in crores)	No. in crore	(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. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

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

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

Name of Shareholder

GMR Infrastructure Limited, the intermediate holding company

100 (March 31, 2018: 100) equity share of Rs.10 each fully paid up

March 31, 2019	March 31, 2018
0.00	0.00

GMR Energy Limited, Subsidiary of the intermediate holding company

100 (March 31, 2018: 100) equity share of Rs.10 each fully paid up

0.00 0.00

GMR Airports Limited along with Mr. Sriinivas Bonmidala

1 (March 31, 2018: 1) equity share of Rs.10 each fully paid up

0.00 0.00

GMR Airports Limited along with Mr Grandhi Kiran Kumar

1 (March 31, 2018: 1) equity share of Rs.10 each fully paid up

0.00 0.00

GMR Airports Limited, the holding company

156.80 crore (March 31, 2018: 156.80 crore) equity share of Rs.10 each fully paid up

1,568 1,568

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

Equity shares of Rs. 10 each fully paid

Airports Authority of India

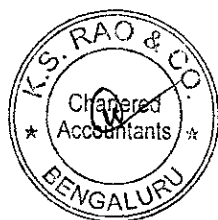
GMR Airports Limited

Fraport AG Frankfurt Airport Services Worldwide

March 31, 2019		March 31, 2018	
Numbers	% Holding in the class	Numbers	% Holding in the class
637,000,000	26%	637,000,000	26%
1,567,999,798	64%	1,567,999,798	64%
245,000,000	10%	245,000,000	10%
2,449,999,798	100%	2,449,999,798	100%

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

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16. Other Equity

	March 31, 2019	March 31, 2018
Retained earnings		
Balance as per last financial statements	422.57	575.49
Effect of adoption of new accounting standard [refer note 3(a)]	(5.02)	-
Depreciation charge to reserve [refer note 3(e)]	(23.12)	-
(Loss) / Profit for the year	(111.77)	38.25
Re-measurement gains on defined benefit plans	(0.18)	0.50
Payment of dividends	-	(159.25)
Dividend distribution tax	-	(32.42)
Closing balance	282.48	422.57
Other items of Comprehensive Income		
Cash flow hedge reserve		
Balance as per last financial statements	(4.49)	(16.84)
Net Movement during the year	(9.95)	12.35
	(14.44)	(4.49)
	268.04	418.08

16.1 Distribution made and proposed on Equity shares:

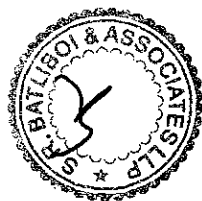
	March 31, 2019	March 31, 2018
Cash dividends on equity shares declared and paid		
Final dividend on equity shares for the year ended on March 31, 2018: Rs. 0.65 per share*	-	159.25
Dividend distribution tax (DDT) on final dividend	-	32.42
	-	191.67

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

16.2 Net dividend remitted in foreign exchange:

	March 31, 2019	March 31, 2018
Year of remittance (ended on)		
Period to which relates	-	April 1, 2016 to
	-	March 31, 2017
Number of non-resident shareholders	-	1.00
Number of equity shares of nominal value Rs. 10 per share held on which dividend was due	-	245,000,000.00
Amount remitted in USD (in million)	-	0.25
Amount remitted in INR (in crore)	-	15.93

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17. Borrowings

	Non - Current	
	March 31, 2019	March 31, 2018
Bonds		
6.125% (2022) senior secured foreign currency notes (Note-1)*	1,973.25	1,857.93
6.125% (2026) senior secured foreign currency notes (Note-2)**	3,591.40	3,391.19
	5,564.65	5,249.12

* 6.125% Senior Secured Foreign Currency Notes (Note-1) of USD 285.34 million (March 31, 2018: USD 284.35 million), principal outstanding of USD 288.75 million (March 31, 2018: USD 288.75 million) from International capital market carrying a fixed interest rate of 6.125% p.a. plus applicable withholding tax. The Note-1 are due for repayment in February, 2022. The bonds are secured by first rank pari-passu charge on all the future revenues, receivables, Trust and Retention account, any other reserve, other bank accounts and insurance proceeds of the Company and all the rights, titles, interests, permits in respect of the project documents as detailed in the lenders agreements, to the extent permissible under OMDA.

** 6.125% Senior Secured Foreign Currency Notes (Note-2) of USD 519.33 million (March 31, 2018: USD 519.00 million), principal outstanding of USD 522.60 million (March 31, 2018: USD 522.60 million) from International capital market carrying a fixed interest rate of 6.125% p.a. plus applicable withholding tax. The Note-2 are due for repayment in October 2026. The loan is secured by first rank pari-passu charge on all the future revenues, receivables, Trust and Retention account, any other reserve, other bank accounts and insurance proceeds of the Company and all the rights, titles, interests, permits in respect of the project documents as detailed in the lenders agreements, to the extent permissible under OMDA.

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

18. Other Financial Liabilities

	Non Current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Other financial liabilities at amortised cost				
Security Deposits from trade concessionaires [refer note 34(b)]	320.15	310.78	214.27	150.24
Security Deposits from commercial property developers	13.02	7.48	-	116.75
Earnest money deposits	-	-	4.59	2.51
Capital Creditors	-	-	23.32	23.63
Retention money	4.34	3.41	28.82	25.26
Liability for Voluntary retirement scheme	-	1.35	1.35	15.47
Interest accrued but not due on borrowings	-	-	113.98	105.33
Employee benefit expenses payable	-	-	2.01	3.69
Total other financial liabilities at amortised cost	337.51	323.02	388.34	442.88
Total other financial liabilities	337.51	323.02	388.34	442.88

19. Deferred Revenue

	Non Current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Deferred income on financial liabilities carried at amortized cost (refer note a below)	1,897.59	1,575.76	84.83	74.27
Unearned revenue (refer note b below)	3.41	1.47	16.31	11.67
	1,901.00	1,577.23	101.14	85.94

Deferred income on financial liabilities carried at amortized cost

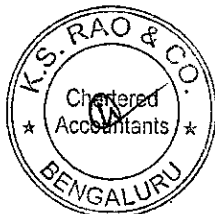
	March 31, 2019	March 31, 2018
At April 1	1,650.03	1,855.56
Deferred during the year	422.89	36.84
Reversed during the year	(11.07)	(163.16)
Released to the statement of profit and loss	(79.43)	(79.21)
	1,982.42	1,650.03

Unearned revenue

	March 31, 2019	March 31, 2018
At April 1	13.14	11.93
Deferred during the year	283.19	277.93
Released to the statement of profit and loss	(276.61)	(276.72)
	19.72	13.14

Note:

- Interest free security deposit received from concessionaire and commercial property developers (that are refundable in cash on completion of its term) are carried at amortised cost. Difference between the amortised value and transaction value of the security deposits received has been recognised as deferred revenue.
- Unearned revenue as at March 31, 2019 represents 'contract liabilities' due to adoption of modified retrospective approach of transition in accordance with Ind AS 115.



20 Other Liabilities

	Non Current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Advances from commercial property developers [refer note 40(a)]	50.29	92.72	44.86	48.15
Advance from customer	10.81	9.85	18.05	6.16
Marketing fund liability [refer note 40 (h)]	-	-	57.22	51.51
Tax deducted at source/Tax Collected at source payable	-	-	14.83	15.20
Goods & Service tax payable	-	-	33.18	1.72
Other statutory dues	-	-	2.05	1.66
Other liabilities	-	-	28.02	18.99
	61.10	102.57	198.21	143.39

Note:

- Advances from commercial property developers and Advances from customers as at March 31, 2019 represents 'contract liabilities' due to adoption of modified retrospective approach of transition in accordance with Ind AS 115.
- Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis.
- Contract liabilities include transaction price, other than those meeting the exclusion criteria mentioned above, related to performance obligation to be satisfied within one year for Rs. 44.86 crores and after one year for Rs. 50.29 crores.

21 Trade payables

	March 31, 2019	March 31, 2018
Total outstanding dues of micro enterprises and small enterprises	5.19	7.35
Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Related parties [refer note 34(b)]	83.15	204.58
- Others	213.53	212.02
	301.87	423.95

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

	March 31, 2019	March 31, 2018
The principal amount and the interest due thereon remaining unpaid to any supplier:		
- Principal amount	5.19	7.35
- Interest thereon	-	-

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

The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act

The amount of interest accrued and remaining unpaid

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

Terms and conditions of the above financial liabilities:

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

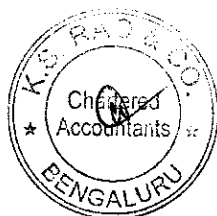
For explanations on the Company's credit risk management processes, refer to Note 38.

22 Provisions

	Long term		Short term	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Provision for employee benefits				
Provision for leave benefits	-	-	25.61	21.18
Provision for Gratuity [refer note 32(b)]	-	1.45	-	-
Provision for superannuation	-	-	0.39	0.33
Others	-	-	19.13	19.13
	-	1.45	45.13	40.64

Break up of financial liabilities

	Non Current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Financial liability carried at amortised cost				
Borrowings (refer note 17)	5,564.65	5,249.12	-	-
Trade Payables (refer note 21)	-	-	301.87	412.01
Other financial liabilities (refer note 18)	337.51	323.02	388.34	442.88
	5,902.16	5,572.14	690.21	854.89



23. Revenue From Operations

	March 31, 2019	March 31, 2018
Revenue from contract with customers		
Aeronautical (A)	987.80	1,705.48
Non - Aeronautical		
Duty free	463.12	378.42
Retail	165.77	133.30
Advertisement	162.74	170.98
Food & Beverages	153.39	134.66
Cargo	241.75	206.99
Ground Handling	131.55	124.40
Parking	31.08	25.89
Land & Space — Rentals	379.82	349.33
Others	361.69	274.84
Total Non -Aeronautical (B)	2,090.91	1,798.81
Other operating revenue		
Revenue from commercial property development (C)	183.94	176.68
TOTAL (A+B+C)	3,262.65	3,680.97

Note:

(i) The Company earns its entire revenue from operations in India.

(ii) Timing of rendering of services

	March 31, 2019			
	Aeronautical	Non-Aeronautical	Others	Total
Services rendered at a point in time	766.18	-	-	766.18
Services rendered over time	221.62	2,090.91	183.94	2,496.47
Total revenue from contracts with customers	987.80	2,090.91	183.94	3,262.65

(iii) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price:

Particulars	March 31, 2019
Revenue as per contracted price	3,257.85
Adjustments:	
- Significant financing component	4.80
Revenue from contract with customers	3,262.65

(iv) Set out below is the revenue recognised from:

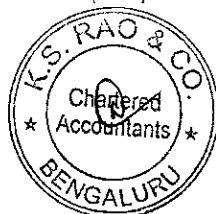
	March 31, 2019
Amounts included in contract liabilities at the beginning of the year	(49.02)
Performance obligations satisfied in previous years	-
Total	(49.02)

24. Other income

	March 31, 2019	March 31, 2018
Interest income on financial asset carried at amortised cost		
Bank deposits and others	282.21	60.96
Security deposits given	0.35	0.39
Dividend Income on non-current investments carried at cost	63.59	67.76
Other non-operating income		
Gain on sale of financial asset carried at Fair value through profit and loss		
Current investments-Mutual fund	125.55	125.03
Exchange difference (net)	-	53.26
Fair value gain on financial instruments at fair value through profit and loss*	1.05	23.57
Income from Duty credit scrips [refer note 40(o)]	55.11	30.27
Miscellaneous income	2.75	0.63
	530.61	361.87

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

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

CIN. U63033DL2006PLC146936

Notes to the standalone financial statements for the year ended March 31, 2019

(All amounts in Rupees crore, except otherwise stated)

25. Employee Benefits Expense

Salaries, wages and bonus
Contribution to provident and other funds [refer note 32 (a)]
Gratuity expenses [refer note 32 (b)]
Staff welfare expenses

March 31, 2019	March 31, 2018
167.05	147.11
12.52	10.48
1.88	3.01
5.03	4.64
186.48	165.24

26. Depreciation and amortization expense

Depreciation on Property, Plant and Equipment (refer note 4)
Amortization of Intangible assets (refer note 5)

March 31, 2019	March 31, 2018
631.06	636.55
8.76	9.35
639.82	645.90

27. Finance Costs

Interest on borrowings
Call spread option premium
Interest expenses on financial liability carried at amortised cost
Other interest
Other borrowing costs
-Bank charges

March 31, 2019	March 31, 2018
381.05	346.88
194.56	153.65
48.04	74.41
3.44	1.41
2.50	2.80
629.59	579.15

28. Other expenses

Utility expenses
Repairs and maintenance
 Plant and machinery
 Buildings
 IT Systems
 Others
Manpower hire charges
Airport Operator fees
Security related expenses
Insurance
Consumables
Professional and consultancy expenses
Travelling and conveyance
Rates and taxes
Rent (including lease rentals)
Advertising and sales promotion
Communication costs
Printing and stationery
Directors' sitting fees
Payment to auditors (refer note A below)
Provision for Bad debts / Bad Debts Written off
Exchange difference (net)
Corporate cost allocation
Collection charges (Net)
Loss on discard of Property, Plant and Equipment
Donations
CSR expenditure (refer note B below)
Expenses of commercial property development
Miscellaneous expenses

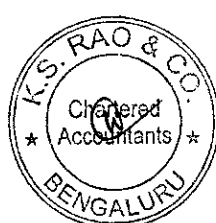
March 31, 2019	March 31, 2018
103.35	113.20
113.25	108.27
26.71	32.35
38.21	35.32
20.89	15.84
134.66	125.97
114.90	171.87
30.75	23.06
5.65	6.63
14.62	12.73
57.02	73.06
25.41	17.63
9.07	8.30
8.09	10.57
13.88	11.18
2.37	2.09
2.38	1.51
0.24	0.27
1.13	1.62
0.17	0.31
98.47	-
91.47	85.02
10.39	5.28
-	0.08
1.12	2.42
9.92	11.14
33.18	49.47
5.69	6.49
972.99	931.68

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

As Auditor
Audit fee
Tax audit fee

Other services
- Other services (including certification fees)
-Reimbursement of expenses

March 31, 2019	March 31, 2018
0.68	0.70
0.07	0.07
0.27	0.83
0.11	0.02
1.13	1.62



B. Details of CSR expenditure:

a) Gross amount required to be spent by the Company during the year

(b) Amount spent during the year ended on March 31, 2019:

- i) Construction/acquisition of any asset
- ii) On purposes other than (i) above

b) Amount spent during the year ended on March 31, 2018:

- i) Construction/acquisition of any asset
- ii) On purposes other than (i) above

	March 31, 2019	March 31, 2018
	9.49	11.70
In cash	Yet to be paid in cash	Total
1.40	-	1.40
8.52	-	8.52
In cash	Yet to be paid in cash	Total
-	-	-
9.32	1.82	11.14

29. Components of OCI

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

During the year ended March 31, 2019

Cash Flow Hedge Reserve (net)
Less: reclassified to statement of profit and loss

March 31, 2019
194.03
(209.34)
(15.31)

During the year ended March 31, 2018

Cash Flow Hedge Reserve (net)
Less: reclassified to statement of profit and loss

March 31, 2018
52.70
(33.82)
18.88

30. (Loss)/ Earnings Per Share (EPS)

The following reflects the (loss)/ income and share data used in the basic and diluted EPS computations:

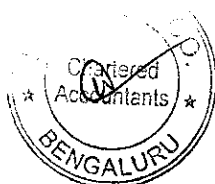
Profit attributable to equity holders of the company

Weighted average number of equity shares used for Computing Loss/ Earning Per Share (Basic & Diluted)

(Loss)/ Earning Per Share (Basic) (Rs)
(Loss)/ Earning Per Share (Diluted) (Rs)
Face value per share (Rs)

March 31, 2019	March 31, 2018
(111.77)	38.25
245.00	245.00
245.00	245.00
(0.46)	0.16
(0.46)	0.16
10.00	10.00

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31. Significant accounting judgements, estimates and assumptions

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

31.1 Judgements

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

Discounting rate

The Company has considered incremental borrowing rate of Airport sector as at transition date for measuring deposits, being financial assets and financial liabilities, at amortised cost till March 31, 2018. From period starting from April 01, 2018; management has considered revised incremental borrowing rate of airport sector for all the deposits given/received post March 31, 2018; and impact has been duly accounted in standalone financial statements.

Consideration of significant financing component in a contract

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

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

Non applicability of Service Concession Arrangement (SCA)

DIAL had entered into Operation, Management and Development Agreement ('OMDA') with Airports Authority of India ('AAI'), which gives DIAL an exclusive right to operate, maintain, develop, modernize and manage the Delhi Airport on a revenue sharing model for an initial term of 30 years, which can be extended by another 30 years on satisfaction of certain terms and conditions pursuant to the provisions of the OMDA. Under the agreement, AAI has granted exclusive right and authority to undertake some of the functions of the AAI being the functions of operation, maintenance, development, design, construction, upgradation, modernization, finance and management of the Airport and to perform services and activities at the airport constituting 'Aeronautical Services' and 'Non-Aeronautical Services'. For prices, aeronautical services are regulated, while the regulator has no control over determination of prices for Non-Aeronautical Services. The management of the Company conducted detailed analysis to determine applicability of Appendix D of Ind AS 115 and concluded that the same does not apply to DIAL. Company concession arrangement has significant non-regulated revenues, which are apparently not ancillary in nature, as these are important from DIAL, AAI and users/passengers perspective. Further, the regulated and non-regulated services are substantially interdependent and cannot be offered in isolation. The airport premise is being used both for providing regulated services (Aeronautical Services) and for providing non-regulated services (Non-aeronautical Services). Accordingly, the management has concluded that SCA does not apply in its entirety to the Company.



Annual Fee to AAI

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

Management of the Company is of the view that the certain income / credits arising on adoption of Ind-AS was not in contemplation of parties in April 2006 when this Concession Agreement was signed / entered. Further, these income/credits in Statement of Profit and Loss do not represent actual receipts from business operations, from any external sources and therefore, these incomes/ credits should not be treated as "Revenue" for calculation of MAF to AAI. Accordingly, the Company, basis above and Legal Opinion, has provided the monthly annual fee to AAI based on Revenue as per the Ind AS financial statements after adjusting such incomes/credits (refer note 40 (i)).

31.2 ESTIMATES AND ASSUMPTIONS

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

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

Taxes

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

Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.



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

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

Further details about gratuity obligations are given in Note 32 (b).

Provision for Leave encashment

The present value of leave encashment is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of discount rate, future salary increases, and withdrawal rates. Due to complexities involved in the valuation and its long term nature, provision for leave encashment is sensitive to changes in these assumptions. All assumptions are reviewed at each balance sheet date.

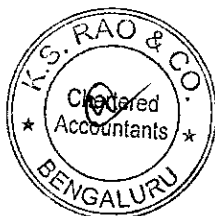
Contingencies

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

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 36, 37 and 38 for further disclosures.

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32. Retirement and other employee Benefit:-

Employee Benefit:-

a) Defined benefit plans

During the year ended March 31, 2019, the Company has recognised Rs. 12.52 crore (March 31, 2018: Rs. 10.48 crore) as an expenses and included in Employee benefits expense as under the following defined contribution plans.

	For the year ended March 31, 2019	For the year ended March 31, 2018
Employer's contribution to		
Provident and other fund#	8.38	7.02
Superannuation fund*	4.14	3.46
Total	12.52	10.48

#Net of amount transferred to Capital work-in-progress ('CWIP') & CPD Rs. 0.24 Crore (March 31, 2018: Rs. 0.11 Crore)

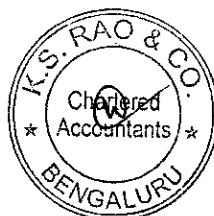
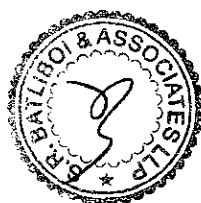
*Net of amount transferred to CWIP & CPD Rs. 0.14 Crore (March 31, 2018: Rs. 0.08 Crore).

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

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

Particulars	March 31, 2019	March 31, 2018
Plan assets at the year end, at fair value	148.09	111.59
Present value of benefit obligation at year end	148.09	111.59
Net (liability) recognized in the balance sheet	-	-

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Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)**CIN. U63033DL2006PLC146936****Notes to the standalone financial statements for the year ended March 31, 2019****(All amounts in Rupees Crore, except otherwise stated)**

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

Particulars	March 31, 2019	March 31, 2018
Discount rate	7.55%	7.60%
Fund rate	9.30%	9.30%
PFO rate	8.65% for first year and 8.60% thereafter	8.55% for the next one year
Withdrawal rate	5.00%	5.00%
Mortality	Indian Assured Lives Mortality (2006-08) (modified)Ult *	Indian Assured Lives Mortality (2006-08) (modified)Ult *

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

(b) Gratuity expense

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

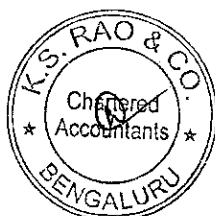
The following tables summarise the components of net benefit expense recognised in the standalone statement of profit or loss and amounts recognised in the balance sheet for defined benefit plans/obligations:

Net employee benefit expense (recognized in Employee Cost) for the year ended March 31, 2019:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current Service Cost	2.00	1.51
Past Service Cost	-	1.53
Net Interest Cost	(0.12)	(0.03)
Total	1.88	3.01

Amount recognised in Other Comprehensive Income for the year ended March 31, 2019:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Actuarial (gain)/loss due to DBO experience	(0.05)	0.08
Actuarial gain due to DBO financial assumptions changes	-	(0.59)
Actuarial gain arising during period	(0.05)	(0.51)
Return on plan assets less / (greater) than discount rate	0.33	(0.26)
Actuarial loss / (gains) recognized in OCI	0.28	(0.77)



Balance Sheet

Particulars	March 31, 2019	March 31, 2018
Defined benefit obligation	(19.18)	(16.39)
Fair value of plan assets	21.14	14.94
Benefit asset / (liability)	1.96	(1.45)

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

Particulars	March 31, 2019	March 31, 2018
Opening defined benefit obligation	16.39	12.78
Interest cost	1.21	0.87
Current service cost	2.00	1.51
Past Service Cost	-	1.53
Acquisition cost	0.65	1.10
Benefits paid (including transfer)	(1.02)	(0.89)
Actuarial gain on obligation-experience	(0.05)	(0.51)
Closing defined benefit obligation	19.18	16.39

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

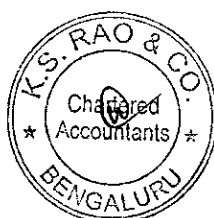
Particulars	March 31, 2019	March 31, 2018
Opening fair value of plan assets	14.94	11.57
Acquisition Adjustment	0.65	0.92
Interest income on plan assets	1.33	0.90
Contributions by employer	5.57	2.18
Benefits paid (including transfer)	(1.02)	(0.89)
Return on plan assets greater/ (lesser) than discount rate	(0.33)	0.26
Closing fair value of plan assets	21.14	14.94

The Company expects to contribute Rs. 2.09 crore to gratuity fund during the year ended on March 31, 2020 (March 31, 2019: Rs. 2.18 crore).

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

Particulars	March 31, 2019	March 31, 2018
	(%)	(%)
Investments with insurer managed funds	100	100

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

Particulars	March 31, 2019	March 31, 2018
Discount rate (in %)	7.60%	7.60%
Salary Escalation (in %)	6.00%	6.00%
Expected rate of return on assets	7.60%	7.60%
Attrition rate (in %)	5.00%	5.00%

A quantitative sensitivity analysis for significant assumption as at March 31, 2019 is as shown below:

	March 31, 2019	March 31, 2018
Assumptions	Discount rate	
Sensitivity Level	1%	1%
Impact on defined benefit obligation due to increase	(1.36)	(1.17)
Impact on defined benefit obligation due to decrease	1.56	1.34

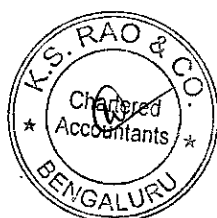
Assumptions	Future Salary Increase	
Sensitivity Level	1%	1%
Impact on defined benefit obligation due to increase	1.45	1.26
Impact on defined benefit obligation due to decrease	(1.33)	(1.15)

Assumptions	Attrition rate	
Sensitivity Level	1%	1%
Impact on defined benefit obligation due to increase	0.16	0.14
Impact on defined benefit obligation due to decrease	(0.18)	(0.16)

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

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (March 31, 2018:10 years).

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33. Commitments and Contingencies

I. Leases

Operating lease: Company as lessee

The Company has taken office and residential space, information technology equipment under operating lease arrangements. Office premises are obtained on operating lease for terms ranging from 0-5 years and are renewable upon agreement of both the Company and the lessor. There are no sub leases. The lease payment for the year (excluding taxes) is Rs. 8.09 crore (March 31, 2018 Rs. 10.57 crore).

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

Particulars	March 31, 2019	March 31, 2018
Minimum Lease Payments:		
Within one year	4.42	2.48
After one year but not more than five years	1.57	2.18
More than five years	-	-
Total future payments	5.99	4.66

II. Contingent liabilities not provided for:

	Particulars	March 31, 2019	March 31, 2018
(i)	In respect of Income tax matters *	64.29	64.29
(ii)	In respect of Indirect tax matters [refer note (e) & (f) below and other matters*]	4.21	190.42
(iii)	Claim against the Company not acknowledged as debt [refer (d) below and other matters*]	0.26	41.47
(iv)	In respect of other matters [refer (a) below]	23.61	15.72

*pertaining to various cases not included below

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

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

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

Company has paid Rs. 1.12 crore and Rs. 1.15 crore for financial year 2018-19 and financial year 2017-18 respectively based on same computation as of financial year 2016-17.



DCB had raised provisional invoice on April 13, 2018 demanding property tax of Rs. 9.01 crore for the Financial Year 2018-19 along with arrears of Rs. 15.72 crore for FY 2016-17 and FY 2017-18. Accordingly, the Company has disclosed remaining amount of Rs. 23.61 crore in respect of FY 2016-17, FY 2017-18 and FY 2018-19 as contingent liability.

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

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

The Company had challenged the said circulars issued by MoCA before the Hon'ble Delhi High Court of Delhi by way of a Writ Petition. The Hon'ble Court, vide its order dated December 21, 2012, had restrained MoCA from taking any coercive measures in the form of initiation of criminal proceedings against the Company and the matter is now listed for hearing on July 9, 2019. Based on an internal assessment and aforesaid order of the Hon'ble Delhi High Court, the management is confident that no liability in this regard would be payable and as such no provision has been made in these standalone financial statements.

- c) MoCA issued an order no. AV 13024 /03/2011-AS (Pt. I) dated February 18, 2014 requiring the Airport Operators to reverse the expenditure incurred, since inception to till date, towards procurement and maintenance of security systems/equipment and on creation of fixed assets out of PSF (SC) escrow account opened and maintained by DIAL (the Airport Operator) in a fiduciary capacity. The Company had incurred Rs. 297.25 crore towards capital expenditure (excluding related maintenance expense and interest thereon) till March 31, 2019 (March 31, 2018: Rs. 297.25 crore) out of PSF (SC) escrow account as per Standard Operating Procedure (SOPs), guidelines and clarification issued by MoCA from time to time on the subject of utilization of PSF (SC) funds.

In the opinion of the management of the Company, the above order is contrary to and inconsistent with SOPs, guidelines and clarification issued by MoCA from time to time in this regard and as such had challenged the said order before Hon'ble High court of Delhi. The Hon'ble High Court of Delhi, vide its order dated March 14, 2014, stayed recovery of amount already utilized by the Company from PSF (SC) Escrow Account till date. The matter is now listed for hearing on July 9, 2019.

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



Based on an internal assessment, the management of the Company is of the view that no adjustments are required to be made in the books of accounts. Further, as directed by the Hon'ble High Court of Delhi and pending further orders, the Company has charged Rs. 96.39 crore from April 1, 2014 till March 31, 2019 (March 31, 2018: Rs. 79.38 crore) towards the expenditure incurred on repair and maintenance of security equipment to the standalone statement of profit and loss which includes Rs. 17.01 crore during the year ended March 31, 2019 (March 31, 2018: Rs 20.97 crore).

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

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

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

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

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

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

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The matter was duly heard and arbitration award was pronounced in favour of the Company on December 27, 2018, mentioning that the income earned by way of SFIS Scrip does not fall under the definition of Revenue as per OMDA as it is not related with any Aeronautical or Non-Aeronautical activities and it is of the nature of capital receipt. Accordingly, no revenue share is payable to AAI by the Company on SFIS revenue and demand of AAI for revenue share stands rejected.

However, AAI has filed an appeal in Hon'ble Delhi High Court on April 25, 2019 for setting aside the arbitration award dated December 27, 2018. The next hearing is scheduled on May 24, 2019.

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

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

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

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

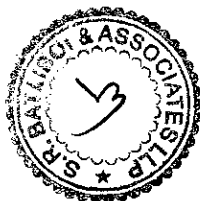
The Company has filed appeal before CESTAT, New Delhi on August 02, 2016 by depositing Rs. 4.07 crore against the order dated May 02, 2016, the same has been shown under other loan and advances as Deposit with Government Authorities including paid under protest. The matter was concluded in final hearing held on December 20, 2018 and the decision is pronounced on February 8, 2019 in favour of DIAL setting aside the order of the Director Adjudication raising a demand of service tax of Rs. 54.31 crore.

Accordingly, the amount of penalty of Rs. 54.31 crore disclosed as contingent liability as at March 31, 2018 is now shown as Nil as at March 31, 2019.

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

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

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



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

The Company had filed an appeal against the order before CESTAT, New Delhi on October 10, 2016. The matter was concluded in final hearing held on December 04, 2018 and the decision is pronounced on January 18, 2019 in favour of DIAL setting aside the order of the Commissioner levying service tax on ADF and penalty amounting to Rs. 262.06 crore.

Accordingly, the amount of penalty of Rs.131.89 crore disclosed as contingent liability as at March 31, 2018 is now shown as Nil as at March 31, 2019.

- g) There are numerous interpretative issued till now relating to the Hon'ble Supreme Court (SC) judgement on Provident Fund dated February 28, 2019. As a matter of caution, the Company has made a provision on a prospective basis from the date of the SC order. The company will update its provision, on receiving further clarity on the subject

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

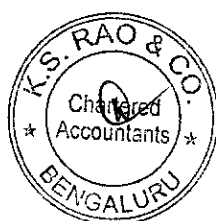
IV. Capital and Other Commitments:

i. Capital Commitments:

At March 31, 2019, the Company has estimated amount of contracts remaining to be executed on capital account not provided for [net of advances of Rs. 897.92 crore (March 31, 2018: Rs. 4.01 crore)] Rs. 9,326.05 crore (March 31, 2018: Rs. 154.99 crore).

ii. Other Commitments:

- i. As per the terms of OMDA, the Company is required to pay annual fees to AAI at 45.99% of the revenue (as defined in OMDA) of the Company for an initial term of 30 years starting from May 2006 and which can be extended by another 30 years on satisfaction of certain terms and conditions pursuant to the provisions of OMDA.
- ii. In respect of its equity investment in East Delhi Waste Processing Company Private Limited, the Company along with SELCO International Limited has to maintain minimum 51% shareholding for a period of 2 years from the commissioning of the project and thereafter minimum 26% shareholding for next 10 years. The project has been commissioned with effect from April 01, 2017.
- iii. As per the terms of Airport Operator Agreement, the Company is required to pay every year 3% of previous year's gross revenue as operator fee to Fraport AG Frankfurt Airport Services Worldwide.
- iv. In terms of Section 115JB of Income Tax Act, 1961, certain Ind AS adjustments at the Ind AS transition date to be included in book profits equally over a period of five years starting from the year of first time adoption of Ind AS i.e. FY 2016-17. Pursuant to above, the Company had made Ind AS adjustments amounting to Rs. 184.79 crore as on March 31, 2016 and included 1/5th of the same i.e. Rs. 36.96 crore while computing book profit for Financial Year 2016-17, 2017-18 and 2018-19 and paid/provided MAT accordingly. The remaining amount of Rs. 73.91 crore will be adjusted in the two subsequent years while computing book profit for MAT.



- v. Company had entered into "Call spread Option" with various banks for hedging the repayment of 6.125% Senior secured notes (2022) of USD 288.75 million and 6.125% Senior secured notes (2026) of USD 522.60 million, which are repayable in February 2022 and October 2026 respectively. The terms of the agreements is as below:

Option Value (in USD Mn)	Period		Call spread range (INR/USD)	Total Premium Payable	Premium paid till	Premium outstanding as at	
	From	To			March 31, 2019	March 31, 2019	March 31, 2018
522.60	December 6, 2016	October 22, 2026	66.85 - 101.86	1,241.30	266.49	974.81	1,100.57
80.00	February 6, 2017	January 27, 2022	68.00 - 85.00	94.33	37.39	56.94	75.87
208.75	January 23, 2018	January 27, 2022	3.80 - 85.00	198.34	49.76	148.59	198.08

With respect to Subsidiary, Joint ventures and associates:

- vi. DIAL entered into a tripartite Master Service Agreement (MSA) with WAISL Limited (Formerly known as Wipro Airport IT Services Limited) [WAISL] and WIPRO Limited. This agreement was further amended vide addendum number 17, dated April 5, 2018, in which Antariksh Softtech Private Limited has also become the party to the agreement. As per the agreement, DIAL is committed to pay annually, premium fees to WAISL or receive from WAISL a concession fee, determined and mutually agreed on the basis of estimated receivable and subsistence level (as defined in the said MSA further amended vide addendum number 19, dated October 1, 2018). During year ended March 31, 2019, the Company accounted for Rs. 103.36 crore towards such concession fee from WAISL and this is included in revenue from operations (March 31, 2018: Rs. 45.26 crore).

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. Till March 31, 2019, the Company has funded Rs. 11.17 crore (March 31, 2018: Rs. 11.02 crore) towards shortfall in collection from customers.

- vii. 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. However, the Company is proposing to sale its entire investment in WAISL Limited of Rs. 1.30 crores (13,00,000 shares of Rs. 10 each) to Antariksh Softtech Private Limited based on valuation of independent valuer.
- viii. The Company has committed to provide financial support to Delhi Aerotropolis Private Limited (Subsidiary Company) to meet the liabilities of Delhi Aerotropolis Private Limited (Subsidiary Company), as and when required.

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Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)**CIN. U63033DL2006PLC146936****Notes to the standalone financial statements for the year ended March 31, 2019****(All amounts in Rupees Crore, except otherwise stated)**

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

Company Name	March 31, 2019		March 31, 2018	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Delhi Duty Free Services Private Limited	-	-	11,976,000	119,760,000
Delhi Airport Parking Services Private Limited	18,853,703	188,537,030	18,853,703	188,537,030
Travel Food Services (Delhi Terminal 3) Private Limited	1,680,000	16,800,000	16,80,000	16800,000

- x. In respect of the Company's investment in Joint Venture ('JV') entities and Associate Companies, other JV/ associate partners have the first right of refusal in case, any of the JV/ associate partners intend to sell its stake subject to other terms and conditions of respective JV/ associate agreements.
- xi. In respect of its equity investment in GMR Bajoli Holi Hydropower Private Limited ('Bajoli Holi'), the Company has to maintain minimum 17.33% of equity shareholding until the expiry of or early termination of power purchase agreement dated September 11, 2017 entered between the Company and the Bajoli Holi, expiring on May 03, 2036. The Company has invested Rs. 108.33 crore as Equity Share Capital.
- xii. The Company has invested in DIGI Yatra foundation, a Special Purpose Vehicle (SPV) formed as central platform for identity management of passengers, as Joint Venture (JV) of private airport operators and AAI under Section 8 of the Companies Act, 2013 (Not for Profit Organization). It has been decided by AAI that initially for incorporation AAI, DIAL and Bangalore International Airport Limited (BIAL) will form this Company with shareholding of 26:37:37 respectively. Currently DIGI Yatra foundation is having paid up capital of Rs. 10,000 and DIAL has invested Rs. 3,700. In future, the equity share of Joint Venture Company (JVC) will be 26% of AAI and remaining 74% will be equally divided amongst the Private Airport Operators viz. BIAL, Calcutta International Airport Limited, DIAL, GMR Hyderabad International Airport Limited (GHIAL), Mumbai International Airport Limited (MIAL) i.e. 14.8% each.



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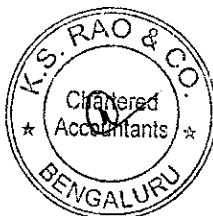
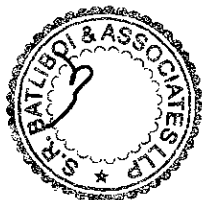


34. Related Party Transactions

a) Names of related parties and description of relationship:

Description of relationship	Name of the related parties
Ultimate holding company	GMR Enterprises Private Limited
Intermediate holding company	GMR Infrastructure Limited
Holding company	GMR Airports Limited
Subsidiary company	Delhi Aeropolis Private Limited
Associate company	Delhi Airport Parking Services Private Limited
	Travel Food Services (Delhi Terminal 3) Private Limited
	Delhi Duty Free Services Private Limited
	Celebi Delhi Cargo Terminal Management India Private Limited
	TIM Delhi Airport Advertising Private Limited
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)	DIGI Yatra Foundation ¹
	GMR Hyderabad International Airport Limited
	GMR Male International Airport Private Limited
	GMR Airport Developers Limited
	GMR Aviation Private Limited
	Raxa Security Services Limited
	GMR Krishnagiri SEZ Limited
	GMR Chhattisgarh Energy Limited
	GMR Kamalanga Energy Limited
	Kakinada SEZ Limited (formerly known as Kakinada SEZ Private Limited)
	GMR Warora Energy Limited
	GMR Pochanpalli Expressways Limited
	GMR Tambaram Tindivanam Expressways Limited
	GMR Consulting Services Private Limited
	GMR Energy Trading Limited
	GMR Vemagiri Power Generation Limited
	GMR Goa International Airport Limited
	GMR Sports Private Limited
	GMR Aero Technic Limited
	GMR Hospitality and Retail Limited (Formerly GMR Hotels and Resorts Limited)
	GMR Tuni Anakapalli Expressways Limited
Fellow joint venture (including joint venture company of the ultimate/ Intermediate holding company)	JSW GMR Cricket Private Limited (Formerly GMR Sports Private Limited) ²
Joint ventures	Delhi Aviation Services Private Limited
	Delhi Aviation Fuel Facility Private Limited
	WAISL Limited (Formerly known as Wipro Airport IT Services Limited) ³
Enterprises in respect of which the company is a joint venture	GMR Baijoli Holi Hydropower Private Limited ⁴
	Airports Authority of India
Associate of member of a Group of which DIAL is a member	Fraport AG Frankfurt Airport Services Worldwide
Enterprises where significant influence of Key management Personnel or their relatives exists	GMR Megawide Cebu Airport Corporation
Key Management personnel	GMR Varalaksmi Foundation
	Mr. G.M. Rao ⁵ - Executive Chairman
	Mr. G.B.S. Raju ⁶ - Managing Director
	Mr. Srinivas Bommidala ⁶ - Non Executive Director
	Mr. Grandhi Kiran Kumar ⁷ - Non Executive Director
	Mr. K. Narayana Rao - Whole Time Director
	Mr. Indana Prabhakara Rao - Executive Director
	Mr. G. Subba Rao - Director
	Mr. R.S.S.L.N. Bhaskarudu - Independent Director
	Mr. M. Ramachandran - Independent Director
	Ms. Siva Kameswari Vissa - Independent Director
	Mr. N.C. Sarabeswaran - Independent Director
	Mr. Anuj Aggarwal - Director (AAI Nominee)
	Mr. S. Suresh - Director (AAI Nominee)
	Mr. A.K. Dutta - Director (AAI Nominee)

- The company has invested in DIGI Yatra foundation, a Special Purpose Vehicle (SPV) formed as central platform for identity management of passengers, as Joint Venture (JV) of private airport operators and AAI under Section 8 of the Companies Act, 2013 (Not for Profit Organization). Further, it has been decided by AAI that initially for incorporation AAI, DIAL and Bangalore International Airport Limited (BIAL) will form this company with shareholding of 26:37:37 respectively. Currently this company is having paid up capital of Rs. 10,000 (INR) and DIAL has invested Rs. 3,700 (INR) only. In future, the equity share of JVC will be 26% of AAI and remaining 74% will be equally divided amongst the Private Airport Operators viz. BIAL, Calcutta International Airport Limited, DIAL, Hyderabad International Airport Limited (HIAL), Mumbai International Airport Limited (MIAL) i.e. 14.8% each.
- GMR Sports Private Limited is fellow joint venture w.e.f. June 13, 2018. Consequently, the name of the Company has been changed to JSW GMR Cricket Private Limited.
- The name of Wipro Airport IT Services Limited is changed to WAISL Limited with effect from September 8, 2018.
- W.e.f. from September 11, 2017, the Company has entered into a share subscription cum shareholder's agreement for acquisition of 17.33% of shareholding in GMR Bajoli Holi Hydropower Private Limited. The Company holds 20.85% of shareholding in GMR Bajoli Holi Hydropower Private Limited as at September 30, 2018. Pursuant to terms of the agreement, GMR Bajoli Holi Hydropower Private Limited has become a joint venture of the Company.
- W.e.f. April 01, 2018, Mr. G.M. Rao has been appointed Executive Chairman of the company.
- Mr. Srinivas Bommidala ceased to be the Managing Director of the Company w.e.f. end of business hours of March 31, 2018. Mr. G.B.S. Raju has been appointed as Managing Director in place of Mr. Srinivas Bommidala w.e.f. April 01, 2018.
- W.e.f. June 01, 2018, Mr. Grandhi Kiran Kumar Non-Executive Director of the company.



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

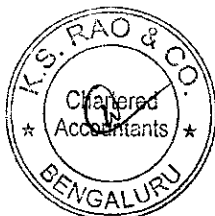
CIN. U63033DL2006PLC146936

Notes to the Standalone Financial Statements for the year ended March 31, 2019

(All amounts in Rupees Crore, except otherwise stated)

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

Balances as at Date	March 31, 2019	March 31, 2018
Investments in subsidiary, associates and Joint Ventures		
Investments in Unquoted Equity Share		
Subsidiary Company		
Delhi Aerotropolis Private Limited	0.10	0.10
Associate Companies		
Celebi Delhi Cargo Terminal Management India Private Limited	29.12	29.12
Delhi Duty Free Services Private Limited	39.92	39.92
Travel Food services (Delhi Terminal 3) Private Limited	5.60	5.60
TIM Delhi Airport Advertising Private Limited	9.22	9.22
Delhi Airport Parking Services Private Limited	40.64	40.64
Digi Yatra Foundation	0.00	-
Joint Ventures		
Delhi Aviation Services Private Limited	12.50	12.50
Delhi Aviation Fuel Facility Private Limited	42.64	42.64
WAISL Limited	1.30	1.30
GMR Bajoli Holi Hydropower Private Limited	108.33	108.33
Trade Receivables (including marketing fund)		
Intermediate holding company		
GMR Infrastructure Limited	0.74	0.36
Holding Company		
GMR Airports Limited	0.20	-
Enterprises in respect of which the company is a joint venture		
Airports Authority of India	0.01	0.07
Associate Companies		
Delhi Duty Free Services Private Limited	-	16.37
TIM Delhi Airport Advertising Private Limited	0.67	30.37
Delhi Airport Parking Services Private Limited	-	2.69
Travel Food Services (Delhi Terminal 3) Private Limited	0.60	0.86
Celebi Delhi Cargo Terminal Management India Private Limited	-	15.57
Joint Ventures		
GMR Bajoli Holi Hydropower Private Limited	2.48	0.50
WAISL Limited	5.74	37.35
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Aviation Private Limited	0.02	0.02
GMR Warora Energy Limited	2.31	1.46
GMR Vemagiri Power Generation Limited	2.81	0.41
GMR Kamalanga Energy Limited	1.95	0.23
GMR Aero Technic Limited	-	0.03
GMR Tambaram Tindivanam Expressways Limited	1.37	-
Other Financial Assets - Current		
Unbilled receivables (March 31, 2018 Unbilled revenue)		
Intermediate holding company		
GMR Infrastructure Limited	0.01	-
Enterprises in respect of which the company is a joint venture		
Airports Authority of India	1.18	1.16
Associate Companies		
Delhi Airport Parking Services Private Limited	3.24	-
TIM Delhi Airport Advertising Private Limited	27.67	-
Delhi Duty Free Services Private Limited	16.50	-
Celebi Delhi Cargo Terminal Management India Private Limited	14.43	-
Travel Food Services (Delhi Terminal 3) Private Limited	1.40	-
Joint Ventures		
WAISL Limited	21.06	-
Delhi Aviation Services Private Limited	1.54	-
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Aviation Private Limited	0.01	-
GMR Warora Energy Limited	0.01	-
GMR Vemagiri Power Generation Limited	0.02	-



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

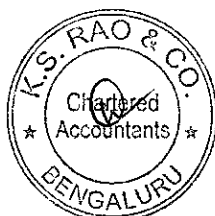
CIN. U63033DL2006PLC146936

Notes to the Standalone Financial Statements for the year ended March 31, 2019

(All amounts in Rupees Crore, except otherwise stated)

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

Balances as at Date	March 31, 2019	March 31, 2018
Inter-company Deposits		
Current		
Intermediate holding company		
GMR Infrastructure Limited	400.00	-
Other recoverables		
Subsidiary Company		
Delhi Aerotropolis Private Limited	0.06	0.06
Joint Ventures		
Delhi Aviation Services Private Limited	0.19	0.06
Delhi Aviation Fuel Facility Private Limited	0.15	0.15
WAISL Limited	11.17	8.09
GMR Bajoli Holi Hydropower Private Limited	0.01	0.03
Associate Companies		
Delhi Airport Parking Services Private Limited	0.20	0.30
Travel Food Services (Delhi Terminal 3) Private Limited	0.09	0.05
Celebi Delhi Cargo Terminal Management India Private Limited	0.15	0.02
Delhi Duty Free Services Private Limited	0.12	0.06
TIM Delhi Airport Advertising Private Limited	-	0.10
Enterprises in respect of which the company is a joint venture		
Airports Authority of India	6.80	6.80
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Consulting Services Private Limited	0.01	0.01
GMR Warora Energy Limited	0.02	0.01
Kakinada SEZ Limited	0.09	0.10
GMR Hyderabad International Airport Limited	-	0.13
GMR Male International Airport Private Limited	-	1.37
GMR Tuni Anakapalli Expressways Limited	0.01	-
GMR GOA International Airport Limited	0.25	0.25
GMR Pochanpalli Expressways Limited	0.03	0.01
GMR Energy Trading Limited	-	0.18
GMR Krishnagiri SEZ Limited	0.01	-
Associate of a member of a group of which DIAL is a member		
GMR Megawide CEBU Airport Corporation	-	0.07
Non- Trade Receivables (including marketing fund)		
Intermediate holding company		
GMR Infrastructure Limited	0.01	0.12
Enterprises in respect of which the company is a joint venture		
Airports Authority of India	2.12	3.38
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Chhattisgarh Energy Limited	0.02	0.02
GMR Tambaram Tindivanam Expressways Limited	-	0.01
GMR Warora Energy Limited	0.34	0.23
GMR Kamalanga Energy Limited	0.30	0.22
GMR Vemagiri Power Generation Limited	0.52	0.27
Associate Companies		
Travel Food Services (Delhi Terminal 3) Private Limited	0.03	0.20
Celebi Delhi Cargo Terminal Management India Private Limited	-	0.10
Delhi Airport Parking Services Private Limited	-	0.33
TIM Delhi Airport Advertising Private Limited	-	0.21
Delhi Duty Free Services Private Limited	-	1.28
Joint Ventures		
Delhi Aviation Services Private Limited	-	0.91
WAISL Limited	-	23.76
GMR Bajoli Holi Hydropower Private Limited	0.26	0.07
Loans - Advances- Non-Current		
Joint Ventures		
WAISL Limited	2.82	2.82
Provision for Doubtful Advances		
Joint Ventures		
WAISL Limited	2.82	2.82



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

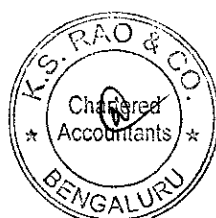
CIN. U63033DL2006PLC146936

Notes to the Standalone Financial Statements for the year ended March 31, 2019

(All amounts in Rupees Crore, except otherwise stated)

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

Balances as at Date	March 31, 2019	March 31, 2018
Trade payable (including marketing fund)		
Intermediate holding company		
GMR Infrastructure Limited	0.43	1.93
Holding company		
GMR Airports Limited	15.17	44.43
Associate Companies		
TIM Delhi Airport Advertising Private Limited	0.17	-
Enterprises in respect of which the company is a joint venture		
Fraport AG Frankfurt Airport Services Worldwide	0.40	93.86
Airports Authority of India	59.16	62.31
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
Raxa Security Services Limited	3.08	1.50
GMR Aviation Private limited	1.57	-
GMR Energy Trading Limited	2.52	-
GMR Airport Developers Limited	0.64	0.36
GMR Vemagiri Power Generation Limited	0.01	0.02
JSW GMR Cricket Private Limited	-	0.01
GMR Tuni Anakapalli Expressways Limited	-	0.17
Other Financial Liabilities at amortised cost- Non-current		
Liability for Voluntary retirement scheme		
Enterprises in respect of which the company is a joint venture		
Airports Authority of India	-	1.35
Other Financial Liabilities at amortised cost- Current		
Liability for voluntary retirement scheme		
Enterprises in respect of which the company is a joint venture		
Airports Authority of India	1.35	15.47
Other Financial Liabilities at amortised cost- Current		
Security Deposits from trade concessionaires		
Associate Companies		
Delhi Duty Free Services Private Limited	1.00	1.10
Celebi Delhi Cargo Terminal Management India Private Limited	0.01	0.01
Delhi Airport Parking Services Private Limited	0.42	0.01
TIM Delhi Airport Advertising Private Limited	0.73	-
Joint Ventures		
Delhi Aviation Services Private Limited	0.09	0.09
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Aviation Private Limited	0.11	0.11
GMR Aero Technic Limited	0.22	-
Other Financial Liabilities at amortised cost- Non Current		
Security Deposits from trade concessionaires		
Joint Ventures		
Delhi Aviation Fuel Facility Private Limited	34.10	23.09
Delhi Aviation Services Private Limited	12.92	11.49
Associate Companies		
Celebi Delhi Cargo Terminal Management India Private Limited	29.01	21.26
Delhi Airport Parking Services Private Limited	0.46	0.77
Delhi Duty Free Services Private Limited	113.94	102.69
TIM Delhi Airport Advertising Private Limited	9.45	9.07
Travel Food Services (Delhi Terminal 3) Private Limited	3.14	2.80
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Aero Technic Limited	-	0.20



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

CIN. U63033DL2006PLC146936

Notes to the Standalone Financial Statements for the year ended March 31, 2019

(All amounts in Rupees Crore, except otherwise stated)

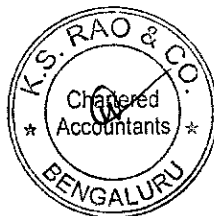
34 (b) Summary of balances with the above related parties are as follows:

Balances as at Date	March 31, 2019	March 31, 2018
Unearned Revenue		
Current		
Associate Companies		
TIM Delhi Airport Advertising Private Limited	0.54	0.31
Delhi Airport Parking Services Private Limited	-	0.01
Travel Food Services (Delhi Terminal 3) Private Limited	0.29	0.25
Delhi Duty Free Services Private Limited	0.14	0.16
Celebi Delhi Cargo Terminal Management India Private Limited	0.47	0.56
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Tambaram Tindivanam Expressways Limited	0.01	-
Unearned Revenue		
Non-Current		
Associate Companies		
TIM Delhi Airport Advertising Private Limited	0.04	-
Delhi Duty Free Services Private Limited	0.05	-
Deferred Revenue		
Deferred Income on financial liabilities carried at amortised cost - Current		
Associate Companies		
Delhi Airport Parking Services Private Limited	0.12	0.15
Delhi Duty Free Services Private Limited	12.94	12.99
Celebi Delhi Cargo Terminal Management India Private Limited	6.64	5.51
TIM Delhi Airport Advertising Private Limited	1.60	1.60
Travel Food Services (Delhi Terminal 3) Private Limited	0.47	0.47
Joint Ventures		
Delhi Aviation Fuel Facility Private Limited	8.25	6.39
Delhi Aviation Services Private Limited	1.02	1.02
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Aero Technic Limited	0.03	0.03
Deferred Revenue		
Deferred Income on financial liabilities carried at amortised cost - Non-Current		
Associate Companies		
Delhi Airport Parking Services Private Limited	1.74	1.86
Delhi Duty Free Services Private Limited	69.54	82.74
Celebi Delhi Cargo Terminal Management India Private Limited	98.80	87.56
TIM Delhi Airport Advertising Private Limited	16.10	17.72
Travel Food Services (Delhi Terminal 3) Private Limited	2.57	3.04
Joint Ventures		
Delhi Aviation Fuel Facility Private Limited	127.81	105.49
Delhi Aviation Services Private Limited	0.36	1.38
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Aero Technic Limited	-	0.03
Other liabilities-Current		
Advances from customer		
Delhi Aviation Fuel Facility Private Limited	-	0.31
Associate Companies		
Delhi Duty Free Services Private Limited	0.03	-
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Tambaram Tindivanam Expressways Limited	-	0.47



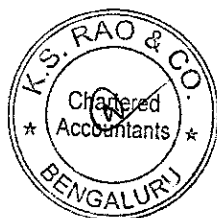
34 (c) Summary of transactions with the above related parties is as follows:

Transactions During the period	March 31, 2019	March 31, 2018
Non-current investments		
Investment made in Equity Share		
Associate Companies		
Digi Yatra Foundation	0.00	-
Joint Ventures		
GMR Bajoli Holi Hydropower Private Limited	-	108.33
Security Deposits from trade concessionaires		
Security Deposits Received		
Associate Companies		
Celebi Delhi Cargo Terminal Management India Private Limited	23.72	7.95
Delhi Duty Free Services Private Limited	-	3.97
Travel Food Services (Delhi Terminal 3) Private Limited	-	4.33
Joint Ventures		
Delhi Aviation Fuel Facility Private Limited	39.96	-
Delhi Aviation Services Private Limited	0.04	0.04
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Aero Technic Limited	-	0.25
Security Deposits from trade concessionaires		
Security Deposits Refunded		
Associate Companies		
Delhi Duty Free Services Private Limited	1.51	0.12
Marketing Fund Billed		
Associate Companies		
Delhi Duty Free Services Private Limited	12.55	11.21
Travel Food Services (Delhi Terminal 3) Private Limited	1.14	0.86
Delhi Airport Parking Services Private Limited	0.01	0.01
Marketing Fund Utilised		
Associate Companies		
Delhi Duty Free Services Private Limited	7.37	10.87
TIM Delhi Airport Advertising Private Limited	0.75	0.36
Travel Food Services (Delhi Terminal 3) Private Limited	0.15	0.05
Utilization of advance from commercial property developers		
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Airport Developers Limited	1.43	2.63
Capital Work in Progress		
Associate Companies		
Travel Food Services (Delhi Terminal 3) Private Limited	0.01	-
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Airport Developers Limited	2.35	-
GMR Aviation Private Limited	1.01	-
Dividend Paid		
Holding company		
GMR Airports Limited	-	101.92
Enterprises in respect of which the Company is a joint venture		
Airports Authority of India	-	41.41
Fraport AG Frankfurt Airport Services Worldwide	-	15.92



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

Transactions During the period	March 31, 2019	March 31, 2018
Non-aeronautical revenue		
Intermediate holding company		
GMR Infrastructure Limited	1.98	2.61
Holding company		
GMR Airports Limited	1.29	-
Joint Venture		
Delhi Aviation Fuel Facility Private Limited	19.81	18.43
Delhi Aviation Services Private Limited	9.28	8.22
WAISL Limited	103.57	45.26
GMR Bajoli Holi Hydropower Private Limited	1.82	1.69
Associate Companies		
TIM Delhi Airport Advertising Private Limited	163.00	171.28
Celebi Delhi Cargo Terminal Management India Private Limited	202.67	189.45
Travel Food Services (Delhi Terminal 3) Private Limited	32.85	22.17
Delhi Duty Free Services Private Limited	443.72	363.59
Delhi Airport Parking Services Private Limited	31.02	25.81
Fellow subsidiaries (including subsidiary companies of the ultimate Holding company)		
GMR Aviation Private Limited	0.06	0.06
GMR Tambaram Tindivanam Expressways Limited	2.80	2.60
GMR Warora Energy Limited	1.82	1.69
GMR Vemagiri Power Generation Limited	1.82	1.69
GMR Kamalanga Energy Limited	1.82	1.69
GMR Aero Technic Limited	0.54	0.03
Enterprises in respect of which the Company is a joint venture		
Airports Authority of India	0.04	-
Aeronautical Revenue		
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Aviation Private Limited	0.22	0.19
Enterprises in respect of which the Company is a joint venture		
Airports Authority of India	0.03	0.09
Other Income		
Dividend Income on Non-current Investments		
Joint Ventures		
Delhi Aviation Fuel Facility Private Limited	2.13	8.53
Delhi Aviation Services Private Limited	3.75	5.00
Associate Companies		
Delhi Duty Free Services Private Limited	35.92	32.93
TIM Delhi Airport Advertising Private Limited	10.61	9.68
Delhi Airport Parking Services Private Limited	11.18	10.16
Celebi Delhi Cargo Terminal Management India Private Limited		1.46
Non-Aeronautical - Income on Security deposits		
Associate Companies		
Delhi Airport Parking Services Private Limited	0.15	0.15
TIM Delhi Airport Advertising Private Limited	1.63	1.63
Delhi Duty Free Services Private Limited	13.12	13.09
Celebi Delhi Cargo Terminal Management India Private Limited	6.64	5.55
Travel Food Services (Delhi Terminal 3) Private Limited	0.48	0.38
Joint Ventures		
Delhi Aviation Fuel Facility Private Limited	8.32	4.49
Delhi Aviation Services Private Limited	1.03	1.03
Fellow subsidiaries (including subsidiary companies of the ultimate Holding company)		
GMR Aero Technic Limited	0.03	-
Other Revenue		
Interest on Inter Company Deposits		
Intermediate holding company		
GMR Infrastructure Limited	36.49	-
Interest Income on Financial Assets carried at amortised cost		
Associate Companies		
Travel Food Services (Delhi Terminal 3) Private Limited	0.01	2.62



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

Transactions During the period	March 31, 2019	March 31, 2018
Key managerial Remuneration paid/payable		
Short-term employee benefits*		
Mr. G.M. Rao	5.30	-
Mr. Grandhi Kiran Kumar	0.69	3.94
Mr. Srinivas Bommidala	-	3.94
Mr. K. Narayana Rao	1.54	1.60
Mr. G.B.S Raju	4.51	-
Mr. Indana Prabhakara Rao	2.42	-
Annual Fee		
Enterprises in respect of which the Company is a joint venture		
Airports Authority of India	1,591.25	1,761.47
Finance cost		
Other cost - Interest on Revenue share		
Enterprises in respect of which the Company is a joint venture		
Airports Authority of India	2.28	2.49
Finance Cost- Interest expense on financial liability carried at amortised cost		
Associate Companies		
Delhi Airport Parking Services Private Limited	0.09	0.08
TIM Delhi Airport Advertising Private Limited	1.11	0.99
Delhi Duty Free Services Private Limited	12.52	11.16
Celebi Delhi Cargo Terminal Management India Private Limited	3.04	2.31
Travel Food Services (Delhi Terminal 3) Private Limited	0.34	0.19
Joint Ventures		
Delhi Aviation Fuel Facility Private Limited	3.57	2.04
Delhi Aviation Services Private Limited	1.41	1.25
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Aero Technic Limited	0.02	-
Enterprises in respect of which the company is a joint venture		
Airports Authority of India	1.01	2.65
CSR Expenditure		
Enterprises where significant influence of key Management personnel or their relative exists		
GMR Varalakshmi Foundation	4.17	5.42
Manpower hire charges		
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Airport Developers Limited	49.14	45.11
Airport Operator fees		
Enterprises in respect of which the Company is a joint venture		
Fraport AG Frankfurt Airport Services Worldwide	114.90	171.87
Corporate Cost Allocation		
Intermediate Holding company		
GMR Infrastructure Limited	11.00	20.89
Holding company		
GMR Airports Limited	80.47	64.12
Services Received		
Travelling & Conveyance- Chartering Cost		
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Aviation Private Limited	11.33	4.28
Meetings and Seminars		
Holding company		
GMR Airports Limited	-	0.20
Security related expenses		
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
Raxa Security Services Limited	26.16	22.47

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



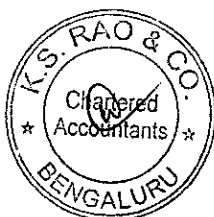
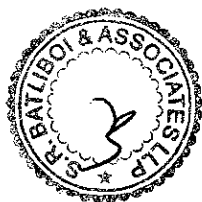
34 (c) Summary of transactions with the above related parties is as follows:

Transactions During the period	March 31, 2019	March 31, 2018
Repair and Maintenance - IT System		
Joint Ventures		
WAISL Limited	-	0.19
Utility Expenses		
Electricity Charges		
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Energy Trading Limited	30.40	31.83
Electricity charges recovered		
Intermediate holding company		
GMR Infrastructure Limited	0.12	0.12
Joint Ventures		
Delhi Aviation Services Private Limited	15.63	12.87
GMR Bajoli Holi Hydropower Private Limited	0.14	0.16
Associate Companies		
Delhi Airport Parking Services Private Limited	1.92	1.86
Celebi Delhi Cargo Terminal Management India Private Limited	10.92	10.94
TIM Delhi Airport Advertising Private Limited	4.18	3.28
Travel Food Services (Delhi Terminal 3) Private Limited	5.22	3.12
Delhi Duty Free Services Private Limited	2.58	1.97
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Aviation Private Limited	0.01	0.01
GMR Warora Energy Limited	0.22	0.27
GMR Tambaram Tindivanam Expressways Limited	0.09	0.12
GMR Vemagiri Power Generation Limited	0.24	0.29
GMR Kamalanga Energy Limited	0.15	0.18
Enterprises in respect of which the Company is a joint venture		
Airports Authority of India	15.79	17.07
Water charges recovered		
Joint Ventures		
Delhi Aviation Services Private Limited	0.20	0.11
GMR Bajoli Holi Hydropower Private Limited	0.03	0.02
Associate Companies		
Delhi Airport Parking Services Private Limited	0.52	0.41
Travel Food Services (Delhi Terminal 3) Private Limited	0.97	0.39
Celebi Delhi Cargo Terminal Management India Private Limited	2.82	1.27
Delhi Duty Free Services Private Limited	0.01	0.02
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Warora Energy Limited	0.02	0.01
Recovery of Collection Charges		
Enterprises in respect of which the Company is a joint venture		
Airports Authority of India	6.51	3.07
Directors' sitting fees		
Key management personnel		
Mr. R.S.S.L.N. Bhaskarudu	0.05	0.06
Ms. Siva Kameswari Vissa	0.04	0.05
Mr. N.C. Sarabeswaran	0.04	0.05
Mr. G. Subba Rao	0.03	0.03
Mr. G.B.S. Raju	-	0.01
Mr. Srinivas Bommidala	0.01	-
Mr. Grandhi Kiran Kumar	0.01	-
Mr. Anuj Aggarwal	0.01	-
Mr. S. Suresh	-	0.01
Mr. A.K. Dutta	-	0.01
Mr. M. Ramachandran	0.04	0.05



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

Transactions During the period	March 31, 2019	March 31, 2018
Foreign Travel - Others		
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Male International Airport Private Limited	0.03	-
Expenses incurred by Company on behalf of related parties		
Intermediate Holding company		
GMR Infrastructure Limited	0.02	0.02
Holding company		
GMR Airports Limited	6.26	4.74
Enterprises in respect of which the Company is a joint venture		
Airports Authority of India		
Joint Ventures		
Delhi Aviation Services Private Limited	0.64	0.60
GMR Bajoli Holi Hydropower Private Limited	0.01	0.01
WAISL Limited	20.96	10.14
Associate Companies		
Celebi Delhi Cargo Terminal Management India Private Limited	0.61	0.54
TIM Delhi Airport Advertising Private Limited	0.69	0.46
Delhi Airport Parking Services Private Limited	0.79	0.57
Travel Food Services (Delhi Terminal 3) Private Limited	0.48	0.45
Delhi Duty Free Services Private Limited	0.42	0.35
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Airport Developers Limited	0.04	0.01
GMR Tuni Anakapalli Expressways Limited	0.01	0.02
GMR Aviation Private Limited	0.01	-
GMR Warora Energy Limited	0.01	-
GMR Pochanpalli Expressways Limited	0.03	0.04
GMR Consulting Services Limited	0.01	0.01
Raxa Security Services Limited		0.30
Kakinada SEZ Limited	0.09	0.08
GMR Hyderabad International Airport Limited	0.01	
GMR Energy Trading Limited	0.01	0.02
Expenses incurred by related parties on behalf of Company		
Intermediate Holding company		
GMR Infrastructure Limited	0.34	0.02
Holding company		
GMR Airports Limited	0.21	0.18
Associate Companies		
Travel Food Services (Delhi Terminal 3) Private Limited	0.15	0.10
Delhi Aviation Services Private Limited	0.02	
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Energy Trading Limited		-
GMR Hyderabad International Airport Limited	0.37	-
GMR Airport Developers Limited	2.48	-
GMR Tuni Anakapalli Expressways Limited	0.18	-
Kakinada SEZ Limited	0.07	-
GMR Hospitality & Retail Limited	0.03	-



Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)**CIN. U63033DL2006PLC146936****Notes to the standalone financial statements for the year ended March 31, 2019****(All amounts in Rupees Crore, except otherwise stated)****34 (d) Interest in significant investment in subsidiary, joint ventures and associates:**

Name of Joint Venture	Relationship	Ownership interest	Date of incorporation	Country of incorporation
Delhi Aerotropolis Private Limited	Subsidiary	100.00%	May 22, 2007	India
Celebi Delhi Cargo Terminal Management India Private Limited	Associate	26.00%	June 18, 2009	India
Delhi Duty Free Services Private Limited	Associate	49.90%	July 07, 2009	India
Delhi Airport Parking Services Private Limited	Associate	49.90%	February 11, 2010	India
Travel Food Services (Delhi Terminal 3) Private Limited	Associate	40.00%	December 04, 2009	India
TIM Delhi Airport Advertising Private Limited	Associate	49.90%	June 01, 2010	India
DIGI Yatra Foundation	Associate	37.00%	February 20, 2019	India
GMR Bajoli Holi Hydropower Private Limited	Joint Venture	20.85%	September 11, 2017	India
Delhi Aviation Fuel Facility Private Limited	Joint Venture	26.00%	August 11, 2009	India
Delhi Aviation Services Private Limited	Joint Venture	50.00%	June 28, 2007	India
WAISL Limited (Formerly known as Wipro Airport IT Services Limited)	Joint Venture	26.00%	October 22, 2009	India

Terms and Condition of transaction with related parties:

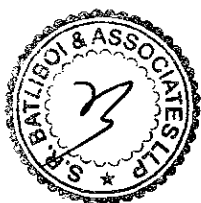
Outstanding balances at the reporting date are secured/ unsecured and settlement occurs in cash. For the year ended March 31, 2019, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2018: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Commitments with related parties:

The commitments in respect of related parties are provided in note 33(IV) above, forming part of these standalone financial statements.

Transactions with key management personnel

The transaction with key management personnel includes the payment of directors sitting fees and managerial remuneration which are provided in note 34(c) above. There are no other transactions with Key management personnel.



35. Segment Information

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

Major customers: Revenue from one customer of the Company is approximately Rs. 456.84 crore of the Company's total revenues (March 31, 2018: Revenue from one customer of the Company is approximately Rs. 376.68 crore of the Company's total revenues)

36. Fair Values

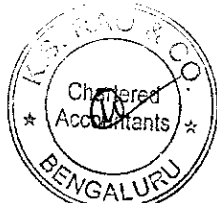
The carrying amount of all financial assets and liabilities (except for certain other financial assets and liabilities, i.e. "Instruments carried at fair value") appearing in the standalone financial statements is reasonable approximation of fair values. Such investments carried at fair value are disclosed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

Particulars	Carrying value		Fair value	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Financial Assets				
Investment in mutual fund	795.20	2,206.19	795.20	2,206.19
Cash flow hedges-Call spread option	194.63	0.97	194.63	0.97
Total	989.83	2,207.16	989.83	2,207.16
Financial Liabilities (carried at amortised cost)				
Security Deposits from trade concessionaires	534.42	461.02	577.32	461.02
Security Deposits from commercial property developers	13.02	7.48	22.57	7.48
Total	547.44	468.50	599.89	468.50

Assumption used in estimating the fair values:

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

The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Derivatives are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity. As at March 31, 2019, the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk.



37. Fair value hierarchy

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

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at March 31, 2019:

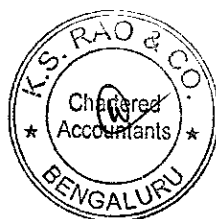
	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value					
Investment in mutual fund	March 31, 2019	795.20	795.20	-	-
Cash flow hedges- Call spread option	March 31, 2019	194.63	-	194.63	-
Total		989.83	795.20	194.63	-

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

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

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

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



38. Risk Management

Financial risk management objectives and policies

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

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

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2019 and March 31, 2018:

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at March 31, 2019.

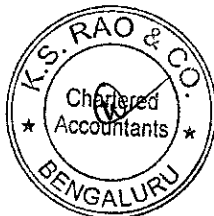
The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations. The analysis for the contingent consideration liability is provided in Note 33 (ii).

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

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2019 and March 31, 2018.
- The sensitivity of equity is calculated by considering the effect of any associated cash flow hedges and hedges of a net investment in a foreign subsidiary at March 31, 2019 for the effects of the assumed changes of the underlying risk.

Interest rate risk

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



Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)**CIN. U63033DL2006PLC146936****Notes to the standalone financial statements for the year ended March 31, 2019****(All amounts in Rupees Crore, except otherwise stated)****Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency borrowings taken from banks.

Cash flow hedges

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

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

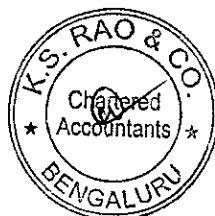
Particulars	March 31, 2019		March 31, 2018	
	Assets	Liabilities	Assets	Liabilities
Cash flow hedges-Call spread option	194.63	-	0.97	-

As at March 31, 2019, the USD spot rate is above the USD call option strike price for all call spread options of USD 811.35 million. Accordingly, an amount of Rs. 209.34 crore has been released from Cash flow hedge reserve to Standalone Statement of Profit and Loss to neutralize the impact of Foreign exchange loss included in Standalone Statement of Profit and Loss.

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

As on March 31, 2018, for call spread options of USD 208.75 million, taken during the Financial Year 2017-18, the USD spot rate is above the USD call option strike price. Accordingly, an amount of Rs. 33.82 crores has been released from Cash flow hedge reserve to Standalone Statement of Profit and Loss to neutralize the impact of Foreign exchange loss included in Standalone Statement of Profit and Loss.

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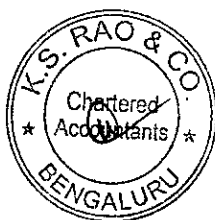


Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)**CIN. U63033DL2006PLC146936****Notes to the standalone financial statements for the year ended March 31, 2019****(All amounts in Rupees Crore, except otherwise stated)****Foreign currency sensitivity**

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

	March 31, 2019	March 31, 2018
	Impact on profit/ (loss) before tax	
USD Sensitivity		
INR/USD- Increase by 5%	(7.12)	(6.53)
INR/USD- decrease by 5%	7.12	6.53
EURO Sensitivity		
INR/EURO- Increase by 5%	(0.09)	(0.13)
INR/EURO- decrease by 5%	0.09	0.13
GBP Sensitivity		
INR/GBP Increase by 5%	(0.25)	(0.16)
INR/GBP- decrease by 5%	0.25	0.16

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Liquidity risk

The Company monitors its risk of a shortage of funds on a regular basis. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and finance leases. None of the Company's debt will mature in less than one year at March 31, 2019 (March 31, 2018: Nil) based on the carrying value of borrowings reflected in the standalone financial statements. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

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

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
As at March 31, 2019						
Borrowings	-	-	-	1,996.85	3,614.04	5,610.89
Trade payables	-	301.87	-	-	-	301.87
Other financial liabilities	71.14	210.42	85.55	171.96	2,540.08	3,079.15
Total	71.14	512.29	85.55	2,168.81	6,154.12	8,991.91
As at March 31, 2018						
Borrowings	-	-	-	1,886.69	3,414.67	5,301.36
Trade and other payables	-	423.95	-	-	-	412.01
Other financial liabilities	236.38	130.32	76.82	186.13	2,124.70	2,766.29
Total	236.38	554.27	76.82	2,072.82	5,539.37	8,479.66

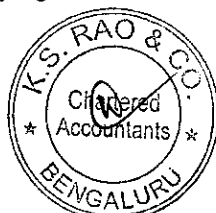
Credit Risk

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

Trade receivables- Customer credit risk is managed by Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any services to major customers are generally covered by bank guarantee or other forms of credit assurance.

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

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2019 and March 31, 2018 is the carrying amounts of Trade Receivables.



Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)**CIN. U63033DL2006PLC146936****Notes to the standalone financial statements for the year ended March 31, 2019****(All amounts in Rupees Crore, except otherwise stated)****Collateral**

As at March 31, 2019 the security provided to bond holders and working capital facilities is as below;

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

39. Capital management

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

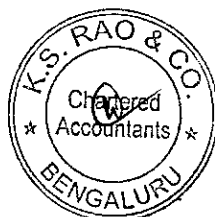
The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue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

	March 31, 2019	March 31, 2018
Borrowings	5,564.65	5,249.12
Total debts (A)	5,564.65	5,249.12
Share Capital	2,450.00	2,450.00
Other Equity	268.04	418.08
Total Equity (B)	2,718.04	2,868.08
Total equity and total debt (C=A+B)	8,282.69	8,117.20
Gearing ratio (%) (A/C)	67.18%	64.67%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

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40. Other Disclosures

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

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

The total expenditure incurred on construction of ATC tower is Rs. 398.69 crore which exceeds the earmarked DF of Rs. 350 crore, as the construction got delayed due to security reasons and additional requirements from time to time.

As per the approval in DIAL Board Meeting held on May 11, 2017, the Company has written a letter to AAI for reimbursement of additional expense. However, AAI vide its letter dated November 29, 2018 has mentioned that there was no approval of additional cost incurred by DIAL on ATC and therefore the additional cost would not be met out of DF. Accordingly, during the year ended March 31, 2019, the Company has capitalized the ATC tower at net cost of Rs. 48.69 crore after adjusting DF of Rs. 350 crore, in its standalone financial statements.

- (ii). The Airport Economic Regulatory Authority of India (AERA) had passed an order vide Order No 30/2012-13 dated December 28, 2012 in respect of levy of Development fee at Delhi Airport. As per the said order, the rate of Airport Development Fee (ADF) has been reduced from Rs. 200 to Rs. 100 and from Rs. 1,300 to Rs. 600 per embarking domestic and international passenger respectively. Further, as per the said order, such revised rates have come into force with effect from January 1, 2013 and estimated DF collection period has been extended up to April 2016. Further, AERA has issued order No.47/2015-16 dated January 25, 2016, restricting cutoff date for collection of ADF upto April 30, 2016. As per the order, AERA has granted AAI, six months' time after cutoff date i.e April 30, 2016 to reconcile and close the account, and to arrive at the over recovery / under recovery of ADF. However, the same has not yet been finalized. This over / under recovery will be accounted for on final reconciliation of ADF pending with AAI. However, DIAL has collected the DF receivable in full and settled the DF loan on May 28, 2016.

- b) The Company has a receivable of Rs. 257.36 crore as at March 31, 2019 (March 31, 2018: Rs. 262.36 crores) (including unbilled receivable) from Air India Limited and its subsidiaries namely Indian Airlines Limited, Airline Allied Services Limited and Air India Express Limited collectively referred as 'Air India'. During the year ended March 31, 2019, the Company has recognized receivable of Rs. 165.85 crore (including GST) towards interest agreed to be paid by Air India Limited. In view of payment and continuous reduction in the overdue quarter on quarter backed by continuing "Airport Enhancement and Financing Service Agreement" with International Air Transport Association ('IATA') for recovery of dues from Air India and considering the fact that Air India being a government enterprise/ undertaking, the Company considers its due from Air India as good and fully recoverable. As agreed in 13th OMDA Implementation Oversight Committee (OIOC) meeting, the Company has not paid revenue share on Rs. 135.76 crore recognised as interest income on delayed payment by Air India.



c) Particulars of un-hedged and un-discounted foreign currency exposure as at the reporting date are as under:

Particulars	March 31, 2019			March 31, 2018		
	Amount (Rs. In Crores)	Currency	Foreign Currency in Crores	Amount (Rs. In Crores)	Currency	Foreign Currency in Crores
Trade Payables	1.80	EUR	0.02	2.66	EUR	0.03
	5.08	GBP	0.06	3.15	GBP	0.03
	-	SGD	-	0.04	SGD	0.00
	114.89	USD	1.66	116.51	USD	1.78
	0.03	AUD	0.00	0.00	AUD	0.00
Other Current Financial Liabilities	27.26	USD	0.39	33.35	USD	0.51
Trade Receivable	-	USD	-	16.37	USD	0.25
Non-Trade Receivables	-	USD	-	1.19	USD	0.02
Advance recoverable in cash or kind	-	USD	-	1.44	USD	0.02

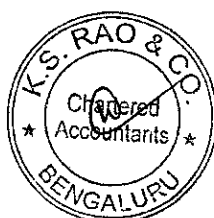
Closing exchange rates in Rs:

Currency	March 31, 2019	March 31, 2018
EUR	77.67	80.81
GBP	90.53	92.28
SGD	-	49.82
USD	69.16	65.34
AUD	49.02	-

d) Additional information :

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

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Non-Aeronautical Services (Revenue from concessionaires)	-	356.51
Aeronautical Services (Revenue from airlines)	52.99	192.18
Total	52.99	548.69



ii) CIF value of imports (On accrual basis)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Import of capital goods	16.77	12.83
Import of stores and spares	2.38	2.65
Total	19.15	15.48

iii) Expenditure in foreign currency (On accrual basis)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest on borrowings	372.95	336.43
Professional and consultancy expenses	4.16	9.63
Finance costs	0.05	4.12
Other expenses	0.03	17.27
Travelling and Conveyance	11.34	0.02
Total	388.53	367.47

iv) Consumption of stores and spares during the year:

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
	%	Amount	%	Amount
Imported	8.08	2.22	10.39	2.41
Indigenous	91.92	25.28	89.61	20.79
Total	100	27.50	100	23.20

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

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

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

Notes to the standalone financial statements for the year ended March 31, 2019

(All amounts in Rupees Crore, except otherwise stated)

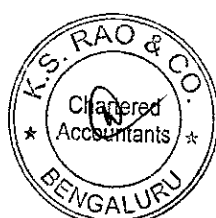
g) The Company has received advance development costs of Rs. 680.14 crore including Rs. 6.93 crore related to Phase II development (March 31, 2018: Rs. 660.06 crore , including Rs. 6.93 crore related to Phase II development) from various Developers at Commercial Property District towards facilitating 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, 2019, the Company has incurred development expenditure of Rs. 552.38 crore (March 31, 2018: Rs. 519.19 crore) which has been adjusted against the aforesaid ADC. Further, in case of Silver Resort Hotel India Private Limited, the Company has transferred Rs. 32.61 crore as unspent ADC in its proportion refundable to Silver Resort Hotel India Private Limited to 'Advances from customer', basis the arbitration order [refer note 40 (m) below]. Remaining ADC of amount Rs. 95.15 crore including Rs. 6.93 crore related to Phase II development (March 31, 2018: Rs. 140.87 crore, including Rs. 6.93 crore related to Phase II development) is disclosed under other liabilities.

h) The Company is collecting "Marketing Fund" at a specified percentage from various concessionaires as per the agreement with respective concessionaires and to be utilized towards sales promotional activities as defined in such agreements in accordance with the Marketing Fund policy adopted by the Company. As at March 31, 2019, the Company has accounted Rs 145.32 crore (March 31, 2018: Rs. 116.62 crore) towards such Marketing Fund and has incurred expenditure amounting to Rs. 88.10 crore (March 31, 2018: Rs. 65.11 crore) (net of income on temporary investments) till March 31, 2019 from the amount so collected. The balance amount of Rs. 57.22 crore pending utilization as at March 31, 2019 (March 31, 2018:Rs.51.51 crore); as marketing fund billing and utilization was not forming part of marketing fund) against such sales promotion activities is included under "Other current liabilities" as specific fund to be used for the purposes to be approved by the Marketing fund committee constituted for this purpose as per Marketing Fund Policy.

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

Description	Incomes forming part of	For the year ended March 31, 2019	For the year ended March 31, 2018
Construction income from commercial property developers	Other operating income	33.18	49.47
Discounting on fair valuation of deposits taken from commercial property developers	Other operating income	50.64	26.67
Discounting on fair valuation of deposits taken from concessionaires	Sale of services – Non Aeronautical	53.44	52.54
Discounting on fair valuation of deposits given	Other income	0.35	0.39
Unrealised foreign exchange difference on borrowings	Other income	-	53.26
Significant financing component on revenue from contract with customers	Sale of services – Non Aeronautical	4.80	-

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



j) The Company made an internal assessment on computation of Annual Fee payable to AAI and is of the view that the Annual Fee has been paid to AAI on Gross Receipts credited to the standalone statement of profit and loss (with certain exclusions) instead of on the "Revenue" as defined under OMDA. The legal opinion obtained in this regard made it clear that there were excess payments of Annual Fee by DIAL by mistake from time to time to AAI. Accordingly, as per the decision taken by the Board of Directors of the Company a claim for return of excess Annual Fee paid to the AAI was raised on 26.12.2016. AAI has not agreed to the claim and insisted DIAL to continue to pay Annual Fee on the same basis, which DIAL is paying under protest. Accordingly, the dispute arose under OMDA but same could not be resolved amicably leading to the initiation of arbitration proceedings, which have commenced from December, 2018. DIAL has submitted its statement of claim. AAI has also filed its statement of defense dated April 29, 2019.

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

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

l) As per the transfer pricing rules prescribed under the Income tax act, 1961, the Company is examining the domestic and international transactions and documentation in respect thereof to ensure compliance with the said rules. The management does not anticipate any material adjustment with regard to the transactions during year ended March 31, 2019.

m) The Company had entered into 'Development Agreement' and the 'Infrastructure Development and Service Agreement' with Silver Resort Hotel India Private Limited (hereinafter referred as 'Developer') on February 26, 2010 for development and operation of commercial property area located in Aerocity for a period upto May 2, 2036; further extendable to another 30 years. As per terms of agreement, Developer was required to pay the License fee and other charges to the Company on annual basis. On July 16, 2015, the Company has issued termination notice on account of failure by the Developer to pay the License Fees and other charges, required to be paid under the agreements executed between the Company and the Developer. Consequently, the Developer has invoked the arbitration process as per Infrastructure Development and Service Agreement.

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

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

Further, Silver resort has filed an appeal against the arbitration award before the Hon'ble High court. The matter was heard for arguments on April 26, 2018 and the judgment was pronounced on May 8, 2018 in favour of DIAL.



Pursuant to the above order, the Developer has preferred an appeal before Double Bench of Delhi High Court which was heard on July 4, 2018 and the matter is now restricted only to the question of non- payment of interest on the security deposit by DIAL to Developer; the next hearing is scheduled on August 7, 2019. Accordingly, the Company has appropriated and accounted for the remaining amount of deposit i.e. Rs. 116.75 crore, as per the arbitration award.

However, the Developer has filed an application for revision of order dated July 4, 2018 seeking refund of licenses fees for the remaining part of financial year from the date of termination of agreement, the application was heard on October 8, 2018 by Hon'ble Delhi High Court and was dismissed. As a matter of caution, the Company has filed a Caveat before Hon'ble Supreme Court in case Developer challenges the order dated October 8, 2018.

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

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

Pursuant to above, during the previous year ended March 31, 2018, the Company has received SEIS scrips of Rs. 31.19 crore for financial year 2015-16, having validity till September 30, 2019. During the year ended March 31, 2019, the Company has also received SEIS scrips of Rs. 55.82 Crore for financial year 2016-17, having validity till October 21, 2020.

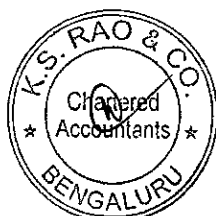
The Company has so far utilized/sold Rs. 14.52 crore (March 31, 2018: Rs. 0.44 crore) out of these scrips and considering the major expansion plans at the IGI airport, the Company is evaluating various options for utilization of remaining Scrips.

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

p) Standards issued but not yet effective

On March 30, 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 which notified Ind AS 116, Leases. The amendment rules are effective from reporting periods beginning on or after April 1, 2019. This standard replaces current guidance in Ind AS 17 and is a far reaching change in accounting by lessees in particular.

Ind AS 116 sets out the principles for recognition, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to accounting for finance leases under Ind AS 17. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of standalone financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an entity.



Ind AS 116 requires lessees to recognize a 'right-of-use asset' and a 'lease liability' for almost all leasing arrangements. Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. The lessor still has to classify leases as either finance or operating.

Ind AS 116 is effective for the Company w.e.f April 01, 2019 using either one of the following two methods:

- (a) Retrospectively to each prior reporting period presented in accordance with Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, with the option to elect certain practical expedients as defined within Ind AS 116 (the full retrospective method); or
- (b) Retrospectively with the cumulative effect of initially applying Ind AS 116 recognized at the date of initial application (April 01, 2019) and providing certain additional disclosures as defined in Ind AS 116 (the modified retrospective method).

The Company continues to evaluate the available transition methods and its contractual arrangements. The ultimate impact on leases resulting from the application of Ind AS 116 will be subject to assessments that are dependent on many variables, including, but not limited to, the terms of the contractual arrangements and the mix of business. The Company's considerations also include, but are not limited to, the comparability of its standalone financial statements and the comparability within its industry from application of the new standard to its contractual arrangements. The Company has established an implementation team to implement Ind AS 116 related to leases and it continues to evaluate the changes to accounting system and processes, and additional disclosure requirements that may be necessary.

A reliable estimate of the quantitative impact of Ind AS 116 on the standalone financial statements will only be possible once the implementation project has been completed.

Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 and does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

An entity has to determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed. In determining the approach that better predicts the resolution of the uncertainty, an entity might consider, for example, (a) how it prepares its income tax filings and supports tax treatments; or (b) how the entity expects the taxation authority to make its examination and resolve issues that might arise from that examination.

The interpretation is effective for annual reporting periods beginning on or after 1 April 2019, but certain transition reliefs are available. The Company will apply the interpretation from its effective date. Company may need to establish processes and procedures to obtain information that is necessary to apply the Interpretation on a timely basis.



Amendments to Ind AS 19: Plan Amendment, Curtailment or Settlement

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to:

- Determine current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to re measure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event.
- Determine net interest for the remainder of the period after the plan amendment, curtailment or settlement using: the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event; and the discount rate used to re measure that net defined benefit liability (asset).

The amendments also clarify that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognised in profit or loss.

An entity then determines the effect of the asset ceiling after the plan amendment, curtailment or settlement. Any change in that effect, excluding amounts included in the net interest, is recognised in other comprehensive income.

The amendments apply to plan amendments, curtailments, or settlements occurring on or after the beginning of the first annual reporting period that begins on or after 1 April 2019. These amendments will apply only to any future plan amendments, curtailments, or settlements of the Company.

Annual improvement to Ind AS

Amendments to Ind AS 23: Borrowing Costs

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

An entity applies those amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019. Since the Company's current practice is in line with these amendments, the Company does not expect any effect on its standalone financial statements.

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

CIN. U63033DL2006PLC146936

Notes to the standalone financial statements for the year ended March 31, 2019

(All amounts in Rupees Crore, except otherwise stated)

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

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



Per Yogesh Midha
Partner
Membership No. 094941
Place: New Delhi
Date: May 02, 2019



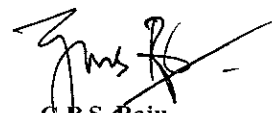
For K.S. Rao & Co.,
ICAI Firm Reg. No.: 003109S
Chartered Accountants



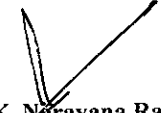
Per Hitesh Kumar P
Partner
Membership No. 233734
Place : Bengaluru
Date: May 02, 2019



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



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



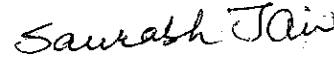
K. Narayana Rao
Whole Time Director
DIN-00016262



Videh Kumar Jaipuria
Chief Executive Officer



Hari Nagrani
Chief Financial Officer



Saurabh Jain
Company Secretary
Place : New Delhi
Date: May 02, 2019



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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Consolidated Ind AS Financial Statements**Opinion**

We have audited the accompanying consolidated Ind AS financial statements of Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited) (hereinafter referred to as “the Holding Company” or “DIAL”), its subsidiary (the Holding Company and its subsidiary, its associates and joint ventures together referred to as “the Group”), comprising of the consolidated Balance sheet as at March 31, 2019, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated Ind AS financial statements”).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of the subsidiary, associates and joint ventures, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended (“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, 2019, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the ‘Auditor’s Responsibilities for the Audit of the Consolidated Ind AS Financial Statements’ section of our report. We are independent of the Group in accordance with the ‘Code of Ethics’ issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
<u>Assumption used for valuation of Call Spread Options</u> <i>(as described in note 31.2 and note 38 of the consolidated Ind AS financial statements)</i>	
The Holding Company has purchased derivative financial instruments, i.e. call spread options to hedge its foreign currency risks relating to the long-term debt issued in foreign currency. Management of the Holding Company has designated these derivative financial instruments and the aforesaid debt at initial recognition as cash flow hedge relationship as per Ind AS 109. The valuation of hedging instrument is complex, and necessitates a sophisticated system to record and track each contract and calculate the related valuations at each financial reporting date. Since valuation of hedging instruments and consideration of hedge effectiveness involves both 'significant assumptions and judgements' and involvement of management's expert, and therefore, is subject to an inherent risk of error. We have identified valuation of hedging instruments as a key audit matter in view of the significant judgements, estimates and complexity involved.	Our audit procedures to assess hedge accounting included the following: • assessing the design, implementation and operating effectiveness of management's key internal controls over derivative financial instruments and the related hedge accounting; • reviewed the documentation for the designated hedge instrument which defines the nature of hedge relationship; • considered the consistent application of the accounting policies and assessed the hedge accounting methodologies applied; and compared these to the requirements of Ind AS 109; • assessed the reasonability of the inputs and assumptions used, while valuing the hedging instruments; • involved a specialist in testing the fair values of derivative financial instruments and compared the results to management's results; • reviewed the related disclosures in note 31.2 and note 38 to the consolidated Ind AS financial statements;

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Non-consideration of certain incomes/credits for calculation of Monthly Annual Fee (MAF) payable to Airport Authority of India (AAI) (as described in note 31.1 and note 42(i) of the consolidated Ind AS financial statements)

As per the Concession Agreement (OMDA) entered with AAI in April 2006, the Holding Company is required to pay annual fee (AF) to AAI at 45.99% on its projected revenue, which is payable in twelve equal monthly instalments (MAF).

Per the management of the Holding Company; certain incomes / credits arising on adoption of Ind-AS were not in contemplation of parties in April 2006 when OMDA was entered, and they do not represent receipts from business operations or from any external sources, and therefore these incomes / credits should not form part of Revenue for the purpose of calculation of MAF payable to AAI.

Therefore, the Holding Company, based on legal opinion, has provided MAF to AAI based on Revenue as per Ind AS Financial Statements after adjusting such incomes/credits.

We identified the non-consideration of these incomes/credits for calculation of MAF payable to AAI as a key audit matter, because of its significance to the financial statements and it involves significant management judgements.

Our audit procedures to assess the calculation of MAF included the following:

- evaluating the legal opinion obtained by management,
- checking the exclusions made by the Company on the basis the legal opinion,
- assessing the design, implementation and operating effectiveness of management's key internal controls over MAF payable and related accounting;
- verifying representations made by the Company to AAI containing these exclusions;
- reviewed the related disclosures in note 31.1 and note 42(i) to the consolidated Ind AS financial statements with respect to these significant judgements for calculating MAF.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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The annual report of the Holding Company is made available to us as at the date of this auditor's report. We have nothing to report in this regard. In case of components, we have been given the understanding that the annual reports have not been shared with the component auditors till the date of this report. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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; 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 controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

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As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

- (a) The accompanying consolidated Ind AS financial statements include Group's share of net profits (including other comprehensive income) of Rs. 18.80 crore (March 31, 2018: Rs. 18.40 crore) for the year ended on that date in respect of 2 associates (March 31, 2018: 2 associates), which have been audited by one of us in individual capacity.
- (b) We did not audit the financial statements and other financial information, in respect of 1 subsidiary (March 31, 2019: 1 subsidiary), whose Ind AS financial statements include total assets of Rs 45,883 as at March 31, 2019, and total revenues of Rs Nil and net cash inflows of Rs Nil for the year ended on that date. These Ind AS financial statement and other financial information 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 Ind AS financial statements also include the Group's share of net profit of Rs. 97.21 crores for the year ended March 31, 2019 (March 31, 2018: Rs. 78.29 crores), as considered in the consolidated Ind AS financial statements, in respect of 3 associates and 4 joint ventures (March 31, 2018: 3 associate and 4 joint venture), whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, joint ventures and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, joint ventures and associates, is based solely on the report(s) of such other auditors.
- (c) The consolidated Ind AS financial statements include the Group's share of net loss of Rs. 0.01 crores for the year ended March 31, 2019, as considered in the consolidated Ind AS financial statements, in respect of 1 associate, whose financial statements have not been audited and whose unaudited financial statements, have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of this 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 associate, is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, 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.

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Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiary, associates and joint ventures, we report, to the extent applicable, that:

- (a) We/the other auditors whose report 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 purposes of our audit of the aforesaid consolidated Ind AS 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, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary company, associate companies and joint ventures, none of the directors of the Group's companies, its associates and joint ventures incorporated in India is disqualified as on March 31, 2019 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, associates and joint ventures incorporated in India, refer to our separate report in "Annexure 1" to this report;
- (g) In our opinion and based on the consideration of reports of other statutory auditors of 1 associates incorporated in India, the managerial remuneration for the year ended March 31, 2019 has been paid / provided to their directors in accordance with the provisions of section 197 read with Schedule V to the Act. Based on the consideration of reports of the statutory auditors of 1 subsidiary, 5 associates and 4 joint ventures incorporated in India; provisions of section 197 read with Schedule V of the Act are not applicable for the year ended March 31, 2019;
- (h) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary, associates and joint ventures, as noted in the 'Other matter' paragraph:

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- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group - Refer Note 34(II)(a) to (f) to the consolidated Ind AS financial statements;
- ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary, associates and joint ventures incorporated in India during the year ended March 31, 2019.

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

Chartered Accountants

For K. S. Rao & Co.,**ICAI Firm registration number: 003109S**

Chartered Accountants

per Yogesh Midha

Partner

Membership No.: 094941

UDIN: 19094941AAAACB4032

Place: New Delhi

Date : August 08, 2019

per Hitesh Kumar P

Partner

Membership No.: 233734

UDIN: 19233734AAAABG3454

Place: New Delhi

Date : August 08, 2019

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K. S. Rao & Co.

Chartered Accountants
2nd Floor, 10/2 Khivraj
Mansion, Kasturba Road,
Bengaluru – 560001. India

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF DELHI INTERNATIONAL AIRPORT LIMITED (Formerly Known as Delhi International Airport Private Limited)**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated Ind AS financial statements of Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited) as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited) (hereinafter referred to as the "Holding Company") and its subsidiary, associates and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective management of the Holding Company, its subsidiary, associates and joint ventures, 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 with reference to these consolidated financial statements 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 with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

4th Floor, Office 405, Worldmark 2,

Assets No. 8, IGI Airport Hospitality District, Aerocity

New Delhi 110 037. India

K. S. Rao & Co.

Chartered Accountants

2nd Floor, 10/2 Khivraj

Mansion, Kasturba Road,

Bengaluru – 560001. India

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 sub-paragraph (a) and (b) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

A company's internal financial control over financial reporting with reference to these consolidated financial statements 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 with reference to these consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 With Reference to these Consolidated Financial Statements

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

Opinion

In our opinion, the Holding Company, its subsidiary, associates and joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2019, 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.

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

4th Floor, Office 405, Worldmark 2,

Assets No. 8, IGI Airport Hospitality District, Aerocity

New Delhi 110 037. India

K. S. Rao & Co.

Chartered Accountants

2nd Floor, 10/2 Khivraj

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Bengaluru – 560001. 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 with reference to these consolidated financial statements of the Holding Company, insofar as it relates to 2 associates (March 31, 2018: 2 associates) 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 with reference to these consolidated financial statements of the Holding Company, insofar as it relates to 3 associate and 4 joint ventures (March 31, 2018: 3 associate and 4 joint ventures) which are companies incorporated in India, is based on the corresponding reports of such associates and joint ventures incorporated in India.

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

Chartered Accountants

For K. S. Rao & Co.,**ICAI Firm registration number: 003109S**

Chartered Accountants

per Yogesh Midha

Partner

Membership No.: 094941

UDIN: 19094941AAAACB4032

Place: New Delhi

Date : August 08, 2019

per Hitesh Kumar P

Partner

Membership No.: 233734

UDIN: 19233734AAAABG3454

Place: New Delhi

Date : August 08, 2019

Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)
CIN. U63033DL2006PLC146936
Consolidated Balance Sheet as at March 31, 2019
(All amounts in Rupees crore, except otherwise stated)

	Notes	March 31, 2019	March 31, 2018
ASSETS			
(1) Non-current assets			
Property, plant and equipment	4	6,484.51	6,806.21
Capital work in progress	4	245.90	194.44
Intangible Assets	5	387.29	395.30
Investment in associates and joint ventures	40 & 41	508.78	456.36
Financial Assets			
(i) Investment	6.1	0.01	0.01
(ii) Loans	7	1.89	2.46
(ii) Other financial assets	8	329.24	1.20
Other non-current assets	9	950.49	10.43
Current tax assets		63.79	45.85
		8,971.90	7,912.26
(2) Current assets			
Inventories	11	7.33	6.39
Financial Assets			
(i) Investments	6.2	1,455.41	2,584.46
(ii) Trade Receivables	12	117.71	479.48
(iii) Cash and cash equivalents	13	226.35	374.97
(iv) Bank balance other than cash and cash equivalents	14	398.94	91.27
(v) Loans	7	401.35	1.58
(vi) Other Financial assets	8	345.77	123.10
Other current assets	9	37.64	40.18
		2,990.50	3,701.43
Total Assets		11,962.40	11,613.69
EQUITY AND LIABILITIES			
(1) Equity			
Equity Share Capital	15	2,450.00	2,450.00
Other Equity			
(i) Retained earnings	16	489.83	566.50
(ii) Cash flow hedge reserve	16	(14.44)	(4.49)
		2,925.39	3,012.01
(2) Non-current liabilities			
Financial Liabilities			
(i) Borrowings	17	5,564.65	5,249.12
(ii) Other financial liabilities	18	337.50	323.02
Deferred revenue	19	1,901.00	1,602.07
Deferred tax liabilities (net)	10	170.18	271.82
Other non-current liabilities	20	61.10	96.34
Long term provisions	22	-	1.45
		8,034.43	7,543.82
(3) Current liabilities			
Financial Liabilities			
(i) Trade Payables	21		
-Total outstanding dues of micro enterprises and small enterprises		5.19	7.35
-Total outstanding dues of creditors other than micro enterprises and small enterprises		255.29	436.02
(ii) Other financial liabilities	18	388.34	326.12
Deferred revenue	19	101.14	87.42
Other current liabilities	20	198.22	151.04
Short term provisions	22	45.13	40.64
Liabilities for current tax (net)		9.27	9.27
		1,002.58	1,057.86
Total Liabilities		9,037.01	8,601.68
Total equity and liabilities		11,962.40	11,613.69
Summary of significant accounting policies	3		

The accompanying notes are an integral part of these consolidated financials statements and have been taken on record by the board of directors vide their meeting dated August 8, 2019.

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

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

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

per Yogesh Midha
Partner
Membership no: 094941
Place: New Delhi
Date : August 8, 2019

per Hitesh Kumar P
Partner
Membership no: 233734
Place: New Delhi
Date : August 8, 2019

G.B.S Raju
Managing Director
DIN-00061686

K. Narayana Rao
Whole Time Director
DIN-00016262

Videh Kumar Jaipuria
Chief Executive Officer

Hari Nagrani
Chief Financial Officer

Saurabh Jain
Company Secretary
Place: New Delhi
Date : August 8, 2019

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

CIN. U63033DL2006PLC146936

Consolidated Statement of Profit and Loss for the year ended March 31, 2019

(All amounts in Rupees crore, except otherwise stated)

Particulars	Notes	March 31, 2019	March 31, 2018
I REVENUE			
Revenue from operations	23	3,253.31	3,690.31
Other Income	24	490.74	326.98
Total Income (I)		3,744.05	4,017.29
II EXPENSES			
Annual fee to Airports Authority of India (AAI) [refer note 42 (i)]		1,571.84	1,780.88
Employee benefits expenses	25	186.48	165.24
Depreciation and amortization expenses	26	639.82	645.90
Finance costs	27	629.59	579.15
Other expenses	28	974.15	930.53
Total Expense (II)		4,001.88	4,101.70
III (Loss) before tax [(I)-(II)]		(257.83)	(84.41)
Adjustment of tax relating to earlier years	10	-	(4.88)
Deferred tax (credit)	10	(93.47)	(27.02)
IV Total Tax credit		(93.47)	(31.90)
V (Loss) for the year before share of profit of associates and joint ventures (III-IV)		(164.36)	(52.51)
VI Share of profit of associates and joint ventures	40 & 41	116.05	96.85
VII (Loss)/ Profit for the year (V+VI)		(48.31)	44.34
Other Comprehensive Income			
A Items that will not be reclassified to profit or loss in subsequent years			
Re-measurement (loss) / gain on defined benefit plans		(0.28)	0.77
Income tax effect		0.10	(0.27)
B Items that will be reclassified to profit or loss in subsequent years			
Net movement of cash flow hedges	29	(15.31)	18.88
Income tax effect		5.36	(6.53)
Share of other comprehensive (loss) of associate and joint venture		(0.04)	(0.16)
VIII Total Other Comprehensive (Loss)/Income for the year (net of tax) (A+B)		(10.17)	12.69
IX Total Comprehensive Income for the year (net of tax) (VII+VIII)		(58.48)	57.03
X (Loss)/ Earnings per equity share: [nominal value of share Rs. 10(March 31, 2018 : Rs. 10)]			
(1) Basic	30	(0.20)	0.18
(2) Diluted	30	(0.20)	0.18
Summary of significant accounting policies	3		

The accompanying notes are an integral part of these consolidated financials statements and have been taken on record by the board of directors vide their meeting dated August 8, 2019.

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

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

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

per Yogesh Midha
Partner
Membership no: 094941
Place: New Delhi
Date : August 8, 2019

per Hitesh Kumar P
Partner
Membership no: 233734
Place: New Delhi
Date : August 8, 2019

G.B.S Raju
Managing Director
DIN-00061686

K. Narayana Rao
Whole Time Director
DIN-00016262

Videh Kumar Jaipuria
Chief Executive Officer

Hari Nagrani
Chief Financial Officer

Saurabh Jain
Company Secretary
Place: New Delhi
Date : August 8, 2019

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

CIN. U63033DL2006PLC146936

Consolidated Statement of Change in Equity as at March 31, 2019

(All amounts in Rupees crore, except otherwise stated)

	Equity share capital	Reserves and Surplus	Item of OCI	Share of OCI of joint ventures and associates	Total	Total equity
		Retained earnings	Cash flow hedge reserve*			
Balance as at March 31, 2017	2,450.00	713.60	(16.84)	(0.11)	696.65	3,146.65
Profits for the year	-	44.34	-	-	44.34	44.34
Other comprehensive income (net of tax)	-	0.50	12.35	(0.16)	12.69	12.69
Payment of dividends (refer note 16.1)	-	(159.25)	-	-	(159.25)	(159.25)
Dividend distribution tax (refer note 16.1)	-	(32.42)	-	-	(32.42)	(32.42)
Balance as at March 31, 2018	2,450.00	566.77	(4.49)	(0.27)	562.01	3,012.01
Adjustment in retained earning for change in accounting policy (net of tax)	-	(5.02)	-	-	(5.02)	(5.02)
Depreciation charge to retained earnings	-	(23.12)	-	-	(23.12)	(23.12)
Loss for the year	-	(48.31)	-	-	(48.31)	(48.31)
Other comprehensive loss (net of tax)	-	(0.18)	(9.95)	(0.04)	(10.17)	(10.17)
Balance as at March 31, 2019	2,450.00	490.14	(14.44)	(0.31)	475.39	2,925.39

Summary of significant accounting policies (Refer Note 3)

* The Holding Company had entered into "Call spread Option" with various banks for hedging the repayment of 6.125% Senior secured notes (2022) of USD 288.75 million and 6.125% Senior secured notes (2026) of USD 522.60 million, which are repayable in February 2022 and October 2026 respectively. The Holding Company has adopted the Cash Flow Hedge accounting for Call spread Options as per Ind AS 109. Accordingly, the effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The accompanying notes are an integral part of these consolidated financials statements and have been taken on record by the board of directors vide their meeting dated August 8, 2019.

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP

ICAI Firm Registration No. : 101049W/E300004

Chartered Accountants

As per our report of even date

For K.S. Rao & Co.

ICAI Firm Registration No. : 003109S

Chartered Accountants

For and on behalf of the Board of Directors of

Delhi International Airport Limited

per Yogesh Midha

Partner

Membership no: 094941

Place: New Delhi

Date : August 8, 2019

per Hitesh Kumar P

Partner

Membership no: 233734

Place: New Delhi

Date : August 8, 2019

G.B.S Raju

Managing Director

DIN-00061686

K. Narayana Rao

Whole Time Director

DIN-00016262

Videh Kumar Jaipuria

Chief Executive Officer

Hari Nagrani

Chief Financial Officer

Saurabh Jain

Company Secretary

Place: New Delhi

Date : August 8, 2019

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

CIN. U63033DL2006PLC146936

Consolidated Statement of Cash Flows for the year ended March 31, 2019

(All amounts in Rupees crore, except otherwise stated)

	Notes	March 31, 2019	March 31, 2018
Cash flow from operating activities			
(Loss) before tax		(257.83)	(84.41)
<i>Adjustment to reconcile profit before tax to net cash flows</i>			
Depreciation and amortization expenses		639.82	645.90
Provision for Bad debts / Bad Debts Written off		0.17	0.31
Interest income on deposits/current investment		(85.24)	(80.34)
Exchange differences unrealised (net)		97.91	(54.15)
Gain on sale of current investments-Mutual fund		(125.55)	(125.03)
Income from Duty credit scrips		(55.11)	(30.27)
Loss on discard of Property Plant and Equipments		-	0.08
Share of profit of associates and joint ventures (refer note 40 & 41)		116.05	96.85
Share of OCI of associates and joint ventures (refer note 40 & 41)		(0.04)	(0.16)
Interest on Borrowings		381.05	346.88
Call spread option premium		194.56	153.65
Interest expenses on financial liability carried at amortised cost		48.04	74.41
Rent expenses on financial assets carried at amortised cost		0.51	0.47
Deferred income on financial liabilities carried at amorized cost		(108.89)	(79.60)
Fair value gain on financial instruments at fair value through profit or loss		(1.05)	(23.57)
		844.40	841.02
Working capital adjustment:			
Decrease in trade payables		(183.78)	(0.35)
Decrease in other non current liabilities		(38.19)	(16.61)
Increase/(Decrease) in other current liabilities		44.77	(56.12)
Increase/(Decrease) in non current deferred revenue		405.44	(99.25)
Increase in current deferred revenue		13.72	1.23
Decrease in non current financial liabilities		(32.30)	(31.50)
Increase in current financial liabilities		64.99	25.09
Decrease in trade receivables		361.60	419.10
(Increase)/Decrease in inventories		(0.94)	1.03
(Increase)/Decrease in other non current assets		(0.67)	0.04
Decrease/(Increase) in other current assets		2.54	(3.66)
Increase in other current financial assets		(138.37)	(35.03)
Increase in other Non current financial assets		(134.37)	(0.97)
Decrease/(Increase) in non current loans		0.57	(0.82)
Decrease in current loans		0.23	0.58
(Decrease)/Increase in non current provisions		(1.45)	0.24
Increase in current provisions		4.78	4.15
Cash generated from operations		1,212.97	1,048.17
Direct taxes paid (net)		(17.94)	(17.93)
Net cash flow from operating activities (A)		1,195.03	1,030.24
Cash flows from investing activities			
Purchase of property plant and equipments, including capital work in progress and capital advances		(1,336.88)	(185.77)
Purchase of non-current investments		-	(108.33)
Purchase of current investments		(16,997.47)	(14,874.91)
Sale/maturity of current investments		18,253.12	14,634.39
Change in carrying value of investment (refer note 40 & 41)		(52.42)	(28.91)
Inter corporate deposits given		(400.00)	-
Interest received		56.05	76.35
Investment of Margin Money Deposit		(0.01)	(0.01)
Investments in other fixed deposits with original maturity of more than three months (net)		(307.67)	(45.27)
Net cash flows used in investing activities (B)		(785.28)	(532.46)

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

CIN. U63033DL2006PLC146936

Consolidated Statement of Cash Flows for the year ended March 31, 2019

(All amounts in Rupees crore, except otherwise stated)

	Notes	March 31, 2019	March 31, 2018
Cash flows from financing activities			
Final dividend paid		-	(159.25)
Dividend distribution tax		-	(32.42)
Option premium paid		(194.19)	(144.49)
Interest paid		(364.17)	(340.86)
Net cash flows used in financing activities (C)		(558.36)	(677.02)
Net decrease in cash and cash equivalents (A + B + C)		(148.62)	(179.24)
Cash and cash equivalents at the beginning of the year		374.97	554.21
Cash and cash equivalents at the end of the year		226.35	374.97
Components of cash and cash equivalents			
Cash on hand		0.04	0.02
Cheques/ drafts on hand		0.22	0.48
With banks			
- on current account		26.09	110.91
- on deposit account		200.00	263.56
Total cash and cash equivalents (refer note 13)		226.35	374.97

Summary of significant accounting policies

3

Explanatory notes to statement of cashflows

1. The above cash flow statement has been compiled from and is based on the consolidated balance sheet as at March 31, 2019 and the related consolidated statement of profit and loss for the year .

2.Cash and cash equivalents include Rs. 0.56 crore (March 31, 2018: Rs. 1.23 crore) pertaining to Marketing Fund, to be used for sales promotional activities.

3. Changes in liabilities arising from financing activities:-

Particulars	Liabilities arising from financing activities		Assets held to hedge long term borrowings
	Borrowings	Interest accrued on Borrowings	Derivative instrument- Cash flow hedge- call spread option
As at March 31, 2018	5,249.12	105.33	0.97
Cash flows	-	(364.17)	(194.19)
Non-cash changes			
Finance cost	8.23	372.82	194.56
Foreign exchange fluctuation	307.30	-	-
Change in Fair values	-	-	193.29
As at March 31, 2019	5,564.65	113.98	194.63

4.The accompanying notes are an integral part of these consolidated financials statements and have been taken on record by the board of directors vide their meeting dated August 8, 2019.

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP

ICAI Firm Registration No. : 101049W/E300004

Chartered Accountants

As per our report of even date

For K.S. Rao & Co.

ICAI Firm Registration No. : 003109S

Chartered Accountants

For and on behalf of the Board of Directors of

Delhi International Airport Limited

per Yogesh Midha

Partner

Membership no: 094941

Place: New Delhi

Date : August 8, 2019

per Hitesh Kumar P

Partner

Membership no: 233734

Place: New Delhi

Date : August 8, 2019

G.B.S Raju

Managing Director

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K. Narayana Rao

Whole Time Director

DIN-00016262

Videh Kumar Jaipuriar

Chief Executive Officer

Hari Nagrani

Chief Financial Officer

Saurabh Jain

Company Secretary

Place: New Delhi

Date : August 8, 2019

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

CIN. U63033DL2006PLC146936

Notes to the consolidated financial statements for the year ended March 31, 2019

(All amounts in Rupees Crores, unless otherwise stated)

1. Corporate Information

Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited) ('DIAL' or 'the Holding Company'), is a Public Limited Company domiciled in India, its subsidiary, associates and joint ventures herein are collectively referred as "the Group". DIAL was incorporated as a Private Limited Company on March 1, 2006 under the provisions of the erstwhile Companies Act, 1956, (replaced with Companies Act 2013 with effect from April 1, 2014) and was converted into a Public Limited Company w.e.f. April 10, 2017. DIAL is into the business of managing the operations and modernization of the Indira Gandhi International Airport ('Delhi Airport'). GMR Airports Limited ('GAL' or 'Holding company of DIAL') a subsidiary of GMR Infrastructure Limited ('GIL' or 'Intermediate Holding Company'), holds majority shareholding in the Holding 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 entered between Holding Company and AAI.

The consolidated financial statements were authorised for issue in accordance with a resolution of the directors passed in the Board Meeting held on August 08, 2019.

2. A) Basis of Preparation

The consolidated financial statements of the Group have been prepared in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and presentation requirement of division II of schedule III to the Companies Act, 2013 (Ind AS compliant schedule III), as applicable to the standalone financial statements.

Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use [refer note 3].

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

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

B) Basis of Consolidation

(i) Subsidiary

Subsidiary includes the entity over which the Group has control. The Group controls an entity when it is exposed or has right to variable return from its involvement with the entity, and has the ability to affect those returns through its power (that is, existing rights that give it the current ability to direct the relevant activities) over the entity. The Group re-assesses whether or not it controls the entity, in case the under-lying facts and circumstances indicate that there are changes to above mentioned parameters that determine the existence of control.

Subsidiary is fully consolidated from the date on which control is transferred to the Group, and they are deconsolidated from the date when control ceases.

(ii) Joint ventures and associates

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Joint ventures and associates are accounted for from the date on which Group obtains joint control over the joint venture / starts exercising significant influence over the associate.

(iii) Method of consolidation

Accounting policies of the respective individual subsidiary, joint venture and associate are aligned wherever necessary, so as to ensure consistency with the accounting policies that are adopted by the Group under Ind AS.

The standalone financial statements of subsidiary are fully consolidated on a line-by-line basis. Intragroup balances and transactions, and income and expenses arising from intra-group transactions, are eliminated while preparing the said financial statements. The un-realised gains resulting from intra-group transactions are also eliminated. Similarly, the un-realised losses are eliminated, unless the transaction provides evidence as to impairment of the asset transferred.

The Group's investments in its joint ventures and associates are accounted for using the equity method. Accordingly, the investments are carried at cost as adjusted for post-acquisition changes in the Group's share of the net assets of investees. Any excess of the cost over the Group's share of net assets in its joint ventures / associates at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment. The un-realised gains / losses resulting from transactions (including sale of business) with joint ventures and associates are eliminated against the investment to the extent of the Group's interest in the investee. However, un-realised losses are eliminated only to the extent that there is no evidence of impairment.

At each reporting date, the Group determines whether there is objective evidence that the investment is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of investment and its carrying value.

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

Notes to the consolidated financial statements for the year ended March 31, 2019

(All amounts in Rupees Crores, unless otherwise stated)

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, 2019	Relationship as at March 31, 2018	Percentage of effective ownership interest held (directly or indirectly) as at	
					March 31, 2019	March 31, 2018
1	Delhi Aerotropolis Private Limited (DAPL)	India	Subsidiary	Subsidiary	100%	100%
2	Delhi Aviation Services Private Limited (DASPL)	India	Joint Venture	Joint Venture	50%	50%
3	Delhi Aviation Fuel Facility Private Limited (DAFFPL)	India	Joint Venture	Joint Venture	26%	26%
4	WAISL Limited [Formerly known as Wipro Airport IT Services Limited (WAISL)]**	India	Joint Venture	Joint Venture	26%	26%
5	GMR Bajoli Holi Hydropower Private Limited (GBHHPL)*	India	Joint Venture	Joint Venture	20.85%	20.85%
6	TIM Delhi Airport Advertising Private Limited (TIMDAA)	India	Associate	Associate	49.90%	49.90%
7	Delhi Airport Parking Services Private Limited (DAPSPL)	India	Associate	Associate	49.90%	49.90%
8	Travel Food Services (Delhi Terminal 3) Private Limited (TFS)	India	Associate	Associate	40%	40%
9	Delhi Duty Free Services Private Limited (DDFSPL)	India	Associate	Associate	49.90%	49.90%

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Notes to the consolidated financial statements for the year ended March 31, 2019

(All amounts in Rupees Crores, unless otherwise stated)

S. No.	Name of the entity	Country of Incorporation	Relationship as at March 31, 2019	Relationship as at March 31, 2018	Percentage of effective ownership interest held (directly or indirectly) as at	
					March 31, 2019	March 31, 2018
10	Celebi Delhi Cargo Terminal Management India Private Limited (Celebi)	India	Associate	Associate	26%	26%
11	DIGI Yatra Foundation#	India	Associate	-	37%	-

* W.e.f. from September 11, 2017, the Holding Company has entered into a share subscription cum shareholder's agreement for acquisition of 17.33% of shareholding in GMR Bajoli Holi Hydropower Private Limited. The Holding Company holds 20.85% of shareholding in GMR Bajoli Holi Hydropower Private Limited as at March 31, 2019. Pursuant to terms of the agreement, GMR Bajoli Holi Hydropower Private Limited has become a joint venture of the Holding Company.

** The Holding Company has sold its entire stake in WAISL to Antariksh Softtech Private Limited on June 26, 2019.

The Holding Company has invested in DIGI Yatra foundation, a Special Purpose Vehicle (SPV) formed as central platform for identity management of passengers, as Joint Venture (JV) of private airport operators and AAI under Section 8 of the Companies Act, 2013 (Not for Profit Organization). It has been decided by AAI that initially for incorporation AAI, DIAL and Bangalore International Airport Limited (BIAL) will form this Company with shareholding of 26:37:37 respectively. Currently DIGI Yatra foundation is having paid up capital of Rs. 10,000 and DIAL has invested Rs. 3,700. In future, the equity share of Joint Venture Company (JVC) will be 26% of AAI and remaining 74% will be equally divided amongst the Private Airport Operators viz. BIAL, Cochin International Airport Limited, DIAL, GMR Hyderabad International Airport Limited (GHIAL), Mumbai International Airport Limited (MIAL) i.e. 14.8% each

C) Going concern

In respect of the 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 Control period of 5 years period (i.e. 2009 - 2014). DIAL vide appeal no 10/2012 had filed an appeal before Airport Economic Regulatory Authority Appellate Tribunal ("AERAAT") on certain disputed issues in the Tariff order of first control period No.03/2012-13. Subsequently, Hon'ble High Court of Delhi vide its final order dated January 22, 2015, against the writ petition filed by the Holding Company in this matter, ordered that the tariff determined by AERA for the first control Period shall continue till the disposal of the appeals pending against the said Tariff Order, by AERAAT.

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

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

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

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

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

DIAL has filed an appeal in the Hon'ble Supreme Court of India on July 21, 2018 for few matters in respect of TDSAT order dated April 23, 2018 and same was listed on September 4, 2018 wherein, Hon'ble Supreme Court has issued notices in the matter. The matter was listed before Registrar on February 22, 2019 wherein last opportunity has been granted to AERA and airlines to file their arguments. The matter was heard on July 12, 2019 and has been directed to be listed before Hon'ble Supreme Court of India after four weeks.

During the year, AERA has issued tariff order with respect to Base Airport Charges for the second control period, which the airport operator is entitled to receive as minimum charges in accordance with Schedule 6 of State Support Agreement (SSA) read with Schedule 8 of the SSA. The order on the Base Airport Charges was issued on November 19, 2018 (except the order for baggage X-ray charges), and revised tariff made applicable from December 1, 2018. The order for baggage X- ray charges had been issued on January 10, 2019 and effective from February 1, 2019.

DIAL has filed tariff proposal for the third control period starting April 1, 2019 to March 31, 2024 with the regulator on November 27, 2018. Further, as the second control period completed on March 31, 2019, DIAL requested the AERA to extend the current tariff till the tariff for third control period is determined. Accordingly, AERA vide order no 48/2018-19 dated March 25, 2019 extended the prevailing tariff for DIAL till September 30, 2019 or determination of tariff for third control period, whichever is earlier.

Basis the cash projections prepared by the management of the Holding Company for the next one year, the management expects to have cash profit. Further considering the Holding Company's business plans and the availability of sufficient cash reserves as at March 31, 2019, the management do not foresee any uncertainty in continuing its business/ operations and meeting its liabilities for the foreseeable future and accordingly, these consolidated financial statements have continued to be prepared on a going concern basis

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3. Summary of significant accounting policies

a. Change in accounting policies and disclosures

New and amended standards

The Group applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Several other amendments and interpretations apply for the first time in March 2019, but do not have an impact on the financial statements of the Group. The Group has not early adopted any standards or amendments that have been issued but are not yet effective.

Ind AS 115 Revenue from Contracts with Customers

The Group has adopted the Ind AS 115 “Revenue from Contracts with Customers” with effect from April 1, 2018 as notified on March 28, 2018 and establishes a five-step model to account for revenue arising from contracts with customers. The new revenue standard supersedes all previous revenue recognition requirements under Ind AS. This new standard requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. Adoption of the new rules has affected the timing of revenue recognition for certain transactions of the Company. Ind AS 115 permits two possible methods of transition:

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

The Group has applied the modified retrospective approach and accordingly, the application of Ind AS 115 has impacted the Group’s accounting for advance from customers with consequential impact on deferred taxes and debited the retained earnings at April 1, 2018 by Rs. 5.02 crore (net of tax). In case of Holding Company, due to the application of Ind AS 115, revenue for the period is higher by Rs. 4.80 crore, finance expense is higher by Rs. 2.41 crore, deferred tax expense is lower by Rs. 0.81 crore and profit after tax is higher by Rs. 1.58 crore.

In case of TIMDAA, due to the application of Ind AS 115, Company’s revenue for the year is higher by Rs. 1.44 crore and other expense is higher by Rs. 1.44 crore. There is no impact on profit for the year.

In case of other Group entities, there is no impact on account of application of Ind AS 115.

The cumulative effect of initially applying Ind AS 115 is recognised at the date of initial application as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and continues to be reported under Ind AS 11 and Ind AS 18.

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Amendment to Ind AS 38 Intangible asset acquired free of charge

The amendment clarifies that in some cases, an intangible asset may be acquired free of charge, or for nominal consideration, by way of a government grant. In accordance with Ind AS 20 Accounting for Government Grants and Disclosure of Government Assistance, an entity may choose to recognise both the intangible asset and the grant initially at fair value. If an entity chooses not to recognise the asset initially at fair value, the entity recognises the asset initially at a nominal amount plus any expenditure that is directly attributable to preparing the asset for its intended use. The amendment also clarifies that revaluation model can be applied for asset which is received as government grant and measured at nominal value. These amendments do not have any impact on the Company's financial statements.

Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Considerations

The appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the date of the transactions for each payment or receipt of advance consideration. This Interpretation does not have any impact on the Group's financial statements.

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

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

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact. These amendments do not have any impact on the Company as the Company has no deductible temporary differences or assets that are in the scope of the amendments.

b. Changes in functional currency

An entity's functional currency is the currency of the primary economic environment in which the entity operates.

In case of DDFS, effective April 1, 2018, the functional currency changed from US dollars (USD) to Indian Rupees (INR) as DDFS is of the opinion that now INR best reflects the current and prospective economic substance of the underlying transactions, events, conditions and circumstances of the Company. The change in the functional currency resulted from the following:

- Sale of products of the Company is now denominated and is expected to continue to be denominated in INR pursuant to CBEC circular dated December 18, 2017 which mandated all items prices in duty free shops to be displayed in INR. Previously the products of the Company were denominated in US\$.
- Realisation pattern of sales proceeds reflects change in currency mix from US\$ to INR (e.g. now INR constitutes major portion as against US\$ until March 31, 2018).

- Most of the Company's administrative expenses (including concession fees and marketing fees) are expected to continue to be denominated and settled in INR.

The effect of a change in functional currency is accounted for prospectively in its financial statements w.e.f. April 01, 2018. DDFS translated all items into the new functional currency using the exchange rate at the date of the change viz. April 01, 2018. The resulting translated amounts for non-monetary items are treated as their historical cost.

c. Use of estimates

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these consolidated financial statements have been disclosed in Note 31. Accounting estimates could change from year to year. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the year in which changes are made and, if material, their effects are disclosed in the notes to these consolidated financial statements.

d. Current versus Non-Current Classification

The Group presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

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

The Group classifies all other assets as non-current.

A liability is current when:

- a) It is expected to be settled in normal operating cycle
- b) It is held primarily for the purpose of trading
- c) It is due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

e. Investments

Investments that 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.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise 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 consolidated statement of profit and loss.

f. Investments in Associates and Joint Ventures

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The consolidated statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the consolidated statement of profit and loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the consolidated statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in consolidated profit or loss.

g. Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes acquisition cost or the cost of construction, including duties and taxes (other than those refundable), expenses directly related to the acquisition of assets and making them operational for their intended use after deducting trade discounts and rebates, and in the case of qualifying assets, the attributable borrowing costs. Initial estimate shall also include costs of dismantling and removing the item and restoring the site on which it is located.

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.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Capital work in progress includes cost of property, plant and equipment under installation/under development and leasehold improvements under development as at the balance sheet date, and the related advances are shown as Capital Advances.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

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

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An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit and loss when the asset is derecognised.

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

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation of Property, Plant and Equipment

Depreciation is calculated on a straight line basis using the useful lives prescribed under Schedule II to the Companies Act, 2013 except for assets individually costing less than Rs. 5,000/-, which are fully depreciated in the year of acquisition and certain assets class i.e. Internal Approach Roads, Electric Panels and Transformers/Sub-station, the Holding 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 Holding Company and those prescribed under Schedule II to the Companies Act, 2013:

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

The useful life of the assets which are not as per schedule II of the Companies Act 2013, have been estimated by the management based on internal technical evaluation. The Property, plant and equipment acquired under finance lease is depreciated over the asset's useful life; or over the shorter of the asset's useful life and the lease term, if there is no reasonable certainty that the Group will obtain ownership at the end of lease term.

On June 12, 2014, the Airport Economic Regulatory Authority ("the Authority") has issued a consultation paper viz.05/2014-15 in the matter of Normative Approach to Building Blocks in Economic Regulation of Major Airports wherein it, inter alia, mentioned that the Authority proposes to lay down, to the extent required, the depreciation rates for airport assets, taking into account the provisions of the useful life of assets given in Schedule II of the Companies Act, 2013, that have not been clearly mentioned in the Schedule II of the Companies Act, 2013 or may have a useful life justifiably different than that indicated in the Companies Act, 2013 in the specific context to the airport sector. Pursuant to above, the Authority has issued order no. 35/2017-18 on January 12, 2018 which is further amended on April 09, 2018, in the matter of Determination of Useful life of Airport Assets, which will be effective from April 01, 2018.

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

In order to align the useful life of passenger related Furniture and Fixtures as per AERA order, the Holding Company has revised the useful life and charged the depreciation of Rs. 23.12 crore related to the assets whose life were expired on March 31, 2018 to other equity as at April 1, 2018 and depreciation of Rs. 2.37 crore to the statement of profit and loss.

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

Some of the Group 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.

Type of Assets	Useful life as adopted by the management of respective entities in the group based on technical evaluation	Life of Asset As per Sch II of the Companies Act 2013 (In years)
Building	25 or remaining life of the concession period whichever is earlier	30
Plant and machinery	3-15 or concession period whichever is earlier	15
Electrical Fittings	10-15	10
Office Equipments	3-10	5
Furniture and Fittings	3-10	10
Computers (including servers and network)	2-6	3-6
Vehicles	1-10	8

In case of GBHHPL, with respect to plant and machinery the life of the asset is considered 25 years as prescribed by Central Electricity Regulatory Commission(CERC) being the regulator of energy sector. Leasehold land is amortised from the date of commercial operation in case of power plants.

h. Intangible assets

Identifiable intangible assets are recognised:

- a) when the Group controls the asset,
- b) it is probable that future economic benefits attributed to the asset will flow to the Group and
- c) the cost of the asset can be reliably measured.

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.

In case of Holding Company, 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.

In DDFS, license represents right to run and operate duty free shops and represents time value of security deposit amount paid to the Holding Company in accordance with the terms of concession arrangement.

Gain or losses arising from derecognition of other intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the other intangible asset and are recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised.

Subsequent costs is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure on other intangible assets is recognised in the Consolidated Statement of Profit and Loss, as incurred.

Amortisation of Intangible Assets

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with useful life are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The amortisation expense on intangible assets is recognised in the consolidated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Amortisation is calculated to write off the cost of other intangible assets over their estimated useful lives 1-6 years for software and 5-10 years for Franchise rights fee using the straight-line method. Amortisation is calculated on a pro-rata basis for assets purchased/ disposed during the year.

The Holding Company amortises, upfront fee paid as airport concession rights and other costs paid to AAI referred to above are recognized and amortized over the initial and extended period of OMDA i.e. 60 years.

Service concession arrangements:

CELEBI constructs and upgrades infrastructure (construction and upgrade services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified period of time. These arrangements may include Infrastructure used in a public-to-private service concession arrangement for its entire useful life.

Under Appendix C to Ind AS 115 – Service Concession Arrangements, these arrangements are accounted for based on the nature of the consideration. The intangible asset model is used to the extent that CELEBI receives a right (i.e. a concessionaire) to charge users of the public service. The financial asset model is used when the Celebi has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services. When the unconditional right to receive cash covers only part of the service, the two models are combined to account separately for each component. If the Celebi performs more than one service (i.e., construction or upgrade services and operation services) under a single contract or arrangement, consideration received or receivable is allocated by reference to their relative fair values of the services delivered when the amounts are separately identifiable.

CELEBI has entered into Concessionaire Agreement with Holding Company which gives it right to operate, maintain, develop, modernise and manage the existing Cargo Terminal for a period till March 31, 2034 and the new Domestic Terminal at Delhi for a period till March 31, 2021. The concession arrangement is a service concession arrangement under appendix C to Ind AS 115. CELEBI has a right to charge the users for the services and therefore, the same has been classified under Intangible assets model.

The intangible asset is amortised over the shorter of the estimated period of future economic benefits which the intangible assets are expected to generate or the concession period, from the date they are available for use.

An asset carried under concession arrangements is derecognised on disposal or when no future economic benefits are expected from its future use or disposal.

i. Government Grant and subsidies

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

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

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

j. Borrowing Cost

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

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

k. Leases

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

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Group as a lessee:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at fair value of the leased property on inception date or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the consolidated statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs.

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

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

Group as a lessor:

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfers from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

I. Inventories

Spare parts, stand-by equipment and servicing equipment are recognised in accordance with Ind AS-16 when they meet the definition of Property, Plant and Equipment. Otherwise, such items are classified as inventory.

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.

However, in respect of TFS, cost of inventories is determined on First in First out ('FIFO') basis. The value of inventories in respect of the entity 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 realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

m. Impairment of non-financial 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 units' (CGUs) fair value less cost of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account.

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

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

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

n. Provisions, Contingent liabilities and Commitments

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

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

Provision for decommissioning cost: In case of TFS, The Company records a provision for decommissioning costs of outlets located at Indira Gandhi International Airport, New Delhi. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the Statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset and any short / excess is adjusted from Statement of Profit and Loss.

Contingent liability is disclosed in the case of:

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

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

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

o. Contingent assets

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

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

p. Retirement and Other Employee Benefits

Defined benefit plan

Retirement benefit in the form of provident fund is a defined benefit scheme. DIAL contributes its portion of contribution to DIAL Employees Provident Fund Trust ('the Trust'). The Holding 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 determined by actuary and accounted by the Holding Company as provident fund cost.

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

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

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

Gratuity Liability is a defined benefit obligation and 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.

Gratuity Liability in case of Holding Company and CELEBI is funded through policy taken from Life Insurance Corporation of India.

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

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

- i. The date of the plan amendment or curtailment, and
- ii. The date that the Group recognizes related restructuring costs.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

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

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q. Financial Instruments

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

I. Financial Assets

i. Initial recognition and measurement

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

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

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

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

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

ii. Subsequent measurement

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

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

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

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

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

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

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

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

Derecognition of financial assets

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

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

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

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

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets measured at amortised cost e.g., deposits, trade receivables and bank balance, and credit risk exposure.

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

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

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

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

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

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

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

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

II. Financial liabilities

i. Initial recognition and measurement

All financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

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

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

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

ii. Subsequent measurement

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

iii. De-Recognition of Financial liability

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

III. Offsetting of financial instruments:

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

r. Loans and borrowings

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

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

s. Derivative financial instruments and hedge accounting

Initial Recognition and subsequent measurement

The Group uses derivative financial instruments, such as call spread options, to hedge its foreign currency risks.

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

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

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

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

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

Cash flow hedges that meet the strict criteria for hedge accounting are accounted for as described below: The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the consolidated statement of profit and loss.

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

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

Presentation of derivative contracts in the financial statement

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

t. Cash and cash equivalents

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

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

u. Foreign Currencies

Functional Currency

The Consolidated financial statements are presented in Indian rupees (INR), which is also the Group's functional currency. However, in case of DDFS, the functional currency was USD in the previous year which has been changed to Indian rupees in current financial year.

Transactions and Translations

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

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

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

In case of DDFS, non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Conversion from functional currency to presentation currency

In the previous year DDFS's, functional currency was United States Dollar (USD) and INR was the presentation currency. In the previous year, for conversion of functional currency amounts into INR DDFS applied below mentioned conversion procedures.

1. Assets and liabilities for each balance sheet presented was translated at the closing rate at the date of that balance sheet;
2. Income and expenses for each statement of profit and loss presented (i.e. including comparatives) was translated at exchange rates at the dates of the transactions;
3. All resulting exchange differences was recognised in other comprehensive income.

v. Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date, available-for-sale equity securities and derivatives at fair value on a recurring basis and other assets when impaired by reference to fair value less costs of disposal. Additionally, the fair value of other financial assets and liabilities require disclosure.

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

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

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

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

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

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

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

External valuers are involved for valuation of significant assets or liabilities such as derivative instruments, unquoted financial assets and contingent consideration. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

For impairment testing purposes and where significant assets (such as property) are valued by reference to 'fair value less costs of disposal', an external valuation will normally be obtained using professional valuers who have appropriate market knowledge; reputation and independence

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

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes as mentioned below.

- a) Disclosures for valuation methods, significant estimates and assumptions (**note 36**)
- b) Quantitative disclosures of fair value measurement hierarchy (**note 37**)
- c) Financial instruments (including those carried at amortised cost)

w. Revenue recognition

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

Revenue from contract with customer

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

Revenue from Operations

Significant financing component

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

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

Contract balances

Contract assets

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

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Trade receivables

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

Contract liabilities

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

Income from Services

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

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

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

Cargo Operations

Revenue from cargo operations are recognized on accrual basis, net of service tax/Goods and Service Tax (GST) and applicable discounts, when services are rendered. Revenue from cargo operations are recognized at the point of departure for exports and at the point when goods are cleared in case of imports. Revenue from rental contracts are recognized over the period of the contract. Celebi collects service tax/ GST on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

In case of service concession agreements, revenue are recognised in line with the Appendix C to Ind AS 115 – Service Concession Arrangements

Income from the concession arrangements earned under the intangible asset model consists of :

- i) fair value of contract revenue, which is deemed to be fair value of consideration transferred to acquire the asset; and
- ii) payments actually received from the users

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Revenues and cost of improvements to concession assets

In conformity with appendix C of Ind AS 115, Celebi recognizes revenues and the associated costs of improvements to concession assets which it is obligated to perform at the cargo terminal as established by the concession agreement. Revenues represent the value of the exchange between the Celebi and the grantor of concession with respect to the improvements, given that the Celebi constructs or provides improvements to the cargo terminal as obligated under the concession agreement and in exchange, the grantor of concession grants the Celebi the right to obtain benefits for services provided using those assets. Celebi has determined that its obligations per the concession agreement should be considered to be a revenue earning activity as all expenditures incurred to fulfil the concession provisions are included in the maximum tariff it charges its customers and therefore it recognizes the revenue and expense in profit or loss when the expenditures are performed.

The cost for such additions and improvements to concession assets is based on actual costs incurred by the Group in the execution of the additions or improvements, considering the requirements in the concession agreement. The amount of revenues for these services represents is equal to the amount of costs incurred, as Celebi does not obtain any profit margin for these construction services. The amount paid are set at market value.

Fuel Farm Operations:

Revenue from sale of fuel is measured with reference to the quantity, operating expense of the operator and the effective infrastructure charges as on date.

Food & Beverage Operations

a) Sale from outlets

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the customer, which coincides with the point of delivery of the goods to the customer from restaurant delivery outlets.

b) Sale to Corporate Customers

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of goods;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Management Fee

Management fees are recognised on an accrual basis in the accounting period in which the services are rendered and in accordance with the agreement entered into with the food and beverage outlet operator.

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Sales Incentive Fees

Sales Incentive fees is recognised on an accrual basis in the accounting period to which it pertains.

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 an 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.

Advertisement Services

Revenue from developing, operating, maintaining and managing the sites at airport for display of advertisement are recognized on pro-rate basis over the period of display of advertisements.

Bridge Mounted Equipments Operations

Revenue from Operations i.e. Ground Power Unit (GPU), Pre Conditioned Air (PCA) and potable water are recognized on accrual basis when the services are rendered.

Parking Operations

The Group's revenue is generated from parking services and revenue from these services is recognised as and when the amounts are received from users i.e. recognised as revenue on receipt. Similarly revenue from airport entry ticket for visitors and from left luggage facilities are recognised as and when cash/money is collected.

Power Plant Income

In case of power generating and trading companies, revenue from energy units sold as per the terms of the PPA ('Power Purchase Agreement) and Letter Of Intent ('LOI') (collectively hereinafter referred to as 'the PPAs') is recognised on an accrual basis and includes unbilled revenue accrued up to the end of the accounting year. Revenue from energy units sold on a merchant basis is recognised in accordance with billings made to customers based on the units of energy delivered and the rate agreed with the customers.

The Claims for delayed payment charges and any other claims, which the Group is entitled to under the PPAs, are accounted for in the year of acceptance.

Interest income

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

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

Claims

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

Others

Rental income

Space rental has been recognised as per the terms of the contract with the customer.

Branding income

Branding income is recognised on an accrual basis in the accounting period in which the services are rendered and in accordance with the agreement entered into with the parties.

Mutual Fund income

Mutual fund income are recognized based on the fair valuation as on each reporting date for the respective period. 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 Consolidated Statement of Profit and Loss.

x. Taxes

Tax expense comprises current tax and deferred tax.

Current income tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years.

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

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

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

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis.

Deferred tax

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

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

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

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

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

The Group recognises deferred tax liability for all taxable temporary differences associated with investments in subsidiary, associates, and interests in joint arrangements, except to the extent that both of the following conditions are satisfied:

- a) the parent, investor, joint venturer or joint operator is able to control the timing of the reversal of the temporary difference; and
- b) it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

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

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

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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

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

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

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

y. Operating segments

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

z. Proposed dividend

As per Ind AS -10, 'Events after the Reporting period', the Group discloses the dividend proposed by board of directors after the balance sheet date in the notes to these consolidated financial statements. The liability to pay dividend is recognised when the declaration of dividend is approved by the shareholders.

aa. Earnings per share

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

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

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bb. Corporate Social Responsibility ('CSR') expenditure

The Group charges its CSR expenditure during the year to the consolidated statement of profit and loss

cc. Cash Flow Statement

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

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(All amounts in Rupees crore, except otherwise stated)

4 Property, plant and equipments

	Buildings	Leasehold improvement	Bridges, Culverts, Bunders etc.	Electrical Installations and Equipment	Roads-Other than RCC	Runways, Taxiways & Apron etc.	Plant and Machinery	Office Equipment	Computer and data processing units	Furniture and Fittings	Vehicles	Total	Capital work in progress (CWIP)
Gross block (at cost)													
As at March 31, 2017	4,430.78	7.47	396.61	1,005.45	218.09	2,193.44	2,303.87	11.20	69.71	223.87	12.41	10,872.90	123.94
Reclassification	2.14	-	-	(0.57)	4.45	-	(0.72)	-	-	(5.30)	-	-	-
Additions	8.52	2.36	0.32	14.56	1.78	9.30	7.22	0.23	14.85	11.88	1.25	72.27	70.50
Disposals	-	-	-	-	-	-	(0.15)	(0.04)	(2.09)	(0.04)	-	(2.32)	-
Adjustments [refer note (a) below]	(10.46)	-	-	(0.17)	-	-	(0.07)	-	-	-	-	(10.70)	-
As at March 31, 2018	4,430.98	9.83	396.93	1,019.27	224.32	2,202.74	2,310.15	11.39	82.47	230.41	13.66	10,932.15	194.44
Additions	37.77	5.98	0.01	35.28	11.95	31.44	146.11	1.68	19.07	41.96	4.22	335.47	51.46
Disposals	-	-	-	-	-	-	(0.08)	-	-	-	(0.17)	(0.25)	-
Adjustments [refer note (a) below]	(2.99)	-	-	-	-	-	-	-	-	-	-	(2.99)	-
As at March 31, 2019	4,465.76	15.81	396.94	1,054.55	236.27	2,234.18	2,456.18	13.07	101.54	272.37	17.71	11,264.38	245.90
Depreciation													
As at March 31, 2017	984.73	0.91	100.52	551.45	117.16	645.74	920.03	9.64	45.22	108.25	7.98	3,491.63	-
Reclassification	0.02	-	-	(0.01)	0.06	-	(0.01)	-	-	(0.06)	-	-	-
Charge for the year	145.68	2.33	13.31	120.76	31.57	94.45	192.26	0.51	7.15	27.38	1.15	636.55	-
Disposals	-	-	-	-	-	-	(0.08)	(0.04)	(2.09)	(0.03)	-	(2.24)	-
As at March 31, 2018	1,130.43	3.24	113.83	672.20	148.79	740.19	1,112.20	10.11	50.28	135.54	9.13	4,125.94	-
Charge for the year	149.12	4.16	13.35	104.61	32.63	97.44	196.28	0.60	9.70	22.13	1.04	631.06	-
Disposals	-	-	-	-	-	-	(0.08)	-	-	-	(0.17)	(0.25)	-
Charge to reserve [refer note 3(g)]	-	-	-	-	-	-	5.73	-	-	17.39	-	23.12	-
As at March 31, 2019	1,279.55	7.40	127.18	776.81	181.42	837.63	1,314.13	10.71	59.98	175.06	10.00	4,779.87	-
Net block													
As at March 31, 2018	3,300.55	6.59	283.10	347.07	75.53	1,462.55	1,197.95	1.28	32.19	94.87	4.53	6,806.21	194.44
As at March 31, 2019	3,186.21	8.41	269.76	277.74	54.85	1,396.55	1,142.05	2.36	41.56	97.31	7.71	6,484.51	245.90

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

b. Buildings include space given on operating lease:

Gross block Rs. 234.64 crore (March 31, 2018: Rs. 233.27 crore),

Depreciation charge for the year Rs. 7.83 crore (March 31, 2018: Rs. 7.75 crore),

Accumulated depreciation Rs. 67.95 crore (March 31, 2018: Rs. 60.12 crore),

Net book value Rs. 166.75 crore (March 31, 2018 : Rs. 173.15 crore)

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5 Intangible assets

	Airport concessionaire rights	Computer software	Total
Gross block (at cost)			
As at March 31, 2017	490.52	41.16	531.68
Additions	-	0.58	0.58
As at March 31, 2018	490.52	41.74	532.26
Additions	-	0.75	0.75
At March 31, 2019	490.52	42.49	533.01
Amortisation			
As at March 31, 2017	88.75	38.86	127.61
Charge for the year	8.20	1.15	9.35
As at March 31, 2018	96.95	40.01	136.96
Charge for the year	8.20	0.56	8.76
At March 31, 2019	105.15	40.57	145.72
Net Block			
As at March 31, 2018	393.57	1.73	395.30
At March 31, 2019	385.37	1.92	387.29

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6.1 Other Investments

Carried at fair value through profit and loss

East Delhi Waste Processing Company Private Limited

7,839 shares of Rs 10 each (March 31, 2018 :7,839 shares of Rs 10 each)

0.01 0.01

0.01 0.01

6.2 Current Investments

Investments carried at fair value through profit or loss

Investment in mutual fund

Unquoted investments

March 31, 2019	March 31, 2018
ICICI Prudential Liquid Regular Plan Growth	232.38 285.37
[8,437,391.38 units (March 31, 2018 : 11,130,257.38) of Rs. 100 each]	
Bank of Baroda Mutual Fund	50.06 35.10
[2,34,043.88 unit (March 31, 2018 : 176,460.73) of Rs. 1000 each]	
Axis Liquid Fund Growth	94.62 175.42
[4,58,166.66 units (March 31, 2018 : 913,307.88) of Rs. 1000 each]	
Birla Sunlife Cash Plus- Inst.- Growth	- 517.92
[Nil (March 31, 2018 : 16,757,830.39) of Rs. 100 each]	
IDFC Cash Fund Growth Regular Plan	- 83.03
[Nil (March 31, 2018 : 394,752.88) of Rs. 1000 each]	
DHFL Mutual Fund	- 150.31
[Nil (March 31, 2018 : 6,680,746.71) of Rs. 100 each]	
Invesco Mutual Fund	- 150.32
[Nil (March 31, 2018 : 630,626.71) of Rs. 1000 each]	
Kotak Liquid Scheme	75.06 145.42
[1,98,960.52 units (March 31, 2018 : 413,959.05) of Rs. 1000 each]	
Reliance Mutual Fund	- 77.04
[Nil (March 31, 2018 : 7,593,237.26) of Rs. 1000 each]	
Sundaram Money Fund Regular – Growth	75.09 175.37
[1,91,42,370.75 units (March 31, 2018 : 48,059,856.01) of Rs. 10 each]	
DSP Mutual Fund	- 230.53
[Nil (March 31, 2018 : 931,807.72) of Rs. 1000 each]	
LIC Nomura Liquid Fund	- 90.20
[Nil (March 31, 2018 : 287,655.12) of Rs. 1000 each]	
IDBI Mutual Fund	- 90.16
[Nil (March 31, 2018 : 487,216.23) of Rs. 1000 each]	
UTI- Liquid Fund-Cash Plan-INST Growth	167.91 -
[5,50,544.26 units (March 31, 2018: Nil) of Rs. 1000 each]	
Tata Liquid Fund Plan A - Growth	100.08 -
[3,41,515.63 units (March 31, 2018 : Nil) of Rs. 1000 each]	

Investments carried at amortised cost

Investment in Commercial Papers

SREI Infrastructure Finance Limited	242.82 378.27
[5,000 (March 31, 2018 : 8,000) Units of Rs. 5,00,000 each]	
SREI Equipment Finance Limited	167.53 -
[3,500 (March 31, 2018 : Nil) Units of Rs. 5,00,000 each]	
Piramal Enterpreises	49.61 -
[1,000 (March 31, 2018 : Nil) Units of Rs. 5,00,000 each]	
JM Financial Products Limited	200.25 -
[4,400 (March 31, 2018 : Nil) Units of Rs. 5,00,000 each]	

1,455.41 2,584.46

Aggregate book value of unquoted investments

1,455.41 2,584.46

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7. Loans

Unsecured, considered good

Carried at amortised cost

Security deposits

Unsecured, considered good

Inter corporate loan

Unsecured, considered good to related parties [refer note 32(b)]

(A)

Advances

Doubtful, to related parties [refer note 32(b)]

Less: provision for doubtful advances [refer note 32(b)]

(B)

Total (A+B)

Non current		Current	
March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
1.89	2.46	1.35	1.58
-	-	400.00	-
1.89	2.46	401.35	1.58
2.82	2.82	-	-
(2.82)	(2.82)	-	-
-	-	-	-
1.89	2.46	401.35	1.58

8. Other Financial assets

Derivative Instrument carried at fair value through OCI #

Cash flow hedge- Call spread option

Carried at amortised cost

Interest accrued on fixed deposits and others

Non-trade receivable [refer note 42(b)]

[net of provision of doubtful debts Rs 0.85 crores (March 31, 2018 Rs. 0.46 crores)]

Unbilled receivables (March 31, 2018 Unbilled revenue)

Other recoverables from related parties [refer note 32b]

Margin money deposit * (refer note 13)

Other receivable

Total other financial assets

Non current		Current	
March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
194.63	0.97	-	-
-	-	33.19	19.18
134.37	-	42.17	47.39
-	-	179.91	9.11
-	-	19.46	17.59
0.24	0.23	-	-
-	-	71.04	29.83
329.24	1.20	345.77	123.10

#Financial assets at fair value reflect the change in fair value of call spread options, designated as cash flow hedges to hedge the future cash outflow in USD on settlement of foreign exchange borrowings of USD 811.35 million (Rs. 5,610.89 crore) [March 31, 2018: USD 811.35 million (Rs. 5,301.36 crore)] on senior secured foreign currency notes.

* Rs 0.24 crore (March 31, 2018: Rs. 0.23 crore) against License fee to South Delhi Municipal Corporation.

9. Other assets

Capital advances

(A)

Advances other than capital advance

Advance to suppliers

Other advances

Less: provision for doubtful advances

(B)

Others

Prepaid expenses

Deposit with government authorities including paid under protest [refer note 34 II (e)]

Balance with statutory / government authorities

Gratuity fund balance (net) [refer note 33(b)]

(C)

Total other assets (A+B+C)

Non current		Current	
March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
944.50	4.60	-	-
944.50	4.60	-	-
-	-	17.04	15.02
-	-	0.05	0.05
-	-	(0.05)	(0.05)
-	-	17.04	15.02
5.99	5.83	6.39	6.52
-	-	4.09	4.07
-	-	8.16	14.57
-	-	1.96	-
5.99	5.83	20.60	25.16
950.49	10.43	37.64	40.18

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10. Income tax

Current income tax:

Adjustment of tax relating to earlier years

Deferred tax:

Relating to origination and reversal of temporary differences

Income tax expense reported in the statement of profit or loss

March 31, 2019	March 31, 2018
-	(4.88)
(93.47)	(27.02)
(93.47)	(31.90)

OCI Section

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

Re-measurement gains (losses) on defined benefit plans

Cash flow Hedge Reserve

Income tax credited/(charged) to OCI

March 31, 2019	March 31, 2018
0.10	(0.27)
5.36	(6.53)
5.46	(6.80)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2019 and March 31, 2018:

Accounting profit before tax

Tax at the applicable tax rate of 34.94% (March 31, 2018: 34.94%)

Assets capitalised in the Income Tax Act in current year but in the books in previous year

Tax on depreciation charged to opening retained earnings

Impact of increment in tax rate

Other adjustments

Tax on Ind AS 115 transition impact adjustment in opening retained earnings

Tax effect of items on which deferred taxes has not been accounted

Adjustment of tax relating to earlier years

Previously unrecognised tax losses used to reduce deferred tax expense

Deferred tax on undistributed profits

March 31, 2019	March 31, 2018
(257.83)	(84.41)
(90.09)	(29.49)
-	(22.13)
(8.08)	-
-	0.98
1.28	5.20
(2.71)	-
(7.94)	(13.28)
-	(4.88)
-	(11.24)
10.22	38.58
3.86	4.74
(0.01)	(0.38)
(93.47)	(31.90)
(93.47)	(31.90)

Tax effect of expenses that are not deductible in determining taxable profit:

Donation paid disallowed

Interest on delayed payment of Income Tax

At the effective income tax rate of 36.25% (March 31, 2018: 37.79%)

Total tax expense reported in the statement of profit and loss

Deferred tax:

Deferred tax liability

Accelerated depreciation for tax purposes

Derivative liability-mark to market loss on IRS

On account of upfront fees being amortized using EIR method

Fair value of investment in mutual fund

Cash Flow Hedge

Others

Deferred tax on undistributed profits

Balance sheet		Statement of profit or loss	
March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
(925.05)	(972.74)	47.68	42.63
-	-	-	4.96
(16.16)	(18.25)	2.09	2.68
(0.37)	(11.71)	11.34	(8.27)
(80.33)	(0.71)	(85.11)	(0.71)
(15.67)	(8.37)	(7.30)	(8.37)
(48.80)	(38.58)	(10.22)	(38.58)
(1,086.38)	(1,050.36)	(41.52)	(5.66)

Deferred tax asset

Unabsorbed depreciation

Others Disallowances

Unrealised forex loss on borrowings

Intangibles (Airport Concession rights)

Advance from customer

Other borrowing cost to the extent not amortised

Marketing Fund Liability

818.45	649.27	169.18	51.52
19.85	42.96	(16.30)	8.21
-	10.06	(10.06)	(7.20)
62.79	66.71	(3.92)	(3.25)
1.87	-	(0.81)	-
13.24	16.34	(3.10)	(2.92)
-	-	-	(13.68)
916.20	785.34	134.99	32.68

Net deferred tax assets/(liabilities)

(170.18)	(265.02)	(93.47)	(27.02)
----------	----------	---------	---------

Reconciliations of net deferred tax liabilities / (assets)

Opening balance as at beginning of the year

Tax expense during the period recognised in profit or loss

Tax expense during the period recognised in opening reserves [refer note 3(a)]

Tax (expense)/ income during the period recognised in OCI

Closing balance as at March 31, 2019

March 31, 2019	March 31, 2018
271.82	292.04
(93.47)	(27.02)
(2.71)	-
(5.46)	6.80
170.18	271.82

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

11. Inventories

(valued at lower of cost or net realizable value)

Stores and spares

March 31, 2019	March 31, 2018
7.33	6.39
7.33	6.39

12. Trade receivables

Trade receivables

Related parties [refer note 32(b)]

Others [refer note 42(b)]

Current	
March 31, 2019	March 31, 2018
18.90	106.28
98.81	373.20
117.71	479.48

Break up for security details:

Trade receivables

Secured, considered good**

Unsecured, considered good [refer note 42(b)]

Trade Receivables which have significant increase in credit risk

19.47	174.67
98.24	304.81
3.01	3.23
120.72	482.71

Impairment Allowance (allowance for credit loss)

Less: Unsecured, considered good

(3.01)	(3.23)
117.71	479.48

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

Trade receivables includes:-

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

Delhi Duty Free Services Private Limited

GMR Warora Energy Limited

GMR Infrastructure Limited

GMR Aviation Private Limited

GMR Bajoli Holi Hydropower Private Limited

GMR Airports Limited

GMR Kamalanga Energy Limited

TIM Delhi Airport Advertising Private Limited

WAISL Limited

Current	
March 31, 2019	March 31, 2018
-	16.37
2.31	-
0.74	36.00
0.02	0.02
2.48	0.50
0.20	-
1.95	-
0.67	30.37
5.74	37.35

13 Cash and Cash Equivalent

Balances with Banks

-On current accounts#

-Deposits with original maturity of less than three months*

Cheques / drafts on hand

Cash on hand

Non-current		Current	
March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
-	-	26.09	110.91
-	-	200.00	263.56
-	-	0.22	0.48
-	-	0.04	0.02
(A)	-	226.35	374.97

Other bank balances

- Margin money deposit*

0.24	0.23	-	-
(B)	0.24	0.23	-
(0.24)	(0.23)	-	-
Total (A+B)	-	226.35	374.97

Cash and cash equivalents includes balance on current account with banks for Rs. 0.56 crore (March 31, 2018: Rs 1.23 crore) in respect of Marketing Fund.

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

At March 31, 2019, the Company has available Rs. 230.71 crore (March 31, 2018: Rs. 225.81 crore) of undrawn borrowing facilities for future operating activities.

14. Bank balances other than cash and cash equivalents

Balances with banks:

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

March 31, 2019	March 31, 2018
398.94	91.27
398.94	91.27

Deposits with bank includes Rs. 57.73 crore (March 31, 2018: 49.32 crore) in respect of Marketing Fund.

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

Financial assets carried at amortised cost

Investment in commercial papers (refer note 6.2)

Trade Receivable (refer note 12)

Cash and cash equivalents (refer note 13)

Bank balance other than Cash and cash equivalents (refer note 14)

Loans (refer note 7)

Other financial assets (refer note 8)

Non current		Current	
March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
-	-	660.21	378.27
-	-	117.71	479.48
-	-	226.35	374.97
-	-	398.94	91.27
1.89	2.46	401.35	1.58
329.24	1.20	345.77	123.10
(A)	331.13	3.66	2,150.33
			1,448.67

Financial assets carried at Fair value through profit or loss

Investment in mutual funds (refer note 6.2)

Investments in Equity Shares (refer note 6.1)

-	-	795.20	2,206.19
0.01	0.01	-	-
(B)	0.01	795.20	2,206.19
Total financial assets (A+B)	331.14	3.67	2,945.53
			3,654.86

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

CIN. U63033DL2006PLC146936

Notes to the consolidated financial statements for the year ended March 31, 2019

(All amounts in Rupees crore, except otherwise stated)

15 Equity Share Capital**Authorised shares (No. in crores)**

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

March 31, 2019	March 31, 2018
3,000	3,000
3,000	3,000

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

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

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

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

At the beginning of the year

Issued during the year

Outstanding at the end of the year

March 31, 2019		March 31, 2018	
No. in crore	(Rs. In crores)	No. in crore	(Rs. In crores)
245	2,450	245	2,450
-	-	-	-
245	2,450	245	2,450

b. Terms/Rights Attached to equity Shares

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

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

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

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

Name of Shareholder**GMR Infrastructure Limited, the intermediate holding company**

100 (March 31, 2018: 100) equity share of Rs.10 each fully paid up

March 31, 2019	March 31, 2018
0.00	0.00

GMR Energy Limited, Subsidiary of the intermediate holding company

100 (March 31, 2018: 100) equity share of Rs.10 each fully paid up

0.00

GMR Airports Limited along with Mr. Srinivas Bommidala

1 (March 31, 2018: 1) equity share of Rs.10 each fully paid up

0.00

GMR Airports Limited along with Mr Grandhi Kiran Kumar

1 (March 31, 2018: 1) equity share of Rs.10 each fully paid up

0.00

GMR Airports Limited, the holding company

156.80 crore (March 31, 2018: 156.80 crore) equity share of Rs.10 each fully paid up

1,568

d. Details of Shareholders holding more than 5% of equity shares in the Holding Company**Equity shares of Rs. 10 each fully paid**

Airports Authority of India

GMR Airports Limited

Fraport AG Frankfurt Airport Services Worldwide

March 31, 2019		March 31, 2018	
Numbers	% holding in Class	Numbers	% Holding in Class
63,70,00,000	26%	63,70,00,000	26%
1,56,79,99,798	64%	1,56,79,99,798	64%
24,50,00,000	10%	24,50,00,000	10%
2,44,99,99,798	100%	2,44,99,99,798	100%

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

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16 Other Equity**Retained earnings**

	March 31, 2019	March 31, 2018
Balance as per last financial statements	566.77	713.60
Effect of adoption of new accounting standard [refer note 3(a)]	(5.02)	-
Depreciation charge to reserve [refer note 3(g)]	(23.12)	-
(Loss) / Profit for the year	(48.31)	44.34
Re-measurement gains on defined benefit plans	(0.18)	0.50
Payment of dividends	-	(159.25)
Dividend distribution tax	-	(32.42)
Closing balance	490.13	566.77

Share of OCI of Joint Venture & Associate

Opening balance	(0.27)	(0.11)
Add:- current year share OCI	(0.04)	(0.16)
Closing Balance	(0.31)	(0.27)

Other items of Comprehensive Income**Cash flow hedge reserve**

Balance as per last financial statements	(4.49)	(16.84)
Net Movement during the year	(9.95)	12.35
	(14.44)	(4.49)

475.39	562.01
--------	--------

16.1 Distribution made and proposed on Equity shares:**Cash dividends on equity shares declared and paid**

Final dividend on equity shares for the year ended on March 31, 2018: Rs. 0.65 per share*

Dividend distribution tax (DDT) on final dividend	-	159.25
	-	32.42
	-	191.67

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

16.2 Net dividend remitted in foreign exchange:

Year of remittance (ending on)	March 31, 2019	March 31, 2018
Period to which relates		April 1, 2016 to March 31, 2017
Number of non-resident shareholders		1
Number of equity shares of nominal value Rs.10 per share held on which dividend was due		24,50,00,000
Amount remitted in USD (in million)		0.25
Amount remitted in INR (in crore)		15.93

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17 Borrowings

Bonds

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

Non - Current	
March 31, 2019	March 31, 2018
1,973.25	1,857.93
3,591.40	3,391.19
5,564.65	5,249.12

* 6.125% Senior Secured Foreign Currency Notes (Note-1) of USD 285.34 million (March 31, 2018: USD 284.35 million), principal outstanding of USD 288.75 million (March 31, 2018: USD 288.75 million) from International capital market carrying a fixed interest rate of 6.125% p.a. plus applicable withholding tax. The Note-1 are due for repayment in February, 2022. The bonds are secured by first rank pari-passu charge on all the future revenues, receivables, Trust and Retention account, any other reserve, other bank accounts and insurance proceeds of the Company and all the rights, titles, interests, permits in respect of the project documents as detailed in the lenders agreements, to the extent permissible under OMDA.

** 6.125% Senior Secured Foreign Currency Notes (Note-2) of USD 519.33 million (March 31, 2018: USD 519.00 million), principal outstanding of USD 522.60 million (March 31, 2018: USD 522.60 million) from International capital market carrying a fixed interest rate of 6.125% p.a. plus applicable withholding tax. The Note-2 are due for repayment in October 2026. The loan is secured by first rank pari-passu charge on all the future revenues, receivables, Trust and Retention account, any other reserve, other bank accounts and insurance proceeds of the Company and all the rights, titles, interests, permits in respect of the project documents as detailed in the lenders agreements, to the extent permissible under OMDA.

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

18 Other Financial Liabilities

Other financial liabilities at amortised cost

- Security Deposits from trade concessionaires [refer note 32b]
Security Deposits from commercial property developers
Earnest money deposits
Capital Creditors
Retention money
Liability for Voluntary retirement scheme
Interest accrued but not due on borrowings
Employee benefit expenses payable

Total other financial liabilities at amortised cost

Total other financial liabilities

Non Current		Current	
March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
320.14	310.78	214.27	150.24
13.02	7.48	-	0.00
-	-	4.59	2.51
-	-	23.32	23.63
4.34	3.41	28.82	25.26
-	1.35	1.35	15.47
-	-	113.98	105.33
-	-	2.01	3.69
337.50	323.02	388.34	326.12
337.50	323.02	388.34	326.12

19 Deferred Revenue

- Deferred income on financial liabilities carried at amorized cost
(refer note a below)
Unearned revenue (refer note b below)

Deferred income on financial liabilities carried at amorized cost

At April 1

- Deferred during the year
Reversed during the year
Released to the statement of profit and loss

Unearned revenue

At April 1

- Deferred during the year
Released to the statement of profit and loss

Note:

- a. Interest free security deposit received from concessionaire and commercial property developers (that are refundable in cash on completion of its term) are carried at amortised cost. Difference between the amortised value and transaction value of the security deposits received has been recognised as deferred revenue.
b. Unearned revenue as at March 31, 2019 represents 'contract liabilities' due to adoption of modified retrospective of transition in accordance with Ind AS 115.

March 31, 2019	March 31, 2018
1,676.35	1,855.56
449.21	63.16
(11.07)	(163.16)
(79.43)	(79.21)
2,035.06	1,676.35
March 31, 2019	March 31, 2018
13.14	11.93
283.19	277.93
(276.61)	(276.72)
19.72	13.14

	Non Current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Financial liability carried at amortised cost				
Borrowings (refer note 17)	5,564.65	5,249.12	-	-
Trade Payables (refer note 21)	-	-	301.87	431.42
Other financial liabilities (refer note 18)	337.51	323.02	388.34	338.07
	5,902.16	5,572.14	690.21	769.49

23. Revenue From Operations

	March 31, 2019	March 31, 2018
Revenue from contract with customers		
Aeronautical (A)	987.80	1,705.48
Non - Aeronautical		
Duty free	463.12	378.42
Retail	165.77	133.30
Advertisement	162.74	170.98
Food & Beverages	153.39	134.66
Cargo	241.75	206.99
Ground Handling	131.55	124.40
Parking	31.08	25.89
Land & Space — Rentals	379.82	349.33
Others	361.69	274.84
Total Non -Aeronautical (B)	2,090.91	1,798.81
Other operating revenue		
Revenue from commercial property development (C)	174.60	186.02
TOTAL (A+B+C)	3,253.31	3,690.31

Note:

(i) The Company earns its entire revenue from operations in India.

(ii) Timing of rendering of services

	March 31, 2019			
	Aeronautical	Non-Aeronautical	Others	Total
Services rendered at a point in time	766.18	-	-	766.18
Services rendered over time	221.62	2,090.91	174.60	2,487.13
Total revenue from contracts with customers	987.80	2,090.91	174.60	3,253.31

(iii) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price:

Particulars	March 31, 2019
Revenue as per contracted price	3,248.50
Adjustments:	
- Significant financing component	4.80
Revenue from contract with customers	3,253.31

(iv) Set out below is the revenue recognised from:

	March 31, 2019
Amounts included in contract liabilities at the beginning of the year	(49.02)
Performance obligations satisfied in previous years	-
Total	(49.02)

24. Other income

	March 31, 2019	March 31, 2018
Interest income on financial asset carried at amortised cost		
Bank deposits and others	264.52	93.83
Security deposits given	0.35	0.39
Other non-operating income		
Gain on sale of financial asset carried at Fair value through profit and loss		
Current investments-Mutual fund	125.55	125.03
Exchange difference (net)	-	53.26
Fair value gain on financial instruments at fair value through profit and loss*	1.05	23.57
Excess Provision Written back	41.41	-
Income from Duty credit scrips [refer note 42 (o)]	55.11	30.27
Miscellaneous income	2.75	0.63
	490.74	326.98

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

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25. Employee Benefits Expense

Salaries, wages and bonus
Contribution to provident and other funds [refer note 33(a)]
Gratuity expenses [refer note 33 (b)]
Staff welfare expenses

March 31, 2019	March 31, 2018
167.05	147.11
12.52	10.48
1.88	3.01
5.03	4.64
186.48	165.24

26. Depreciation and amortization expense

Depreciation on Property, Plant and Equipment (refer note 4)
Amortization of Intangible assets (refer note 5)

March 31, 2019	March 31, 2018
631.06	636.55
8.76	9.35
639.82	645.90

27. Finance Costs

Interest on borrowings
Call spread option premium
Interest expenses on financial liability carried at amortised cost
Other interest
Other borrowing costs
-Bank charges

March 31, 2019	March 31, 2018
381.05	346.88
194.56	153.65
48.04	74.41
3.44	1.41
2.50	2.80
629.59	579.15

28. Other expenses

Utility expenses
Repairs and maintenance
Plant and machinery
Buildings
IT Systems
Others
Manpower hire charges
Airport Operator fees
Security related expenses
Insurance
Consumables
Professional and consultancy expenses
Travelling and conveyance
Rates and taxes
Rent (including lease rentals)
Advertising and sales promotion
Communication costs
Printing and stationery
Directors' sitting fees
Payment to auditors (refer note A below)
Provision for Bad debts / Bad Debts Written off
Exchange difference (net)
Corporate cost allocation
Collection charges (Net)
Loss on discard of Property, Plant and Equipment
Donations
CSR expenditure (refer note B below)
Expenses of commercial property development
Miscellaneous expenses

March 31, 2019	March 31, 2018
103.66	112.90
113.25	108.27
26.71	32.35
38.21	35.32
20.89	15.84
134.66	125.97
114.90	171.87
30.75	23.06
5.65	6.63
14.62	12.73
57.87	72.21
25.41	17.63
9.07	8.30
8.09	10.57
13.88	11.18
2.37	2.09
2.38	1.51
0.24	0.27
1.13	1.62
0.17	0.31
98.47	-
91.47	85.02
10.39	5.28
-	0.08
1.12	2.42
9.92	11.14
33.18	49.47
5.69	6.49
974.15	930.53

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

Audit fee
Tax audit fee

March 31, 2019	March 31, 2018
0.68	0.70
0.07	0.07

Other services

- Other services (including certification fees)
-Reimbursement of expenses

0.27	0.83
0.11	0.02
1.13	1.62

B. Details of CSR expenditure:

		March 31, 2019	March 31, 2018
a) Gross amount required to be spent by the Company during the year		9.49	11.70
(b) Amount spent during the year ended on March 31, 2019:	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	1.40	-	1.40
ii) On purposes other than (i) above	8.52	-	8.52
c) Amount spent during the year ended on March 31, 2018:	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	9.32	1.82	11.14

29. Components of OCI

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

During the year ended March 31, 2019	March 31, 2019
Cash Flow Hedge Reserve (net)	194.03
Less: reclassified to statement of profit and loss	(209.34)
	(15.31)
During the year ended March 31, 2018	March 31, 2018
Cash Flow Hedge Reserve (net)	52.70
Less: reclassified to statement of profit and loss	(33.82)
	18.88

30. (Loss)/ Earnings Per Share (EPS)

The following reflects the (loss)/ income and share data used in the basic and diluted EPS computations:

	March 31, 2019	March 31, 2018
Profit attributable to equity holders of the holding company	(48.31)	44.34
Weighted average number of equity shares used for Computing Earning Per Share (Basic & Diluted)	245.00	245.00
	245.00	245.00
(Loss)/ Earning Per Share (Basic) (Rs)	(0.20)	0.18
(Loss)/ Earning Per Share (Diluted) (Rs)	(0.20)	0.18
Face value per share (Rs)	10.00	10.00

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31. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affects the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

31.1 Judgements

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

Discounting rate

The Group has considered incremental borrowing rate of Airport sector as at transition date for measuring deposits, being financial assets and financial liabilities, at amortised cost till March 31, 2018. From period starting from April 01, 2018, management has considered revised incremental borrowing rate of airport sector for all the deposits given/received post March 31, 2018 and impact has been duly accounted for in consolidated financial statements.

Consideration of significant financing component in a contract

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

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

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Non applicability of Service Concession Arrangement (SCA)

The Holding Company had entered into Operation, Management and Development Agreement ('OMDA') with Airports Authority of India ('AAI'), which gives Holding Company an exclusive right to operate, maintain, develop, modernize and manage the Delhi Airport on a revenue sharing model for an initial term of 30 years, which can be extended by another 30 years on satisfaction of certain terms and conditions pursuant to the provisions of the OMDA. Under the agreement, AAI has granted exclusive right and authority to undertake some of the functions of the AAI being the functions of operation, maintenance, development, design, construction, upgradation, modernization, finance and management of the Airport and to perform services and activities at the airport constituting 'Aeronautical Services' and 'Non-Aeronautical Services'. For prices, aeronautical services are regulated, while the regulator has no control over determination of prices for Non-Aeronautical Services. The management of the Holding Company conducted detailed analysis to determine applicability of Appendix C of Ind AS 115 and concluded that the same does not apply to the Holding Company. Holding Company's concession arrangement has significant non-regulated revenues, which are apparently not ancillary in nature, as these are important from holding Company, AAI and users/passengers perspective. Further, the regulated and non-regulated services are substantially interdependent and cannot be offered in isolation. The airport premise is being used both for providing regulated services (Aeronautical Services) and for providing non-regulated services (Non-aeronautical Services). Accordingly the management of Holding Company has concluded that SCA does not apply in its entirety to the Holding Company.

Applicability of Service Concession Arrangement (SCA)

Management of Celebi has assessed applicability of Appendix C to Ind AS 115 – "Service concession arrangements" to Concessionaire agreement entered into by the Company which gives it right to operate, maintain, develop modernise and manage the existing Cargo terminal for a period till March 31, 2034 and the new domestic terminal at Delhi for a period till March 31, 2021. In assessing the applicability, management of Celebi has exercised significant judgement in relation to the underlying ownership of the assets, terms of the arrangement entered with the grantor, ability to determine prices, fair value of construction service, assessment of right to guaranteed cash etc. Based on detailed evaluation, management of Celebi has determined that this arrangement meet the criteria for recognition as service concession arrangements.

Annual Fee to AAI

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

Management of the Holding Company is of the view that the certain income / credits arising on adoption of Ind-AS was not in contemplation of parties in April 2006 when this Concession Agreement was signed / entered. Further, these income/credits in Statement of Profit and Loss do not represent actual receipts from business operations, from any external sources and therefore, these incomes/ credits should not be treated as "Revenue" for calculation of MAF to AAI. Accordingly, the Holding Company, basis above and Legal Opinion, has provided the monthly annual fee to AAI based on Revenue as per the Ind AS financial statements after adjusting such incomes/credits (refer note 42 (i)).

Leases: whether an arrangement contains a lease

Lease of Solar power plant

Significant judgement is required to apply lease accounting under Appendix C to Ind AS 17: 'Determining whether an arrangement contains a Lease'. In assessing the applicability to arrangements entered into by Celebi relating to lease of solar power plant, Celebi's management has exercised judgement to evaluate the right to use the underlying assets, substance of the transaction including legally enforced arrangements and other significant terms and conditions of the arrangement to conclude whether the arrangements meet the criteria under Appendix C to Ind AS 17.

31.2 ESTIMATES AND ASSUMPTIONS

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

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

Taxes

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

Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

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

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

Further details about gratuity obligations are given in Note 33(b).

Provision for planned maintenance

As part of the Celebi's contractual obligation to maintain the cargo terminal to a specified level of serviceability, the Celebi has recognised a provision for planned maintenance in their financial statement. In determining the fair value of the provision, assumptions and estimates are made in relation to discount rates, the expected cost to replace the assets, inflation percentage and the expected timing of those costs. Celebi has calculated the provision using the discounted cash flow (DCF) method based on the following assumptions:

- Discount rate: 7.25- 8.44% p.a.
- Inflation percentage: 4 % p.a.

Provision for Leave encashment

The present value of leave encashment is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of discount rate, future salary increases, and withdrawal rates. Due to complexities involved in the valuation and its long term nature, provision for leave encashment is sensitive to changes in these assumptions. All assumptions are reviewed at each balance sheet date.

Contingencies

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

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 36, 37 and 38 for further disclosures.

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32. Related Party

a) Names of related parties and description of relationship:

Description of relationship	Name of the related parties
Ultimate holding company	GMR Enterprises Private Limited
Intermediate holding company	GMR Infrastructure Limited
Holding company of DIAL	GMR Airports Limited
Subsidiary company	Delhi Aerotropolis Private Limited
Associate company (where transactions have taken place)	Delhi Airport Parking Services Private Limited
	Travel Food Services (Delhi Terminal 3) Private Limited
	Delhi Duty Free Services Private Limited
	Celebi Delhi Cargo Terminal Management India Private Limited
	TIM Delhi Airport Advertising Private Limited
	DIGI Yatra Foundation ¹
Fellow subsidiaries (including subsidiary companies of the ultimate/intermediate holding company) (where transactions have taken place)	GMR Hyderabad International Airport Limited
	GMR Male International Airport Private Limited
	GMR Airport Developers Limited
	GMR Aviation Private Limited
	Raxa Security Services Limited
	GMR Krishnagiri SEZ Limited
	GMR Chhattisgarh Energy Limited
	GMR Kamalanga Energy Limited
	Kakinada SEZ Limited (formerly known as Kakinada SEZ Private Limited)
	GMR Warora Energy Limited
	GMR Pochanpalli Expressways Limited
	GMR Tambaram Tindivanam Expressways Limited
	GMR Consulting Services Private Limited
	GMR Energy Trading Limited
	GMR Vemagiri Power Generation Limited
	GMR Goa International Airport Limited
Fellow joint venture (including joint venture company of the ultimate/ Intermediate holding company)	GMR Sports Private Limited
	GMR Aero Technic Limited
	GMR Hospitality and Retail Limited (Formerly known as GMR Hotels and Resorts Limited)
	GMR Tuni Anakapalli Expressways Limited
	JSW GMR Cricket Private Limited (Formerly known as GMR Sports Private Limited) ²

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Description of relationship	Name of the related parties
Joint ventures (where transactions have taken place)	Delhi Aviation Services Private Limited
	Delhi Aviation Fuel Facility Private Limited
	WAISL Limited (Formerly known as Wipro Airport IT Services Limited ³
	GMR Bajoli Holi Hydropower Private Limited ⁴
Enterprises in respect of which the Holding Company is a joint venture	Airports Authority of India
	Fraport AG Frankfurt Airport Services Worldwide
Associate of member of a Group of which DIAL is a member	GMR Megawide Cebu Airport Corporation
Enterprises where significant influence of Key management Personnel or their relatives exists	GMR Varalaksmi Foundation
Key Management personnel	Mr. G.M. Rao ⁵ – Executive Chairman
	Mr. G.B.S Raju ⁶ - Managing Director
	Mr. Srinivas Bommidala ⁶ – Non Executive Director
	Mr. Grandhi Kiran Kumar ⁷ – Non Executive Director
	Mr. K. Narayana Rao - Whole Time Director
	Mr. Indana Prabhakara Rao- Executive Director
	Mr. G. Subba Rao – Director
	Mr. R.S.S.L.N. Bhaskarudu - Independent Director
	Mr. M. Ramachandran - Independent Director
	Ms.Siva Kameswari Vissa - Independent Director
	Mr. N.C. Sarabeswaran - Independent Director
	Mr. Anuj Aggarwal- Director (AAI Nominee)
	Mr. S. Suresh - Director (AAI Nominee)
	Mr. A.K. Dutta - Director (AAI Nominee)

1. The Holding Company has invested in DIGI Yatra foundation, a Special Purpose Vehicle (SPV) formed as central platform for identity management of passengers, as Joint Venture (JV) of private airport operators and AAI under Section 8 of the Companies Act, 2013 (Not for Profit Organization). Further, it has been decided by AAI that initially for incorporation AAI, DIAL and Bangalore International Airport Limited (BIAL) will form this company with shareholding of 26:37:37 respectively. Currently this company is having paid up capital of Rs. 10,000 (INR) and DIAL has invested Rs. 3,700 (INR) only. In future, the equity share of JVC will be 26% of AAI and remaining 74% will be equally divided amongst the Private Airport Operators viz. BIAL, Cochin International Airport Limited, DIAL, GMR Hyderabad International Airport Limited (GHIAL), Mumbai International Airport Limited (MIAL) i.e. 14.8% each.
2. GMR Sports Private Limited is fellow joint venture w.e.f. June 13, 2018. Consequently, the name of the Company has been changed to JSW GMR Cricket Private Limited.

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3. The name of Wipro Airport IT Services Limited is changed to WAISL Limited with effect from September 8, 2018. The Holding Company has sold its entire stake in WAISL Limited of Rs 1.30 cr. (1,300,000 shares of Rs. 10 each) at face value to Antariksh Softtech Private Limited on June 26, 2019.
4. W.e.f. from September 11, 2017, the Holding Company has entered into a share subscription cum shareholder's agreement for acquisition of 17.33% of shareholding in GMR Bajoli Holi Hydropower Private Limited. The Holding Company holds 20.85% of shareholding in GMR Bajoli Holi Hydropower Private Limited as at March 31, 2019. Pursuant to terms of the agreement, GMR Bajoli Holi Hydropower Private Limited has become a joint venture of the Holding Company.
5. W.e.f. April 01, 2018, Mr. G.M. Rao has been appointed Executive Chairman of the Holding Company.
6. Mr. Srinivas Bommidala ceased to be the Managing Director of the Holding Company w.e.f. end of business hours of March 31, 2018. Mr. G.B.S. Raju has been appointed as Managing Director in place of Mr. Srinivas Bommidala w.e.f. April 01, 2018.
7. W.e.f. June 01, 2018, Mr. Grandhi Kiran Kumar was appointed as Non-Executive Director of the Holding Company.

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

Transactions During the period	March 31, 2019	March 31, 2018
<u>Non-current investments</u>		
<u>Investment made in Equity Share</u>		
<u>Associate Companies</u>		
Digi Yatra Foundation	0.00	-
<u>Joint Ventures</u>		
GMR Bajoli Holi Hydropower Private Limited	-	108.33
<u>Security Deposits from trade concessionaires</u>		
<u>Security Deposits Received</u>		
<u>Associate Companies</u>		
Celebi Delhi Cargo Terminal Management India Private Limited	23.72	7.95
Delhi Duty Free Services Private Limited	-	3.97
Travel Food Services (Delhi Terminal 3) Private Limited	-	4.33
<u>Joint Ventures</u>		
Delhi Aviation Fuel Facility Private Limited	39.96	-
Delhi Aviation Services Private Limited	0.04	0.04
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
GMR Aero Technic Limited	-	0.25
<u>Security Deposits from trade concessionaires</u>		
<u>Security Deposits Refunded</u>		
<u>Associate Companies</u>		
Delhi Duty Free Services Private Limited	1.51	0.12
<u>Marketing Fund Billed</u>		
<u>Associate Companies</u>		
Delhi Duty Free Services Private Limited	12.55	11.21
Travel Food Services (Delhi Terminal 3) Private Limited	1.14	0.86
Delhi Airport Parking Services Private Limited	0.01	0.01
<u>Marketing Fund Utilised</u>		
<u>Associate Companies</u>		
Delhi Duty Free Services Private Limited	7.37	10.87
TIM Delhi Airport Advertising Private Limited	0.75	0.36
Travel Food Services (Delhi Terminal 3) Private Limited	0.15	0.05
<u>Utilization of advance from commercial property developers</u>		
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
GMR Airport Developers Limited	1.43	2.63
<u>Capital Work in progress</u>		
<u>Associate Companies</u>		
Travel Food Services (Delhi Terminal 3) Private Limited	0.01	-
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
GMR Airport Developers Limited	2.35	-
GMR Aviation Private Limited	1.01	-
<u>Dividend Paid</u>		
<u>Holding company of DIAL</u>		
GMR Airports Limited	-	101.92
<u>Enterprises in respect of which the Holding Company is a joint venture</u>		
Airports Authority of India	-	41.41
Fraport AG Frankfurt Airport Services Worldwide	-	15.92

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

Transactions During the period	March 31, 2019	March 31, 2018
<u>Non-aeronautical revenue</u>		
<u>Intermediate holding company</u>		
GMR Infrastructure Limited	1.98	2.61
<u>Holding Company of DIAL</u>		
GMR Airports Limited	1.29	-
<u>Joint Venture</u>		
Delhi Aviation Fuel Facility Private Limited	19.81	18.43
Delhi Aviation Services Private Limited	9.28	8.22
WAISL Limited	103.57	45.26
GMR Bajoli Holi Hydropower Private Limited	1.82	1.69
<u>Associate Companies</u>		
TIM Delhi Airport Advertising Private Limited	163.00	171.28
Celebi Delhi Cargo Terminal Management India Private Limited	202.67	189.45
Travel Food Services (Delhi Terminal 3) Private Limited	32.85	22.17
Delhi Duty Free Services Private Limited	443.72	363.59
Delhi Airport Parking Services Private Limited	31.02	25.81
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
GMR Aviation Private Limited	0.06	0.06
GMR Tambaram Tindivanam Expressways Limited	2.80	2.60
GMR Warora Energy Limited	1.82	1.69
GMR Vemagiri Power Generation Limited	1.82	1.69
GMR Kamalanga Energy Limited	1.82	1.69
GMR Aero Technic Limited	0.54	0.03
<u>Enterprises in respect of which the Holding Company is a joint venture</u>		
Airports Authority of India	0.04	-
<u>Non-Aeronautical - Income on Security deposits</u>		
<u>Associate Companies</u>		
Delhi Airport Parking Services Private Limited	0.15	0.15
TIM Delhi Airport Advertising Private Limited	1.63	1.63
Delhi Duty Free Services Private Limited	13.12	13.09
Celebi Delhi Cargo Terminal Management India Private Limited	6.64	5.55
Travel Food Services (Delhi Terminal 3) Private Limited	0.48	0.38
<u>Joint Ventures</u>		
Delhi Aviation Fuel Facility Private Limited	8.32	4.49
Delhi Aviation Services Private Limited	1.03	1.03
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
GMR Aero Technic limited	0.03	-
<u>Aeronautical Revenue</u>		
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
GMR Aviation Private Limited	0.22	0.19
<u>Enterprises in respect of which the Holding Company is a joint venture</u>		
Airports Authority of India	0.03	0.09
<u>Other Revenue</u>		
<u>Interest on Inter Company Deposits</u>		
<u>Intermediate holding Company</u>		
GMR infrastructure Limited	36.49	-
<u>Interest Income on Financial Assets carried at amortised cost</u>		
<u>Associate Companies</u>		
Travel Food Services (Delhi Terminal 3) Private Limited	0.01	2.62
<u>Key managerial Remuneration paid/ payable</u>		
<u>Short-term employee benefits*</u>		
Mr G.M. Rao	5.30	-
Mr. Grandhi Kiran Kumar	0.69	3.94
Mr. Srinivas Bommidala	-	3.94
Mr. K. Narayana Rao	1.54	1.60
Mr G.B.S. Raju	4.51	-
Mr. Indana Prabhakara Rao	2.42	-

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

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

Transactions During the period	March 31, 2019	March 31, 2018
Annual Fee		
Enterprises in respect of which the Holding Company is a joint venture		
Airports Authority of India	1,571.84	1,780.88
Excess provision written back		
Enterprises in respect of which the Company is a joint venture		
Airports Authority of India	15.36	-
Finance cost		
Other cost - Interest on Revenue share		
Enterprises in respect of which the Holding Company is a joint venture		
Airports Authority of India	2.28	2.49
Finance Cost- Interest expense on financial liability carried at amortised cost		
Associate Companies		
Delhi Airport Parking Services Private Limited	0.09	0.08
TIM Delhi Airport Advertising Private Limited	1.11	0.99
Delhi Duty Free Services Private Limited	12.52	11.16
Celebi Delhi Cargo Terminal Management India Private Limited	3.04	2.31
Travel Food Services (Delhi Terminal 3) Private Limited	0.34	0.19
Joint Ventures		
Delhi Aviation Fuel Facility Private Limited	3.57	2.04
Delhi Aviation Services Private Limited	1.41	1.25
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Aero Technic Limited	0.02	-
Enterprises in respect of which the Holding Company is a joint venture		
Airports Authority of India	1.01	2.65
CSR expenditure		
Enterprises where significant influence of key Management personnel or their relative exists		
GMR Varalakshmi Foundation	4.17	5.42
Manpower hire charges		
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Airport Developers Limited	49.14	45.11
Airport Operator fees		
Enterprises in respect of which the Holding Company is a joint venture		
Fraport AG Frankfurt Airport Services Worldwide	114.90	171.87
Corporate Cost Allocation		
Intermediate Holding company		
GMR Infrastructure Limited	11.00	20.89
Holding company of DIAL		
GMR Airports Limited	80.47	64.12
Services Received		
Travelling & Conveyance- Chartering Cost		
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Aviation Private Limited	11.33	4.28
Meetings and Seminars		
Holding company of DIAL		
GMR Airports Limited	-	0.20
Security related expenses		
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
Raxa Security Services Limited	26.16	22.47

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

Transactions During the period	March 31, 2019	March 31, 2018
<u>Repair and Maintenance - IT System</u>		
<u>Joint Ventures</u>		
WAISL Limited	-	0.19
<u>Utility Expenses</u>		
<u>Electricity charges</u>		
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
GMR Energy Trading Limited	30.40	31.83
<u>Electricity charges recovered</u>		
<u>Intermediate holding company</u>		
GMR Infrastructure Limited	0.12	0.12
<u>Joint Ventures</u>		
Delhi Aviation Services Private Limited	15.63	12.87
GMR Bajoli Holi Hydropower Private Limited	0.14	0.16
<u>Associate Companies</u>		
Delhi Airport Parking Services Private Limited	1.92	1.86
Celebi Delhi Cargo Terminal Management India Private Limited	10.92	10.94
TIM Delhi Airport Advertising Private Limited	4.18	3.28
Travel Food Services (Delhi Terminal 3) Private Limited	5.22	3.12
Delhi Duty Free Services Private Limited	2.58	1.97
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
GMR Aviation Private Limited	0.01	0.01
GMR Warora Energy Limited	0.22	0.27
GMR Tambaram Tindivanam Expressways Limited	0.09	0.12
GMR Vemagiri Power Generation Limited	0.24	0.29
GMR Kamalanga Energy Limited	0.15	0.18
<u>Enterprises in respect of which the Holding Company is a joint venture</u>		
Airports Authority of India	15.79	17.07
<u>Water charges recovered</u>		
<u>Joint Ventures</u>		
Delhi Aviation Services Private Limited	0.20	0.11
GMR Bajoli Holi Hydropower Private Limited	0.03	0.02
<u>Associate Companies</u>		
Delhi Airport Parking Services Private Limited	0.52	0.41
Travel Food Services (Delhi Terminal 3) Private Limited	0.97	0.39
Celebi Delhi Cargo Terminal Management India Private Limited	2.82	1.27
Delhi Duty Free Services Private Limited	0.01	0.02
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
GMR Warora Energy Limited	0.02	0.01
<u>Recovery of Collection Charges</u>		
<u>Enterprises in respect of which the Holding Company is a joint venture</u>		
Airport Authority of India	6.51	3.07
<u>Directors' sitting fees</u>		
<u>Key management personnel</u>		
Mr.R.S.S.L.N. Bhaskarudu	0.05	0.06
Ms. Siva Kameswari Vissa	0.04	0.05
Mr. N.C. Sarabeswaran	0.04	0.05
Mr. G. Subba Rao	0.03	0.03
Mr. G.B.S. Raju	-	0.01
Mr. Srinivas Bommidala	0.01	-
Mr. Grandhi Kiran Kumar	0.01	-
Mr. Anuj Aggarwal	0.01	-
Mr. S. Suresh	-	0.01
Mr. A.K. Dutta	-	0.01
Mr. M. Ramachandran	0.04	0.05
<u>Foreign Travel-Others</u>		
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
GMR Male International Airport Private Limited	0.03	-

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

Transactions During the period	March 31, 2019	March 31, 2018
<u>Expenses incurred by Holding Company on behalf of related parties</u>		
<u>Intermediate Holding company</u>		
GMR Infrastructure Limited	0.02	0.02
<u>Holding company of DIAL</u>		
GMR Airports Limited	6.26	4.74
<u>Joint Ventures</u>		
Delhi Aviation Services Private Limited	0.64	0.60
WAISL Limited	20.96	20.14
GMR Bajoli Holi Hydropower Private Limited	0.01	0.01
<u>Associate Companies</u>		
Celebi Delhi Cargo Terminal Management India Private Limited	0.61	0.54
TIM Delhi Airport Advertising Private Limited	0.69	0.64
Delhi Airport Parking Services Private Limited	0.79	0.57
Travel Food Services (Delhi Terminal 3) Private Limited	0.48	0.45
Delhi Duty Free Services Private Limited	0.42	0.35
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
GMR Airport Developers Limited	0.04	0.01
GMR Tuni Anapalli Expressways Limited	0.01	0.02
GMR Pochanpalli Expressways Limited	0.03	0.04
GMR Consulting Services Limited	0.01	0.01
Raxa Security Services Limited	-	0.30
Kakinada SEZ Limited	0.09	0.08
GMR Hyderabad International Airport Limited	0.01	-
GMR Energy Trading Limited	0.01	0.02
GMR Aviation Private Limited	0.01	-
GMR Warora Energy Limited	0.01	-
<u>Expenses incurred by related parties on behalf of Holding Company</u>		
<u>Intermediate Holding company</u>		
GMR Infrastructure Limited	0.34	0.02
<u>Holding company of DIAL</u>		
GMR Airports Limited	0.21	0.18
<u>Associate Companies</u>		
Travel Food Services (Delhi Terminal 3) Private Limited	0.15	0.10
Delhi Aviation Services Private Limited	0.02	-
<u>Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)</u>		
GMR Hyderabad International Airport Limited	0.37	-
GMR Airport Developers Limited	2.48	-
GMR Tuni Anapalli Expressways Limited	0.18	-
Kakinada SEZ Limited	0.07	-
GMR Hospitality & Retail Limited	0.03	-

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33. Retirement and other employee Benefit:-

Employee Benefit:-

a) Defined benefit plans

During the year ended March 31, 2019, the Holding Company has recognised Rs. 12.52 crore (March 31, 2018: Rs. 10.48 crore) as an expenses and included in Employee benefits expense as under the following defined contribution plans.

	For the year ended March 31, 2019	For the year ended March 31, 2018
Employer's contribution to		
Provident and other fund#	8.38	7.02
Superannuation fund*	4.14	3.46
Total	12.52	10.48

#Net of amount transferred to Capital work-in-progress ('CWIP') & CPD Rs. 0.24 Crore (March 31, 2018: Rs. 0.11 Crore)

*Net of amount transferred to CWIP & CPD Rs. 0.14 Crore (March 31, 2018: Rs. 0.08 Crore).

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

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

Particulars	March 31, 2019	March 31, 2018
Plan assets at the year end, at fair value	148.09	111.59
Present value of benefit obligation at year end	148.09	111.59
Net (liability) recognized in the balance sheet	-	-

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

Particulars	March 31, 2019	March 31, 2018
Discount rate	7.55%	7.60%
Fund rate	9.30%	9.30%
PFO rate	8.65% for first year and 8.60% thereafter	8.55% for the next one year
Withdrawal rate	5.00%	5.00%
Mortality	Indian Assured Lives Mortality (2006-08) (modified)Ult *	Indian Assured Lives Mortality (2006-08) (modified)Ult *

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

(b) Gratuity expense

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

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

Net employee benefit expense (recognized in Employee Cost) for the year ended March 31, 2019:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current Service Cost	2.00	1.51
Past Service Cost	-	1.53
Net Interest Cost	(0.12)	(0.03)
Total	1.88	3.01

Amount recognised in Other Comprehensive Income for the year ended March 31, 2019:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Actuarial (gain)/loss due to DBO experience	(0.05)	0.08
Actuarial gain due to DBO financial assumptions changes	-	(0.59)
Actuarial gain arising during period	(0.05)	(0.51)
Return on plan assets less / (greater) than discount rate	0.33	(0.26)
Actuarial loss/ (gains) recognized in OCI	0.28	(0.77)

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Balance Sheet

Particulars	March 31, 2019	March 31, 2018
Defined benefit obligation	(19.18)	(16.39)
Fair value of plan assets	21.14	14.94
Benefit asset / (liability)	1.96	(1.45)

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

Particulars	March 31, 2019	March 31, 2018
Opening defined benefit obligation	16.39	12.78
Interest cost	1.21	0.87
Current service cost	2.00	1.51
Past Service Cost	-	1.53
Acquisition cost	0.65	1.10
Benefits paid (including transfer)	(1.02)	(0.89)
Actuarial gain on obligation-experience	(0.05)	(0.51)
Closing defined benefit obligation	19.18	16.39

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

Particulars	March 31, 2019	March 31, 2018
Opening fair value of plan assets	14.94	11.57
Acquisition Adjustment	0.65	0.92
Interest income on plan assets	1.33	0.90
Contributions by employer	5.57	2.18
Benefits paid (including transfer)	(1.02)	(0.89)
Return on plan assets greater/ (lesser) than discount rate	(0.33)	0.26
Closing fair value of plan assets	21.14	14.94

The Holding Company expects to contribute Rs. 2.09 crore to gratuity fund during the year ended on March 31, 2020 (March 31, 2019: Rs. 2.18 crore).

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

Particulars	March 31, 2019	March 31, 2018
	(%)	(%)
Investments with insurer managed funds	100	100

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

Particulars	March 31, 2019	March 31, 2018
Discount rate (in %)	7.60%	7.60%
Salary Escalation (in %)	6.00%	6.00%
Expected rate of return on assets	7.60%	7.60%
Attrition rate (in %)	5.00%	5.00%

A quantitative sensitivity analysis for significant assumption as at March 31, 2019 is as shown below:

	March 31, 2019	March 31, 2018
Assumptions	Discount rate	
Sensitivity Level	1%	1%
Impact on defined benefit obligation due to increase	(1.36)	(1.17)
Impact on defined benefit obligation due to decrease	1.56	1.34

Assumptions	Future Salary Increase	
Sensitivity Level	1%	1%
Impact on defined benefit obligation due to increase	1.45	1.26
Impact on defined benefit obligation due to decrease	(1.33)	(1.15)

Assumptions	Attrition rate	
Sensitivity Level	1%	1%
Impact on defined benefit obligation due to increase	0.16	0.14
Impact on defined benefit obligation due to decrease	(0.18)	(0.16)

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

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (March 31, 2018: 10 years).

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34. Commitments and Contingencies

I. Leases

Operating lease: Holding Company as lessee

The Holding 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 Holding Company and the lessor. There are no sub leases. The lease payment for the year (excluding taxes) is Rs. 8.09 crore (March 31, 2018 Rs. 10.57 crore).

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

Particulars	March 31, 2019	March 31, 2018
Minimum Lease Payments:		
Within one year	4.42	2.69
After one year but not more than five years	1.57	2.18
More than five years	-	-
Total future payments	5.99	4.87

II. Contingent liabilities not provided for:

	Particulars	March 31, 2019	March 31, 2018
(i)	In respect of Income tax matters *	64.29	64.29
(ii)	In respect of Indirect tax matters [refer note (e) & (f) below and other matters*]	4.21	190.42
(iii)	Claim against the Holding Company not acknowledged as debt [refer (d) below and other matters*]	0.26	41.47
(iv)	In respect of other matters [refer (a) below]	23.61	15.72

*pertaining to various cases not included below

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

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

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

The Holding Company has paid Rs. 1.12 crore and Rs. 1.15 crore for financial year 2018-19 and financial year 2017-18 respectively based on same computation as of financial year 2016-17.

DCB had raised provisional invoice on April 13, 2018 demanding property tax of Rs. 9.01 crore for the Financial Year 2018-19 along with arrears of Rs. 20.89 crore for FY 2016-17 and FY 2017-18. Accordingly, The Holding Company has disclosed remaining amount of Rs. 28.78 crore in respect of FY 2016-17, FY 2017-18 and FY 2018-19 as contingent liability.

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

- b) The Ministry of Civil Aviation (MoCA) issued a Circular No. AV 13028/001/2009-AS dated January 8, 2010 giving fresh guidelines regarding the expenditure which could be met out of the PSF (SC) and subsequently clarified by MoCA vide order dated April 16, 2010. Based on the said circular, the 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 crore 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 High Court of Delhi by way of a Writ Petition. The Hon'ble Court, vide its order dated December 21, 2012, had restrained MoCA from taking any coercive measures in the form of initiation of criminal proceedings against the Holding Company and the matter is now listed for hearing on September 25, 2019. Based on an internal assessment and aforesaid order of the Hon'ble High Court of Delhi, the management is confident that no liability in this regard would be payable and as such no provision has been made in these consolidated financial statements.

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- c) MoCA issued an order no. AV 13024 /03/2011-AS (Pt. I) dated February 18, 2014 requiring the Airport Operators to reverse the expenditure incurred, since inception to till date, towards procurement and maintenance of security systems/equipment and on creation of fixed assets out of PSF (SC) escrow account opened and maintained by DIAL (the Airport Operator) in a fiduciary capacity. The Holding Company had incurred Rs. 297.25 crore towards capital expenditure (excluding related maintenance expense and interest thereon) till March 31, 2019 (March 31, 2018: Rs. 297.25 crore) out of PSF (SC) escrow account as per Standard Operating Procedure (SOPs), guidelines and clarification issued by MoCA from time to time on the subject of utilization of PSF (SC) funds.

In the opinion of the management of the 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 High Court of Delhi. The Hon'ble High Court of Delhi, vide its order dated March 14, 2014, stayed recovery of amount already utilized by the Company from PSF (SC) Escrow Account till date. The matter is now listed for hearing on December 03, 2019.

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

Based on an internal assessment, the management of the 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 of Delhi and pending further orders, the Holding Company has charged Rs. 96.39 crore from April 1, 2014 till March 31, 2019 (March 31, 2018: Rs. 79.38 crore) towards the expenditure incurred on repair and maintenance of security equipment to the Consolidated Statement of profit and loss which includes Rs. 17.01 crore during the year ended March 31, 2019 (March 31, 2018: Rs 20.97 crore).

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

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- d) 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. Till March 31, 2014, the Holding Company had cumulatively utilized custom duty credit scrip amounting to Rs. 89.60 crore in lieu of payment of import duty in respect of import of fixed assets (including capital work in progress) and thus, recorded fixed assets (including capital work in progress) imported, at net amount (after excluding the amount of custom duty paid by using these scrips).

The Expert Advisory Committee ('EAC') of the Institute of Chartered Accountants of India, pursuant to a specific application by the 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 erstwhile Accounting Standard 12 – Accounting for Government Grants.

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

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

The Holding Company had filed a writ petition against the AAI's letter in Hon'ble High Court of Delhi on July 10, 2015 disputing the demand and 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.

The matter was duly heard and arbitration award was pronounced in favour of the Holding Company on December 27, 2018, mentioning that the income earned by way of SFIS Scrip does not fall under the definition of Revenue as per OMDA as it is not related with any Aeronautical or Non-Aeronautical activities and it is of the nature of capital receipt. Accordingly, no revenue share is payable to AAI by the Holding Company on SFIS revenue and demand of AAI for revenue share stands rejected.

However AAI has filed an appeal u/s 34 of Arbitration act before Hon'ble Delhi high court on April 25, 2019 challenging the said award and for setting aside the arbitration award dated December 27, 2018. The next hearing is scheduled on September 19, 2019.

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- e) The Director General of Central Excise Intelligence, New Delhi had issued a Show Cause Notice F. NO. 574/CE/41/2014/Inv./PT.II/11327 dated October 10, 2014 on the Holding Company, proposing a demand of service tax of Rs. 59.91 crore (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 as referred to above with appropriate authority on April 17, 2015.

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

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

The Holding Company has filed appeal before CESTAT, New Delhi on August 02, 2016 by depositing Rs. 4.07 crore against the order dated May 02, 2016, the same has been shown under other loan and advances as Deposit with Government Authorities including paid under protest. The matter was concluded in final hearing held on December 20, 2018 and the decision is pronounced on February 8, 2019 in favour of the Holding Company setting aside the order of the Director Adjudication raising a demand of service tax of Rs. 54.31 crore.

Accordingly, the amount of penalty of Rs. 54.31 crore disclosed as contingent liability as at March 31, 2018 is now shown as Nil as at March 31, 2019.

- f) The Commissioner of Service Tax, New Delhi had issued six Show Cause Notices (SCN) and one addendum to SCN on the Company, proposing a demand of service tax aggregating to Rs. 275.53 crore (excluding interest and penalty) on the collection of Development Fee ("DF") from passengers in airport for the period from March, 2009 to September, 2013. Out of total demand of service tax of Rs 275.53 crore, service tax amounting to Rs 130.17 crore has already been paid by 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 crore (after giving cum duty effect) and out of the said demand has appropriated amount of Rs 130.17 crore already deposited by the Holding Company under protest towards service tax, and further imposed a penalty of Rs 131.89 crore in respect of this matter.

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

The Holding Company has filed appeal against the order before CESTAT, New Delhi on October 10, 2016. The matter was concluded in final hearing held on December 04, 2018 and the decision is pronounced on January 18, 2019 in favour of the Holding Company setting aside the order of the Commissioner levying service tax on ADF and penalty amounting to Rs. 262.06 crore.

Accordingly, the amount of penalty of Rs.131.89 crore disclosed as contingent liability as at March 31, 2018 is now shown as Nil as at March 31, 2019.

- g) There are numerous interpretative issues till now relating to the Hon'ble Supreme Court (SC) judgement on Provident Fund dated February 28, 2019. As a matter of caution, the Group has made a provision on a prospective basis from the date of the SC order. The Group will update its provision, on receiving further clarity on the subject.

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

IV. Capital and Other Commitments:

i. Capital Commitments:

At March 31, 2019, the Holding Company has estimated amount of contracts remaining to be executed on capital account not provided for [net of advances of Rs. 897.92 crore (March 31, 2018: Rs. 4.01 crore)] Rs. 9,326.05 crore (March 31, 2018: Rs. 154.99 crore).

ii. Other Commitments:

- i. As per the terms of OMDA, the Holding Company is required to pay annual fees to AAI at 45.99% of the revenue (as defined in OMDA) of the Holding Company for an initial term of 30 years starting from May 2006 and which can be extended by another 30 years on satisfaction of certain terms and conditions pursuant to the provisions of OMDA.
- ii. In respect of its equity investment in East Delhi Waste Processing Company Private Limited, the 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 has been commissioned with effect from April 01, 2017.
- iii. 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.

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- iv. In case of Holding Company, in terms of Section 115JB of Income Tax Act, 1961, certain Ind AS adjustments at the Ind AS transition date to be included in book profits equally over a period of five years starting from the year of first time adoption of Ind AS i.e. FY 2016-17. Pursuant to above, the Holding Company had made Ind AS adjustments amounting to Rs. 184.79 crore as on March 31, 2016 and included 1/5th of the same i.e. Rs. 36.96 crore while computing book profit for FY 2016-17, FY 2017-18 and FY 2018-19 and paid/provided MAT accordingly. The remaining amount of Rs. 73.91 crore will be adjusted in the two subsequent years while computing book profit for MAT.
- v. The Holding Company had entered into “Call spread Option” with various banks for hedging the repayment of 6.125% Senior secured notes (2022) of USD 288.75 million and 6.125% Senior secured notes (2026) of USD 522.60 million, which are repayable in February 2022 and October 2026 respectively. The terms of the agreements is as below:

Option Value (in USD Mn)	Period		Call spread range (INR/USD)	Total Premium Payable	Premium paid till	Premium outstanding as at	
	From	To			March 31, 2019	March 31, 2019	March 31, 2018
522.60	December 6, 2016	October 22, 2026	66.85 - 101.86	1,241.30	266.49	974.81	1,100.57
80.00	February 6, 2017	January 27, 2022	68.00 - 85.00	94.33	37.39	56.94	75.87
208.75	January 23, 2018	January 27, 2022	63.80 - 85.00	198.34	49.76	148.59	198.08

With respect to Subsidiary, Joint ventures and associates:

- vi. DIAL entered into a tripartite Master Service Agreement (MSA) with WAISL Limited (Formerly known as Wipro Airport IT Services Limited) [WAISL] and WIPRO Limited. This agreement was further amended vide addendum number 17, dated April 5, 2018, in which Antariksh Softech Private Limited has also become the party to the agreement. As per the agreement, DIAL is committed to pay annually, premium fees to WAISL or receive from WAISL a concession fee, determined and mutually agreed on the basis of estimated receivable and subsistence level (as defined in the said MSA further amended vide addendum number 19, dated October 01, 2018). During year ended March 31, 2019, the Holding Company accounted for Rs. 103.36 crore towards such concession fee from WAISL and this is included in revenue from operations (March 31, 2018: Rs. 45.26 crore)

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. Till March 31, 2019, the Holding Company has funded Rs. 11.17 Crore (March 31, 2018: Rs. 11.02 crore) towards shortfall in collection from customers.

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

Company Name	March 31, 2019		March 31, 2018	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Delhi Duty Free Services Private Limited	-	-	11,976,000	119,760,000
Delhi Airport Parking Services Private Limited	18,853,703	188,537,030	18,853,703	188,537,030
Travel Food Services (Delhi Terminal 3) Private Limited	1,680,000	16,800,000	1,680,000	16,800,000

- viii. In respect of the Holding Company's investment in Joint Venture ('JV') entities and Associate Companies, other JV/ associate partners have the first right of refusal in case, any of the JV/ associate partners intend to sell its stake subject to other terms and conditions of respective JV/ associate agreements.
- ix. In respect of its equity investment in GMR Bajoli Holi Hydropower Private Limited ('Bajoli Holi'), the Holding Company has to maintain minimum 17.33% of equity shareholding until the expiry of or early termination of power purchase agreement dated September 11, 2017 entered between the Company and the Bajoli Holi, expiring on May 03, 2036. The Holding Company has invested Rs. 108.33 crore as Equity Share Capital.
- x. The Holding Company has invested in DIGI Yatra foundation, a Special Purpose Vehicle (SPV) formed as central platform for identity management of passengers, as Joint Venture (JV) of private airport operators and AAI under Section 8 of the Companies Act, 2013 (Not for Profit Organization). It has been decided by AAI that initially for incorporation AAI, DIAL and Bangalore International Airport Limited (BIAL) will form this Company with shareholding of 26:37:37 respectively. Currently DIGI Yatra foundation is having paid up capital of Rs. 10,000 and DIAL has invested Rs. 3,700. In future, the equity share of Joint Venture Company (JVC) will be 26% of AAI and remaining 74% will be equally divided amongst the Private Airport Operators viz. BIAL, Cochin International Airport Limited, DIAL, GMR Hyderabad International Airport Limited (GHIAL), Mumbai International Airport Limited (MIAL) i.e. 14.8% each.

35. Segment Information

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

Major customers: Revenue from one customer of the Holding Company is approximately Rs. 456.84 crore of the Holding Company's total revenues (March 31, 2018: Revenue from one customer of the Holding Company is approximately Rs. 376.68 crore of the Holding Company's total revenues).

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36. Fair Values

The carrying amount of all financial assets and liabilities (except for certain other financial assets and liabilities, i.e. “Instruments carried at fair value”) appearing in these consolidated financial statements is reasonable approximation of fair values. Such investments carried at fair value are disclosed below:

Particulars	Carrying value		Fair value	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Financial Assets				
Investment in mutual fund	795.20	2,206.19	795.20	2,206.19
Cash flow hedges-Call spread option	194.63	0.97	194.63	0.97
Total	989.83	2,207.16	989.83	2,207.16
Financial Liabilities (carried at amortised cost)				
Security Deposits from trade concessionaires	534.42	461.02	577.32	461.02
Security Deposits from commercial property developers	13.02	7.48	22.57	7.48
Total	547.44	468.50	599.89	468.50

Assumption used in estimating the fair values:

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

The Holding Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Derivatives are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity. As at March 31, 2019, the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk.

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37. Fair Value Hierarchy

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

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at March 31, 2019:

Particulars	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value					
Investment in mutual fund	March 31, 2019	795.20	795.20	-	-
Cash flow hedges-Call spread option	March 31, 2019	194.63	-	194.63	-
Total		989.83	795.20	194.63	-

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

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

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

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

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38. Risk Management

Financial risk management objectives and policies

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

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

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2019 and March 31, 2018:

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at March 31, 2019.

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

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

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2019 and March 31, 2018.
- The sensitivity of equity is calculated by considering the effect of any associated cash flow hedges and hedges of a net investment in a foreign subsidiary at March 31, 2019 for the effects of the assumed changes of the underlying risk.

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Interest rate risk

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

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Holding Company's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency borrowings taken from banks.

Cash flow hedges

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

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

Particulars	March 31, 2019		March 31, 2018	
	Assets	Liabilities	Assets	Liabilities
Cash flow hedges-Call spread option	194.63	-	0.97	-

As at March 31, 2019, the USD spot rate is above the USD call option strike price for all call spread options of USD 811.35 million. Accordingly, an amount of Rs. 209.34 crore has been released from Cash flow hedge reserve to Statement of Profit and Loss to neutralize the impact of Foreign exchange loss included in Statement of Profit and Loss.

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

As on March 31, 2018, for call spread options of USD 208.75 million, taken during the Financial Year 2017-18,, the USD spot rate is above the USD call option strike price. Accordingly, an amount of Rs. 33.82 crores has been released from Cash flow hedge reserve to Statement of Profit and Loss to neutralize the impact of Foreign exchange loss included in Statement of Profit and Loss.

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Foreign currency sensitivity

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

Particulars	March 31, 2019	March 31, 2018
	Impact on profit/ (loss) before tax	
USD Sensitivity		
INR/USD- Increase by 5%	(7.12)	(6.53)
INR/USD- decrease by 5%	7.12	6.53
EURO Sensitivity		
INR/EURO- Increase by 5%	(0.09)	(0.13)
INR/EURO- decrease by 5%	0.09	0.13
GBP Sensitivity		
INR/GBP Increase by 5%	(0.25)	(0.16)
INR/GBP- decrease by 5%	0.25	0.16

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Delhi International Airport Limited (formerly known as Delhi International Airport Private Limited)**CIN. U63033DL2006PLC146936****Notes to the consolidated financial statements for the year ended March 31, 2019****(All amounts in Rupees Crores, unless otherwise stated)****Liquidity risk**

The Holding Company monitors its risk of a shortage of funds on a regular basis. The Holding Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and finance leases. None of the Holding Company's debt will mature in less than one year at March 31, 2019 (March 31, 2018: Nil) based on the carrying value of borrowings reflected in the financial statements. The Holding Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

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

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
As at March 31, 2019						
Borrowings	-	-	-	1,996.85	3,614.04	5,610.89
Trade payables	-	260.48	-	-	-	260.48
Other financial liabilities	71.14	210.42	85.55	171.96	2,540.08	3,079.15
Total	71.14	470.90	85.55	2,168.81	6,154.12	8,950.52
As at March 31, 2018						
Borrowings	-	-	-	1,886.69	3,414.67	5,301.36
Trade and other payables	-	443.36	-	-	-	443.36
Other financial liabilities	249.77	130.32	76.82	186.13	2,124.70	2,767.74
Total	249.77	573.68	76.82	2,072.82	5,539.37	8,512.46

Credit Risk

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

Trade receivables- Customer credit risk is managed by the Holding Company subject to the Holding Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any services to major customers are generally covered by bank guarantee or other forms of credit assurance.

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

The Holding Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2019 and March 31, 2018 is the carrying amounts of Trade Receivables.

Collateral

As at March 31, 2019 the security provided by the Holding Company to bond holders and working capital facilities is as below;

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

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39. Capital management

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

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

Particulars	March 31, 2019	March 31, 2018
Borrowings	5,564.65	5,249.12
Total debts (A)	5,564.65	5,249.12
Share Capital	2,450.00	2,450.00
Other Equity	475.39	562.01
Total Equity (B)	2,925.39	3,012.01
Total equity and total debt (C=A+B)	8,490.04	8,261.13
Gearing ratio (%) (A/C)	65.54%	63.54%

In order to achieve this overall objective, the Holding Company and its subsidiary's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

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40. Investments in Associates

The Holding Company has investment in TIMDAA, CELEBI, TFS, DDFSPL and DAPSPL as associates.

1) Carrying Value of Investments in associates

Particulars	March 31, 2019	March 31, 2018
Carrying Value of Investment in associates	312.78	273.69
Share of Profit for the year in associates	96.84	82.91
Share of OCI for the year in associates	(0.04)	(0.15)

The following table illustrates the summarized financial information of the Holding Company's investment in TIMDAA:

Particulars	March 31, 2019	March 31, 2018
Current Assets	92.95	103.51
Non -Current Assets	59.89	62.45
Current Liabilities	(64.02)	(81.22)
Non-Current Liabilities	(9.72)	(10.80)
Equity	79.10	73.94
Proportion of the Holding Company's Ownership	49.90%	49.90%
Carrying amount of the investment	39.47	36.90

Particulars	March 31, 2019	March 31, 2018
Revenue	299.11	311.35
Depreciation & amortization	(7.28)	(6.24)
Finance Cost	(2.74)	(2.92)
Employee benefit	(20.93)	(19.71)
Other Expense	(220.30)	(233.43)
Profit before tax	47.87	49.05
Current Tax	(17.66)	(18.90)
Deferred Tax credit	0.47	0.89
Profit for the year	30.68	31.04
Consolidation Adjustments	(4.37)	(3.95)
Profit for the year for consolidation	26.31	27.09
Other comprehensive income of the year	0.10	(0.08)
Proportion of the Holding Company's ownership	49.90%	49.90%
Holding Company's share of profit for the year	13.13	13.52
Holding Company's share of OCI for the year	0.05	(0.04)

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The following table illustrates the summarized financial information of the Holding Company's investment in Celebi:

Particulars	March 31, 2019	March 31, 2018
Current Assets	99.66	96.01
Non -Current Assets	342.58	331.73
Current Liabilities	(104.05)	(116.95)
Non-Current Liabilities	(116.36)	(110.58)
Equity	221.83	200.21
Proportion of the Holding Company's ownership	26.00%	26.00%
Carrying amount of the investment	57.68	52.05

Particulars	March 31, 2019	March 31, 2018
Revenue	476.66	461.24
Cost of Raw Material and Components Consumed	(62.63)	(80.09)
Depreciation & amortization	(21.00)	(18.98)
Finance Cost	(11.56)	(12.54)
Employee benefit	(59.18)	(54.36)
Other Expense	(283.91)	(263.67)
Profit before tax	38.38	31.60
Current Tax	(19.61)	(14.50)
Adjustment of tax relating to earlier years	-	0.87
Deferred Tax credit	5.30	2.17
Profit for the year	24.07	20.14
Consolidation Adjustments	(2.34)	(1.06)
Profit for the year for consolidation	21.73	19.08
Other comprehensive (loss) of the year	(0.10)	(0.13)
Proportion of the Holding Company's ownership	26.00%	26.00%
Holding Company's share of profit for the year	5.65	4.96
Holding Company's share of OCI for the year	(0.03)	(0.03)

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The following table illustrates the summarized financial information of the Holding Company's investment in TFS:

Particulars	March 31, 2019	March 31, 2018
Current Assets	13.39	6.48
Non -Current Assets	33.59	30.90
Current Liabilities	(17.49)	(14.93)
Non-Current Liabilities	(14.61)	(11.43)
Equity	14.88	11.02
Proportion of the Holding Company's ownership	40.00%	40.00%
Carrying amount of the investment	5.95	4.41

Particulars	March 31, 2019	March 31, 2018
Revenue	106.25	67.57
Cost of Raw Material and Components Consumed	(22.02)	(14.11)
Purchase of Stock-In-Trade	(2.78)	(2.37)
Changes in inventories of Stock-In-Trade	0.02	(0.05)
Depreciation & amortization	(3.74)	(1.80)
Finance Cost	(1.72)	(0.73)
Employee benefit	(20.05)	(14.32)
Other Expense	(50.65)	(31.08)
Profit before tax	5.31	3.11
Current Tax	(1.38)	(0.95)
Deferred Tax charge	(0.11)	(0.38)
Profit for the year	3.82	1.78
Consolidation Adjustments	-	-
Profit for the year for consolidation	3.82	1.78
Other comprehensive income of the year	0.04	(0.00)
Proportion of the Holding Company's ownership	40.00%	40.00%
Holding Company's share of profit for the year	1.53	0.71
Holding Company's share of OCI for the year	0.02	(0.00)

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The following table illustrates the summarized financial information of the Holding Company's investment in DDFSPL:

Particulars	March 31, 2019	March 31, 2018
Current Assets	289.12	219.79
Non -Current Assets	309.54	288.80
Current Liabilities	(223.18)	(172.58)
Non-Current Liabilities	(46.59)	(72.31)
Equity	328.89	263.70
Proportion of the Holding Company's ownership	49.90%	49.90%
Carrying amount of the investment	164.12	131.59

Particulars	March 31, 2019	March 31, 2018
Revenue	1,403.25	1,135.78
Purchase of Stock-In-Trade	(540.23)	(426.80)
Changes in inventories of Stock-In-Trade	64.90	24.88
Depreciation & amortization	(24.91)	(20.09)
Finance Cost	(9.32)	(11.12)
Employee benefit	(37.15)	(34.05)
Other Expense	(619.09)	(482.32)
Profit before tax	237.45	186.28
Current Tax	(85.45)	(60.80)
Deferred Tax credit/(charge)	0.03	(1.39)
Profit for the year	152.03	124.09
Consolidation Adjustments	(14.66)	(22.20)
Profit for the year for consolidation	137.37	101.89
Other comprehensive (loss)/ income of the year	(0.18)	0.05
Proportion of the Holding Company's ownership	49.90%	49.90%
Holding Company's share of profit for the year	68.55	50.84
Holding Company's share of OCI for the year	(0.09)	0.02

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The following table illustrates the summarized financial information of the Holding Company's investment in DAPSPL:

Particulars	March 31, 2019	March 31, 2018
Current Assets	22.41	22.83
Non -Current Assets	189.65	201.62
Current Liabilities	(40.04)	(30.15)
Non-Current Liabilities	(80.70)	(96.60)
Equity	91.32	97.70
Proportion of the Holding Company's ownership	49.90%	49.90%
Carrying amount of the investment	45.57	48.75

Particulars	March 31, 2019	March 31, 2018
Revenue	151.40	125.79
Depreciation & amortization	(15.21)	(16.65)
Finance Cost	(7.92)	(9.20)
Employee benefit	(12.52)	(10.63)
Other Expense	(84.63)	(49.24)
Profit before tax	31.12	40.07
Current Tax	(7.49)	(8.49)
Deferred Tax credit/ (charge)	0.92	(6.84)
MAT (expense)/ credit	(3.95)	5.22
Profit for the year	20.60	29.96
Consolidation Adjustments	(4.60)	(4.14)
Profit for the year for consolidation	16.00	25.82
Other comprehensive income of the year	0.02	(0.19)
Proportion of the Holding Company's ownership	49.90%	49.90%
Holding Company's share of profit for the year	7.98	12.88
Holding Company's share of OCI for the year	0.01	(0.10)

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2) Commitments and Contingencies of associates

I. Leases

Finance lease: Associates as lessee

Particulars	CELEBI				TIMDAA			
	March 31, 2019		March 31, 2018		March 31, 2019		March 31, 2018	
	Minimum payment	Present value of MLP	Minimum payments	Present value of MLP	Minimum payment	Present value of MLP	Minimum payments	Present value of MLP
Within one year	1.64	1.56	1.65	1.58	-	-	0.02	0.02
After one year but not more than five years	6.45	4.93	6.50	4.97	-	-	-	-
More than five years	16.72	6.77	18.32	7.15	-	-	-	-
Total minimum lease payments	24.82	13.27	26.47	13.70	-	-	0.02	0.02
Less: amounts representing finance charges	11.55	-	12.77		-	-	-	-
Present value of minimum lease payments	13.27	13.27	13.70	13.70	-	-	0.02	0.02

CELEBI has entered into an arrangement for solar power purchase with GMR Solar Energy Private Limited. As per the agreement, CELEBI pays fixed tariff as per the terms of the agreement to GMR Solar Energy Private Limited. GMR solar energy cannot offer such services to any other customer and it is not economically feasible for the GMR solar energy to offer the level of services using any other equipment. Accordingly, although the arrangement is not in the legal form of lease, CELEBI concluded that the arrangement contains a lease of the solar power plant. The lease was classified as a finance lease at inception of the arrangement, payments were split into lease payments and payments related to the other elements based on their relative fair values. The imputed finance costs on the liability were determined based on implicit rate.

TIMDAA had finance lease for motor vehicle valid till June 30, 2018. These lease had no renewal option included in the contract. The term of such lease arrangement is 3 years. There are no restrictions imposed by lease agreements. There are no sub leases.

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Operating lease: Associates as lessee

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

Particulars	CELEBI		TIMDAA	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Minimum Lease payment for the year (excluding taxes)	32.17	30.08	164.90	171.60
Minimum Lease Payments:				
Within one year	34.58	32.17	55.27	49.68
After one year but not more than five years	162.09	151.99	-	-
More than five years	679.53	724.22	-	-
Total future payments	876.21	908.38	55.27	49.68

For CELEBI, Cargo terminal has been obtained on operating lease. Lease rent is payable at predetermined rate. Lease term is for initial period of 24 years and 4 months. There is escalation of 7.5% at start of each financial year during the term of lease.

TIMDAA has entered into operating lease agreement for space for advertisement sites and office premises. These leases have an average life of one to twenty years with no renewal option included in the contract.

II. Contingent Liabilities

Celebi:-

- a) As on March 31, 2019, Celebi has Rs 1.17 crores (as on March 31, 2018 Rs 0.74 crores) of claims not acknowledged as debts from third parties excluding certain claims from the employees of the Company where the amount is not ascertained.
- b) During the year ended March 31, 2016, Celebi 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 (PCIT) had set aside the assessment order passed by the Assessing Officer (AO) under Section 143(3) of the Income-tax Act, 1961 challenging certain deductions claimed by Celebi and allowed by the AO and directed AO for a fresh assessment. Based on the directions of PCIT, AO reassessed the income under Section 143(3) read with Section 263 and disallowed certain deductions claimed by the Company under Section 80 I(A) and certain expenses of Rs. 0.40 crore that were allowed in original order of AO under Section 143(3) and raised a demand of Rs. 13.65 Crores. Celebi filed an appeal with ITAT for order passed under Section 263 and also an appeal before CIT (Appeals) for order under Section 143(3) read with Section 263. CIT (Appeals) has decided the case in favour of Celebi and consequently the Income Tax Department had filed an appeal with the ITAT against the same. Based on the original assessment order under Section 143(3) issued by the AO, Celebi had during earlier years written back tax provision for an amount of Rs. 9.73 Crores and recognized interest income of Rs. 2.21 Crores on account of refund of taxes. On October 23, 2018, ITAT has decided the case in favour of Celebi by setting aside the order of PCIT passed under Section 263 and restored the earlier order passed by assessing officer under Section 143(3). However, the impact of such order is has not been given in financial statement as the department has filed an appeal with the Hon'ble High Court of Delhi.

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Celebi also received order under Section 263 of the Income-tax Act, 1961 pertaining to assessment year 2012-13 wherein the PCIT has set aside the assessment order passed by the AO under Section 143(3) of the Income-tax Act, 1961 challenging deductions claimed by Celebi under Section 80 I(A) and allowed by the AO. Based on earlier assessment order passed by the AO 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 during the earlier years, with respect to allow ability of the deductions that are now being challenged by the PCIT for the assessment year 2012-13 through order issued under Section 263. Celebi has filed an appeal with ITAT for order passed under Section 263 and with CIT(A) for order passed by AO under Section 143(3) read with Section 263. On February 2, 2019, ITAT has decided the case in favour of Celebi by setting aside the order of PCIT passed under Section 263 and restored the earlier order passed by assessing officer under Section 143(3). However, the impact of such order is has not been given in the financial statement as the department may file an appeal with the Hon'ble High Court of Delhi.

Further, the Celebi had received assessment orders during the year ended March 31, 2017 for the assessment years 2013-14 and 2014-15 disallowing expenses aggregating to Rs. 0.25 crore and Rs. 0.28 crore respectively against which Celebi has filed an appeal with CIT (A). Management is confident that no liability will devolve on Celebi for the disallowances of expenses relating to assessment years 2013-14 and 2014-15, accordingly no provision has been made.

TFS:-

- c) The claims of Rs 1.39 crore (March 31, 2018: Rs. 1.39 crore) 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 in respect of these claims. However, based on technical assessment supported by the legal confirmation, TFS has assessed the amount payable to these vendors. Accordingly, TFS has recorded a payable of Rs.0.95 crores (March 31, 2018 Rs. 0.95 crores) in their financial statements under the head Payable for property, plant & equipment classified under "Other Financials Liabilities". 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.
- d) TFS received a Sales tax/ VAT demand including interest thereon on account of disallowance of input tax credit of Rs 0.04 crore (March 31, 2018: Rs. 0.04 crore) from sales tax/VAT authorities.
- e) TFS received an income tax notice for assessment year 2013-14 (Previous year: 2011-12 to 2014-15) mainly on account of disallowances of royalty expenses by the Income Tax department of Rs 0.05 crore (March 31, 2018: Rs. 0.21 crore). The matter is pending with Commissioners of Income Tax (Appeals).

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DDFSPL:-

- f) DDFSPL received Rs. 27.84 crore of the refund of service tax pertaining to period January 1, 2017 to June 30, 2017 on September 11, 2018 which is to be recognised during the year. Subsequently, during the year service tax department filed appeal against the refund order at a higher appellate authority. DDFSPL estimates that there is more likely than not probability that the DDFSPL's position will be sustained at a higher appellate authority and accordingly no liability has been recorded

DAPSPL:-

- g) In respect of DAPSPL, Penalty for compounding under section 177 and 178 of the Companies Act, 2013 has been levied on DAPSPL amounting to Rs. 0.10 crores (March 31, 2018 : Rs. 0.10 crore).
- h) In respect of DAPSPL, Service tax demand for the FY 2012-13 as on March 31, 2019 amounts to Rs. Nil (March 31, 2018 - 0.71 crores). During the period, Commissioner of Central tax, Appeal-II, Delhi has allowed and upheld DAPSPL's appeal against the Service Tax demand related to FY 2012-13 which was filed on 7-May-2018.

III. Financial guarantees by associates:

In case of TIMDAA, irrevocable and unconditional Bank Guarantee of Rs 7.50 Crores given to the Holding Company towards service tax liability, if any, in respect of the License Fee and is valid up to October 30, 2019.

Other irrevocable and unconditional bank guarantee of Rs. 0.15 crore given to South Delhi Municipal Corporation valid up to January 23, 2023 and of Rs. 0.03 crore and of Rs. 0.15 crore given to Wipro Airport IT services valid up to June 28, 2019 and March 27, 2020 respectively.

IV. Capital and Other Commitments of associates:

a) Capital Commitments:

The capital commitments of associates are as below:

Particulars	TIMDAA		TFS		DDFSPL		DAPSPL	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Capital Commitments	-	0.46	0.04	2.54	7.97	17.14	2.89	1.50

b) Other Commitments:

- i. DAPSPL has entered into a Concessionaire Agreement with the Holding Company which gives DAPSPL an exclusive right to develop, operate, maintain, modernize and manage the vehicle parking and existing cargo terminal on revenue share model for a period of 25 years from the date of its operation. The revenue sharing will be as per the percentage prescribed in the concessionaire agreement for the respective years.

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- ii. In TIMDAA, the company has entered into memorandum of understanding with South Delhi Municipal Corporation (SDMC) on February 23, 2018 in which company has agreed to pay charges equivalent to 25% of revenue to SDMC for each of the outdoor advertisement as approved by SDMC. Revenue for current year includes Rs. 71.11 crores (March 31, 2018: Rs. 74.59 crores) [net revenue Rs. 69.95 crores (March 31, 2018: Rs. 73.07 crores)] from outdoor advertisement sites permitted by SDMC

3) Dividend received from Associates

The Holding Company has accounted the dividend income as below:

Name of the entity	During the year ended	
	March 31, 2019	March 31, 2018
TIMDAA	10.61	9.68
DDFSPL	35.92	32.93
CELEBI	-	1.46
DAPSPL	11.18	10.16

4) Other Disclosures of Associates:

In case of DAPSPL, SDMC had issued a notice dated December 18, 2018, for payment of Property tax since inception in respect of MLCP building under section 123(D) of DMC Act. The Company was liable to pay interest @1% per month till the amount is paid and penalty @30% of the property tax.

Later DAPSPL received an assessment order dated March 29, 2019, demanding payment of property tax of Rs 11.40 crores (after waiver of 100% interest and penalty on up-to-date payment of outstanding dues till March 31, 2019 under the SDMC Amnesty Scheme 2018-19).

Accordingly, DAPSPL has deposited Rs.11.40 crores under the Amnesty Scheme 2018-19 on March 29, 2019. Further the Company has paid self-assessed property tax amounting to Rs. 1.33 crores towards T2 parking, PTC parking, Aerocity metro parking, Cargo terminal parking, under the said Amnesty Scheme.

In addition to the above, pending the assessment, DAPSPL has created provisional liability of Rs.1,00,00,000 in respect of open parking area at T1 falling under the purview of Delhi Cantonment Board.

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41. Investments in Joint Ventures

The Holding Company's investments in WAISL, DAFFPL, DASPL and GBHHPL are classified as joint ventures.

1) Carrying Value of Investments of joint ventures:

Particulars	March 31, 2019	March 31, 2018
Carrying Value of Investment in joint ventures	196.00	182.67
Share of Profit for the year in joint ventures	19.21	13.94
Share of OCI for the year in joint ventures	(0.00)	(0.01)

The following table illustrates the summarized financial information of the Holding Company's investment in WAISL:

Particulars	March 31, 2019	March 31, 2018
Current Assets, including cash and cash equivalents of Rs. 46.83 crore (March 31, 2018: Rs.7.95 crores)	93.53	57.56
Non -Current Assets	79.77	28.84
Current Liabilities, including borrowings of Rs. 64.60 (March 31, 2018 Rs.Nil) , Income tax Liabilities Rs. Nil (March 31, 2018 : Rs. 3.82crore) and statutory liabilities of Rs. 0.81 crore (March 31, 2018 : Rs. 0.57 crore)	(146.57)	(74.13)
Non-Current Liabilities, including borrowings of Rs. 5.49 (March 31, 2018 Rs.Nil)and deferred tax liabilities of Rs. Nil crore (March 31, 2018 Rs. Nil)	(8.37)	(6.79)
Equity	18.36	5.48
Proportion of the Holding Company's ownership	26.00%	26.00%
Carrying amount of the investment	4.77	1.43

Particulars	March 31, 2019	March 31, 2018
Revenue, including interest income of Rs. 1.73 crore (March 31, 2018: Rs. 0.53 crore)	143.08	57.70
Cost of Services Received	(56.28)	(52.49)
Depreciation & amortization	(6.39)	(1.70)
Finance Cost, including interest expense of Rs. 0.12 crore (March 31, 2018: Rs.0.17 crore)	(5.04)	(0.17)
Employee benefit	(0.85)	(1.03)
Other Expense	(58.05)	(2.01)
Profit before tax	16.47	0.30
Current Tax	(3.60)	(11.22)
Adjustment of tax relating to earlier years	-	(0.16)
Deferred Tax credit	-	3.27
Profit for the year	12.87	(7.81)
Profit for the year for consolidation	12.87	(7.81)
other comprehensive income of the year	0.01	0.00
Proportion of the Holding Company's ownership	26.00%	26.00%
Holding Company's share of profit for the year	3.35	(2.03)
Holding Company's share of OCI for the year	0.00	(0.00)

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The following table illustrates the summarized financial information of DAFFPL:

Particulars	March 31, 2019	March 31, 2018
Current Assets, including cash and cash equivalents of Rs. 39.42 crore (March 31, 2018 : Rs. 4.03 crore)	55.01	14.19
Non -Current Assets	318.87	303.07
Current Liabilities, including borrowings of Rs. 22.32 crore (March 31, 2018 : Rs. 7.47 crore)	(45.38)	(31.75)
Non-Current Liabilities including borrowings of Rs. 38.08 crore (March 31, 2018 Rs. 55.94 crore) and deferred tax liabilities of Rs. 5.68 crore (March 31, 2018 Rs. 20.75 crore)	(82.44)	(80.53)
Equity	246.06	204.98
Proportion of the Holding Company's ownership	26.00%	26.00%
Carrying amount of the investment	63.98	53.30

Particulars	March 31, 2019	March 31, 2018
Revenue, including interest income of Rs.5.47 crore (March 31, 2018: Rs. 3.08 crore)	168.19	143.64
Depreciation & amortization	(23.60)	(20.33)
Finance Cost, including interest expenses of Rs. 8.67 crore (March 31, 2018: Rs. 7.87 crore)	(8.67)	(7.87)
Employee benefit	(1.44)	(1.22)
Other Expense	(65.18)	(37.26)
Profit before tax	69.30	76.96
Current Tax	(33.34)	(33.25)
Adjustment of tax relating to earlier years	(0.08)	0.07
Deferred Tax credit	15.08	5.18
Profit for the year	50.96	48.96
Consolidation Adjustments	(1.69)	(6.68)
Profit for the year for consolidation	49.27	42.27
other comprehensive income of the year	(0.00)	(0.03)
Proportion of the Holding Company's ownership	26.00%	26.00%
Holding Company's share of profit for the year	12.81	10.99
Holding Company's share of OCI for the year	(0.00)	(0.01)

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The following table illustrates the summarized financial information of the Holding Company's investment in DASPL:

Particulars	March 31, 2019	March 31, 2018
Current Assets, including cash and cash equivalents of Rs. Nil (March 31, 2018 : Rs. 2.17 crore)	29.85	31.09
Non -Current Assets	23.55	31.38
Current Liabilities, including borrowings of Rs. 2.81 crore (March 31, 2018 : Rs. Nil)	(10.84)	(15.43)
Non-Current Liabilities including borrowings of Rs. Nil (March 31, 2018 Rs. 2.19 crore) and deferred tax liabilities of Rs. 1.33 crore (March 31, 2018 Rs. 4.22 crore)	(1.42)	(6.49)
Equity	41.14	40.55
Proportion of the Holding Company's ownership	50.00%	50.00%
Carrying amount of the investment	20.57	20.28

Particulars	March 31, 2019	March 31, 2018
Revenue, including interest income of Rs. 1.34 crore (March 31, 2018: Rs 1.29 Crore)	70.07	63.01
Cost of Raw Material and Components Consumed	(4.57)	(3.73)
Depreciation & amortization	(8.38)	(8.33)
Finance Cost, including interest expenses Rs. 0.59 crore (March 31, 2018: Rs. 1.60 crore)	(0.65)	(1.63)
Employee benefit	(0.59)	(0.47)
Other Expense	(44.85)	(31.40)
Profit before tax and exceptional items	11.04	17.45
Exceptional items [refer note 41(3) (c)]	2.50	-
Profit before tax	13.54	17.45
Current Tax	(6.81)	(4.23)
MAT credit entitlement for earlier years written off	-	(2.95)
Deferred tax credit	2.89	3.04
Profit for the year	9.62	13.31
Consolidation Adjustments	(1.54)	(2.04)
Profit for the year for consolidation	8.08	11.27
other comprehensive income of the year	(0.01)	(0.01)
Proportion of the Holding Company's ownership	50.00%	50.00%
Holding Company's share of profit for the year	4.04	5.64
Holding Company's share of OCI for the year	(0.00)	(0.00)

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The following table illustrates the summarized financial information of the Holding Company's investment in GBHHPL:

Particulars	March 31, 2019	March 31, 2018
Current Assets, including cash and cash equivalents of Rs. 7.39 crore (March 31, 2018 : Rs. 13.88 crore)	307.88	188.51
Non -Current Assets	1,869.11	1,575.27
Current Liabilities, including borrowings of Rs. 52.27 crore (March 31, 2018 : Rs. Nil crore)	(218.08)	(76.68)
Non-Current Liabilities including borrowings of Rs. 1,261.68 crore (March 31, 2018 : Rs. 1,006.93. crore) and deferred tax liabilities of Rs. 52.95 crore (March 31, 2018 : Rs.53.10 crore)	(1,346.37)	(1069.84)
Equity	612.54	617.27
Less: Equity component of financial instruments	(112.59)	(112.59)
Equity for Holding Company's share	499.95	504.68
Proportion of the Holding Company's ownership	20.85%	20.85%
Share of equity	104.24	105.23
Add: Amount paid on account of goodwill	2.44	2.44
Carrying amount of the investment	106.68	107.67

Particulars	March 31, 2019	March 31, 2018
Other Expense	(4.87)	(3.58)
Profit before tax	(4.87)	(3.58)
Deferred Tax credit	0.14	0.41
Profit for the year for consolidation	(4.73)	(3.17)
Other comprehensive income of the year	-	-
Proportion of the Holding Company's ownership	20.85%	20.85%
Holding Company's share of profit for the year	(0.99)	(0.66)
Holding Company's share of OCI for the year	-	-

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2) Commitments and Contingencies of joint ventures

I. Leases

Operating lease: Joint Venture as lessee

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

Particulars	DAFFPL	
	March 31, 2019	March 31, 2018
Minimum Lease payment for the year (excluding taxes)	19.81	18.52
Minimum Lease Payments:		
Within one year	21.30	19.81
After one year but not more than five years	102.42	95.28
More than five years	518.23	546.68
Total future payments	641.95	661.77

In case of DAFFPL, lease rent, termed as License Fees in Concession & Operating Agreement (C&OA) is being paid at the predetermined rate to Holding Company in respect of land taken on lease for 25 years with an escalation clause of 7.5% every year during the term of lease.

II. Contingent Liabilities

- a) During the year 2015-16, WAISL had received a demand order for interest of Rs. 0.67 crore (as on March 31, 2018: Rs 0.67 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 had 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 Delhi International Airport Limited. WAISL had filed an appeal against the said order and believes that the outcome in respect of the matter will be in favour and accordingly, no provision has been considered in this regard. WAISL do not expect any ultimate cash outflow on this account.
- b) In GBHHPL, there are certain pending legal cases amounting to Rs. 6.14 crore (March 2018 – Rs. 6.14 crores)

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- c) In GBHHPL, certain claims have been made against the company which were not acknowledged as debts which are as follows :

Parties	Court	Litigation Details	Financial Impact
GBHHPL vs. Rajinder Kumar and GBHHPL vs. Pritam Chand	District Court, Chamba	This matter related to the recovery of advance amount given at the time of private sale by way of agreement to sell. Since the respondents have got full price for their land through land acquisition compensation, we have filed recovery suit to recover that advance amount.	Not Quantifiable
State of Himachal Pradesh vs. GBHHPL	District Court of Himachal Pradesh	Case has been filed against GBHHPL challenging the order dated June 19,2012, wherein it was held that the notification dated November 30, 2009 (namely the New Hydro Power Policy, 2008) imposing 1% additional free power, would apply prospectively and not retrospectively.	Project IRR Decreases from 13.72% to 13.60% Total Revenue (FY 19) Decrease by 4 CR PAT(FY19) Decreased by 3.2 Cr
Mr. Mangani Ram and Vinod Kumar Vs Uol	Supreme Court	Petitioners have challenged the grant of environmental clearance, approval for diversion of Forest Land, shifting of project site from right to the left bank of river Ravi. Petitioners have challenged order in W.P. No. 2083/2012, W.P. 9980/2012 as public interest litigation. Review petition No. 4009-10/2013 was filed by the petitioners which were dismissed.	Not Quantifiable
Kehar Singh and 13 others vs. State of Himachal Pradesh Collector, Land Acquisition Officer	District Court, Chamba	Regarding the increase in compensation to be paid for the land acquired.	Rs 7.14 crore (Rs. 1 crore already paid)

III. Guarantees other than financial guarantees by joint ventures:-

In GBHHPL, the company has provided bank guarantee amounting to Rs 19.09 crore.(March 31, 2018 is INR 13.91 crore)

IV. Financial guarantees by joint ventures

The Joint Ventures have not provided any financial guarantee other than performance guarantee on its own behalf, to any party.

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V. Capital and Other Commitments of joint ventures:-

a) Capital Commitments of joint venture:

The capital commitment of joint ventures is as below:

Particulars	DAFFPL		WAISL		GBHHPL	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Capital Commitments	10.90	2.55	42.21	-	515.00	1017.73

b) Other Commitments of joint ventures:

- In accordance with the concession agreement, DAFFPL is required to pay annual license fees to DIAL, an amount of Rs. 19.81 crores (March 31, 2018: Rs. 18.52 crores) has been accounted for in respect of current year. The license fee is to be increased by 7.5% p.a. during the term of the lease
- DASPL has entered into a Concessionaire Agreement with Holding Company which gives the DASPL an exclusive right for managing the operations of bridge mounted equipment and supply of potable water at Indira Gandhi International Airport- Terminal 3. The revenue sharing will be as per the percentage prescribed in the concessionaire agreement for the respective years.
- In case of WAISL, estimated amount of commitment made under operation and maintenance agreements amounted to Rs. 70.03 crores (March 31, 2018: Rs. 145.42 crores).

3) Other Disclosures of joint ventures:

- DAFFPL charges Fuel Infrastructure Charges (FIC) from its customers which was at Rs. 755 per KL till December 31, 2017. Airport Economic Regulatory Authority (AERA) had passed an order dated December 18, 2017 reducing the FIC charges to RS 609 per KL with effect from January 1, 2018. The company has filed an appeal against the said order with Telecom Disputes Settlement & Appellate Tribunal (TDSAT). TDSAT has admitted the appeal and passed an interim stay order against the AERA order and has allowed DAFFPL to continue to charge Rs. 755 per KL. However as per the stay order TDSAT has allowed appropriation of Rs. 609 per KL only and the balance Rs. 146 per KL to be kept in a separate account pending final order.

DAFFPL has raised infra invoices @ 755/KL for the current period amounting to Rs. 161.35 crores. The provision for outstanding amount against the debtors for Rs. 5.04 Crores for the financial year 17-18 has been reversed based on the credit note issued during the current period pertains to the period from January 01, 2018 to February 15, 2018.

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As per the requirement of TDSAT order the differential amount received required to kept separately. Fixed deposit amounting to Rs. 39.42 crores are made till March 2019 which includes Rs. 38.62 crores required as per TDSAT order (including Rs. 3.79 crores for the F.Y 17-18.

- b) On 1 October, 2018, owing to business exigencies WAISL, DIAL, WIPRO Limited, Antariksh Softech Private Limited (“the Parties”) entered into Addendum cum Amendment Agreement to MSA effective from October 1, 2018 which has significantly changed the commercial understandings amongst the Parties. The Board of Directors of WIASL have evaluated the contractual arrangements amongst the Parties in view of the above amendments and determined that the principal- agent relationship between the Holding Company (being principal) and WAISL (being agent) is no longer exists. Accordingly, in terms of the MSA as amended w.e.f. October 1, 2018 WAISL has recognized revenue towards rendering of services. Further, in consideration of the right to undertake the Concession on Principal to Principal basis w.e.f October 1, 2018, amount determined to be paid/payable as Concession Fees amounting to Rs. 47.02 Crores have been accounted for as an expense.
- c) In case of DASPL, due to non-performance of assets as per the requisite quality agreed between the Company and Vendor, DASPL has encashed the performance bank guarantee of Rs. 2.50 crores provided by vendor during 2015-16. Against the encashment, the vendor has raised certain objections which were replied by DASPL and there is no further communication from the vendor. In accordance with the law of limitation as applicable, three years period had elapsed from the last communication date and accordingly, the amount encashed is recognized as exceptional item during the year.
- d) In case of GBHHPL, during September 18 & October 18 due to heavy rain & floods, few equipment & work done like roads & temporary structure have been washed out. GBHHPL has intimated the event to the Insurance Company & requested for assessment of loss. The Insurer has appointed a Professional loss evaluator for assessing the loss & the process is in Progress. However as an Adhoc measure the insurer has paid amount of Rs. 10.19 crores as advance compensation. In view of the above fact that exact loss is yet to be assessed, GBHHPL has not made any adjustment to the value of capital work in progress nor recognized any loss on account of this event. The Adhoc amount received from insurer is depicted as liability and disclosed under Non trade payables in its Financial Statements.

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- e) In case of GBHHPL, the Company along with GMR Energy Limited and GMR Infrastructure Limited (promoters of GBHHPL), has entered a Subscription, Shareholders Agreement with TNB Topaz Energy SDN, BHD, on December 7, 2018 towards issue and subscription of Cumulative Compulsorily Convertible Debentures to be issued in two tranches. The Board of Directors of GBHHPL at its meeting held on March 30, 2019, and the shareholders at their meeting held on the same day approved to issue 10.56 crore Cumulative Compulsorily Convertible Debentures (CCCDs) of INR 10 each to TNB Topaz Energy SDN, BHD, for cash at par through private placement (Tranche 1). Further, GBHHPL has received the application money of Rs. 105.60 crores on April 5, 2019 from the applicant and the Boards of Directors at its meeting held on April 5, 2019 allotted 10.56 crore CCDS of INR 10 each to TNB Topaz Energy SDN, BHD.

The CCCDs are unsecured and carrying coupon interest rate of 15.5% per annum, and are to be converted into equity shares upon completion of 30 years from the date of Subscription and Shareholders Agreement (December 7, 2018) or at the option of the Investor subject to satisfaction of stated conditions.

4) Dividend received from Joint Ventures

The Holding Company has accounted the dividend income as below:

Name of the entity	During the year ended	
	March 31, 2019	March 31, 2018
DASPL	3.75	5.00
DAFFPL	2.13	8.53

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42. Other Disclosures

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

- (i). The Holding Company had accrued Development Fee (DF) amounting to Rs. 350 crore during the year 2012-13, earmarked for construction of Air Traffic Control (ATC) tower; during the current year ATC construction work has been completed. DF amounting to Rs. 350 crore (March 31, 2018: Rs. 350 crore) has been adjusted against the expenditure on construction of ATC.

The total expenditure incurred on construction of ATC tower is Rs. 398.69 crore which exceeds the earmarked DF of Rs. 350 crore, as the construction got delayed due to security reasons and additional requirements from time to time.

As per the approval in DIAL Board Meeting held on May 11, 2017, the Holding Company has written a letter to AAI for reimbursement of additional expense. However, AAI vide its letter dated November 29, 2018 has mentioned that there was no approval of additional cost incurred by DIAL on ATC and therefore the additional cost would not be met out of DF. Accordingly, during the year ended March 31, 2019, the Holding Company has capitalized the ATC tower at net cost of Rs. 48.69 crore after adjusting DF of Rs. 350 crore, in its consolidated financial statements.

- (ii). The Airport Economic Regulatory Authority of India (AERA) had passed an order vide Order No 30/2012-13 dated December 28, 2012 in respect of levy of Development fee at Delhi Airport. As per the said order, the rate of Airport Development Fee (ADF) has been reduced from Rs. 200 to Rs. 100 and from Rs. 1,300 to Rs. 600 per embarking domestic and international passenger respectively. Further, as per the said order, such revised rates have come into force with effect from January 1, 2013 and estimated DF collection period has been extended up to April 2016. Further, AERA has issued order No.47/2015-16 dated January 25, 2016, restricting 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. However, the same has not yet been finalized. This over / under recovery will be accounted for on final reconciliation of ADF pending with AAI. However, DIAL has collected the DF receivable in full and settled the DF loan on May 28, 2016.

- b)** The Holding Company has a receivable of Rs.272.54 crore as at March 31, 2019 (March 31, 2018: Rs. 262.36 crores) (including unbilled receivable) from Air India Limited and its subsidiaries namely Indian Airlines Limited, Airline Allied Services Limited and Air India Express Limited collectively referred as 'Air India'. During the year ended March 31, 2019, the Holding Company has recognized receivable of Rs. 181.03 crore (including GST) towards interest agreed to be paid by Air India Limited. In view of payment and continuous reduction in the overdue quarter on quarter backed by continuing "Airport Enhancement and Financing Service Agreement" with International Air Transport Association ('IATA') for recovery of dues from Air India and considering the fact that Air India being a government enterprise/ undertaking, the Holding Company considers its due from Air India as good and fully recoverable. As agreed in 13th OMDA Implementation Oversight Committee (OIOC) meeting, the Holding Company has not paid revenue share on Rs. 150.94 crore recognised as interest income on delayed payment by Air India.

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c) Particulars of un-hedged and un-discounted foreign currency exposure of the Holding Company as at the reporting date are as under:

	March 31, 2019			March 31, 2018		
Particulars	Amount (Rs. In Crores)	Currency	Foreign Currency in Crores	Amount (Rs. In Crores)	Currency	Foreign Currency in Crores
Trade Payables	1.80	EUR	0.02	2.66	EUR	0.03
	5.08	GBP	0.06	3.15	GBP	0.03
	-	SGD	-	0.04	SGD	0.00
	114.89	USD	1.66	116.51	USD	1.78
	0.03	AUD	0.00	-	AUD	-
Other Current Financial Liabilities	27.26	USD	0.39	33.36	USD	0.51
Trade Receivable	-	USD	-	16.37	USD	0.25
Non-Trade Receivables	-	USD	-	1.19	USD	0.02
Advance recoverable in cash or kind	-	USD	-	1.44	USD	0.02

Closing exchange rates in Rs:

Currency	March 31, 2019	March 31, 2018
EUR	77.67	80.81
GBP	90.53	92.28
SGD	-	49.82
USD	69.16	65.34
AUD	49.02	-

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d) Additional information :

- i) Earnings in foreign currency for the Holding Company (On accrual basis, excluding service tax/GST)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Non-Aeronautical Services (Revenue from concessionaires)	-	356.51
Aeronautical Services (Revenue from airlines)	52.99	192.18
Total	52.99	548.69

- ii) CIF value of imports of the Holding Company (On accrual basis)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Import of capital goods	16.77	12.83
Import of stores and spares	2.38	2.65
Total	19.15	15.48

- iii) Expenditure in foreign currency of the Holding Company (On accrual basis)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest on borrowings	372.95	336.43
Professional and consultancy expenses	4.16	9.63
Finance costs	0.05	4.12
Other expenses	11.34	17.27
Travelling and Conveyance	0.03	0.02
Total	388.53	367.47

- iv) Consumption of stores and spares during the year of the Holding Company:

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
	%	Amount	%	Amount
Imported	8.08	2.22	10.39	2.41
Indigenous	91.92	25.28	89.61	20.79
Total	100	27.50	100	23.20

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Notes to the consolidated financial statements for the year ended March 31, 2019

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- e) These consolidated financial statements of the Holding 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 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.
- f) These consolidated financial statements of the Holding Company do not include billing to airlines for DF by the Holding Company. As per the Management, DIAL's responsibility is restricted only to the billing on behalf of Airports Authority of India (AAI) in accordance with provisions of AAI (Major Airports) Development Fee Rules, 2011 and DF SOP.
- g) The Holding Company has received advance development costs of Rs. 680.14 crore including Rs. 6.93 crore related to Phase II development (March 31, 2018: Rs. 680.14 crore , including Rs. 6.93 crore related to Phase II development) 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, 2019, the Holding Company has incurred development expenditure of Rs. 552.38 crore (March 31, 2018: Rs. 519.19 crore) which has been adjusted against the aforesaid ADC. Further, in case of Silver Resort Hotel India Private Limited, the Holding Company has transferred Rs. 32.61 crore as unspent ADC in its proportion refundable to Silver Resort Hotel India Private Limited to 'Advances from customer', basis the arbitration order [refer note 42 (m) below]. Remaining ADC of amount Rs. 95.15 crore including Rs. 6.93 crore related to Phase II development (March 31, 2018: Rs. 128.30 crore, including Rs. 6.93 crore related to Phase II development) is disclosed under other liabilities.
- h) 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. As at March 31, 2019, the Holding Company has accounted Rs 145.32 crore (March 31, 2018: Rs. 116.62 crore) towards such Marketing Fund and has incurred expenditure amounting to Rs. 88.10 crore (March 31, 2018: Rs. 65.11 crore) (net of income on temporary investments) till March 31, 2019 from the amount so collected. The balance amount of Rs. 57.22 crore pending utilization as at March 31, 2019 (March 31, 2018:Rs.51.51 crore); as marketing fund billing and utilization was not forming part of marketing fund) against such sales promotion activities is included under "Other current liabilities" as specific fund to be used for the purposes to be approved by the Marketing fund committee constituted for this purpose as per Marketing Fund Policy.

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

Description	Incomes forming part of	For the year ended March 31, 2019	For the year ended March 31, 2018
Construction income from commercial property developers	Other operating income	33.18	49.47
Discounting on fair valuation of deposits taken from commercial property developers	Other operating income	50.64	26.67
Discounting on fair valuation of deposits taken from concessionaires	Sale of services – Non Aeronautical	53.44	52.54
Discounting on fair valuation of deposits given	Other income	0.35	0.39
Unrealised foreign exchange difference on borrowings	Other income	-	53.26
Significant financing component on revenue from contract with customers	Sale of services – Non Aeronautical	4.80	-

Further, the Holding Company has also provided the “Airport Operator Fees” included in “other expenses” based on “Revenue” for the financial year, after excluding the income/credits from above transactions.

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l) The Holding Company made an internal assessment on computation of Annual Fee payable to AAI and is of the view that the Annual Fee has been paid to AAI on Gross Receipts credited to the statement of profit and loss (with certain exclusions) instead of on the “Revenue” as defined under OMDA. The legal opinion obtained in this regard made it clear that there were excess payments of Annual Fee by DIAL by mistake from time to time to AAI. Accordingly, as per the decision taken by the Board of Directors of the Holding Company a claim for return of excess Annual Fee paid to the AAI was raised on December 26, 2016. AAI has not agreed to the claim and insisted DIAL to continue to pay Annual Fee on the same basis, which DIAL is paying under protest. Accordingly, the dispute arose under OMDA but same could not be resolved amicably leading to the initiation of arbitration proceedings, which have commenced from December, 2018. DIAL has submitted its statement of claim in respect of which, AAI has filled its Statement of Defence (SOD). Next date of hearing before arbitration tribunal is August 28, 2019 for filing of evidence by way of affidavit on behalf of claimant witnesses.

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

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

l) As per the transfer pricing rules prescribed under the Income tax act, 1961, the Holding Company is examining the domestic and international transactions and documentation in respect thereof to ensure compliance with the said rules. The Holding Company’s management does not anticipate any material adjustment with regard to the transactions during year ended March 31, 2019.

m) The Holding Company had entered into ‘Development Agreement’ and the ‘Infrastructure Development and Service Agreement’ with Silver Resort Hotel India Private Limited (hereinafter referred as ‘Developer’) on February 26, 2010 for development and operation of commercial property area located in Aerocity for a period upto May 2, 2036; further extendable to another 30 years. As per terms of agreement, Developer was required to pay the License fee and other charges to the Holding Company on annual basis. On July 16, 2015, the Holding Company has issued termination notice on account of failure by the Developer to pay the License Fees and other charges, required to be paid under the agreements executed between the Holding Company and the Developer. Consequently, the Developer has invoked the arbitration process as per Infrastructure Development and Service Agreement.

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

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

Further, Silver resort has filed an appeal against the arbitration award before the Hon'ble High court. The matter was heard for arguments on April 26, 2018 and the judgment was pronounced on May 8, 2018 in favour of the Holding Company.

Pursuant to the above order, the Developer has preferred an appeal before Double Bench of High Court of Delhi which was heard on July 4, 2018 and the matter is now restricted only to the question of non- payment of interest on the security deposit by the Holding Company to Developer; the next hearing is scheduled on October 22, 2019. Accordingly, the Holding Company has appropriated and accounted for the remaining amount of deposit i.e. Rs. 116.75 crore, as per the arbitration award.

However, the Developer has filed an application for revision of order dated July 4, 2018 seeking refund of licenses fees for the remaining part of financial year from the date of termination of agreement, the application was heard on October 8, 2018 by Hon'ble High Court of Delhi and was dismissed. As a matter of caution, the Holding Company has filed a Caveat before Hon'ble Supreme Court in case Developer challenges the order dated October 8, 2018.

n) 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 -23, 2016. The Income Tax department has sought information vide its letter dated July 18, 2016. The management has provided all the information as asked by the department. The management of the 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.

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

Pursuant to above, during the previous year ended March 31, 2018, the Company has received SEIS scrips of Rs. 31.19 crore for financial year 2015-16, having validity till September 30, 2019. During the year ended March 31, 2019, the Holding Company has also received SEIS scrips of Rs. 55.82 Crore for financial year 2016-17, having validity till October 21, 2020.

The Holding Company has so far utilized/sold Rs. 14.52 crore (March 31, 2018: Rs. 0.44 crore) out of these scrips and considering the major expansion plans at the IGI airport, the Holding Company is evaluating various options for utilization of remaining Scrips.

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

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- p) In June 2019, the Holding Company has borrowed USD 350 million through 6.45%(2029) Senior Secured Foreign Currency Notes from International capital market carrying a fixed interest rate of 6.45% p.a. plus applicable withholding tax. The Note is due for repayment in June 2029. 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. The borrowed money through this Note will be entirely utilised for project phase 3A.

43. Additional information pursuant to Schedule III of the Companies Act, 2013.

S N o.	Name of the entity	% of share holdin g	March 31, 2019							
			Net Assets		Share in Profit and Loss		Share in other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
			As % consoli dated net assets	Amount	As % consolidat ed Profit and Loss	Amount	As % of consolid ated OCI	Amount	As % of consolid ated TCI	Amount
1	<u>Holding Company</u>									
	DIAL	100.00	82.61	2,416.66	340.16	(164.37)	99.58	(10.12)	298.34	(174.49)
1	<u>Subsidiary (Indian)</u>									
	DAPL	100.00	-	(0.06)	0.02	-	-	-	0.01	-
1	<u>Associates (Indian)</u>									
	TIMDAA	49.90	1.35	39.47	(27.17)	13.13	(0.49)	0.05	(22.53)	13.18
2	DAPSPL	49.90	1.56	45.57	(16.52)	7.98	(0.09)	0.01	(13.67)	7.99
3	TFS	40.00	0.20	5.95	(3.16)	1.53	(0.17)	0.02	(2.63)	1.55
4	DDFSPL	49.90	5.61	164.12	(141.85)	68.55	0.88	(0.09)	(117.04)	68.46
5	CELEBI	26.00	1.97	57.68	(11.73)	5.65	0.26	(0.03)	(9.60)	5.62
1	<u>Joint Ventures (Indian)</u>									
	DASPL	50.00	0.70	20.57	(8.36)	4.04	0.04	-	(6.90)	4.04
2	DAFFPL	26.00	2.19	63.98	(26.51)	12.81	0.01	-	(21.90)	12.81
3	WAISL	26.00	0.16	4.77	(6.92)	3.35	(0.02)	-	(5.73)	3.35
4	GBHHPL	20.85	3.64	106.68	2.04	(0.99)	-	-	1.69	(0.99)
	Total		100.00	2,925.39	100.00	(48.31)	100.00	(10.16)	100.00	(58.48)

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S N o.	Name of the entity	% of share holdin g	March 31, 2018							
			Net Assets		Share in Profit and Loss		Share in other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
			As % consoli dated net assets	Amount	As % consolidat ed Profit and Loss	Amount	As % of consolid ated OCI	Amount	As % of consolid ated TCI	Amount
1	<u>Holding Company</u> DIAL	100	84.84	2,555.69	(118.44)	(52.51)	101.27	12.85	(69.54)	(39.66)
1	<u>Subsidiary (Indian)</u> DAPL	100	-	(0.06)	-	-	-	-	-	-
1	<u>Associates (Indian)</u> TIMDAA	49.90	1.23	36.90	30.50	13.52	(0.32)	(0.04)	23.65	13.48
2	DAPSPL	49.90	1.62	48.75	29.05	12.88	(0.79)	(0.10)	22.41	12.78
3	TFS	40.00	0.15	4.41	1.60	0.71	-	-	1.24	0.71
4	DDFSPL	49.90	4.37	131.59	114.66	50.84	0.16	0.02	89.18	50.86
5	CELEBI	26.00	1.73	52.05	11.19	4.96	(0.24)	(0.03)	8.64	4.93
1	<u>Joint Ventures (Indian)</u> DASPL	50.00	0.67	20.28	12.72	5.64	-	-	9.89	5.64
2	DAFFPL	26.00	1.77	53.30	24.79	10.99	(0.08)	(0.01)	19.25	10.98
3	WAISL	26.00	0.05	1.43	(4.58)	(2.03)	-	-	(3.56)	(2.03)
4	GBHHPL	20.85	3.57	107.67	(1.49)	(0.66)	-	-	(1.16)	(0.66)
	Total		100.00	3,012.01	100.00	44.34	100.00	12.69	100.00	57.03

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44. Standards issued but not yet effective

On March 30, 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 which notified Ind AS 116, Leases. The amendment rules are effective from reporting periods beginning on or after April 1, 2019. This standard replaces current guidance in Ind AS 17 and is a far reaching change in accounting by lessees in particular.

Ind AS 116 sets out the principles for recognition, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to accounting for finance leases under Ind AS 17. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of consolidated financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an entity.

Ind AS 116 requires lessees to recognize a 'right-of-use asset' and a 'lease liability' for almost all leasing arrangements. Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. The lessor still has to classify leases as either finance or operating.

Ind AS 116 is effective for the Group w.e.f April 01, 2019 using either one of the following two methods:

- (a) Retrospectively to each prior reporting period presented in accordance with Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, with the option to elect certain practical expedients as defined within Ind AS 116 (the full retrospective method); or
- (b) Retrospectively with the cumulative effect of initially applying Ind AS 116 recognized at the date of initial application (April 01, 2019) and providing certain additional disclosures as defined in Ind AS 116 (the modified retrospective method).

The Group continues to evaluate the available transition methods and its contractual arrangements. The ultimate impact on leases resulting from the application of Ind AS 116 will be subject to assessments that are dependent on many variables, including, but not limited to, the terms of the contractual arrangements and the mix of business. The Group's considerations also include, but are not limited to, the comparability of its consolidated financial statements and the comparability within its industry from application of the new standard to its contractual arrangements. The Group has established an implementation team to implement Ind AS 116 related to leases and it continues to evaluate the changes to accounting system and processes, and additional disclosure requirements that may be necessary.

A reliable estimate of the quantitative impact of Ind AS 116 on the consolidated financial statements will only be possible once the implementation project has been completed.

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Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 and does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

An entity has to determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed. In determining the approach that better predicts the resolution of the uncertainty, an entity might consider, for example, (a) how it prepares its income tax filings and supports tax treatments; or (b) how the entity expects the taxation authority to make its examination and resolve issues that might arise from that examination.

The interpretation is effective for annual reporting periods beginning on or after 1 April 2019, but certain transition reliefs are available. The Group will apply the interpretation from its effective date. Group may need to establish processes and procedures to obtain information that is necessary to apply the Interpretation on a timely basis.

Amendments to Ind AS 19: Plan Amendment, Curtailment or Settlement

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to:

- Determine current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to re measure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event.
- Determine net interest for the remainder of the period after the plan amendment, curtailment or settlement using: the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event; and the discount rate used to re measure that net defined benefit liability (asset).

The amendments also clarify that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognised in profit or loss.

An entity then determines the effect of the asset ceiling after the plan amendment, curtailment or settlement. Any change in that effect, excluding amounts included in the net interest, is recognised in other comprehensive income.

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The amendments apply to plan amendments, curtailments, or settlements occurring on or after the beginning of the first annual reporting period that begins on or after 1 April 2019. These amendments will apply only to any future plan amendments, curtailments, or settlements of the Group.

Annual improvement to Ind AS

Amendments to Ind AS 23: Borrowing Costs

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

An entity applies those amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019. Since the Group's current practice is in line with these amendments, the Group does not expect any effect on its consolidated financial statements.

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

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

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

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

Per Yogesh Midha
Partner
Membership No. 094941
Place: New Delhi
Date: August 08, 2019

Per Hitesh Kumar P
Partner
Membership No. 233734
Place : New Delhi
Date: August 08, 2019

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

K. Narayana Rao
Whole Time Director
DIN-00016262

Videh Kumar Jaipuriar **Hari Nagrani**
Chief Executive Officer Chief Financial Officer

Saurabh Jain
Company Secretary

Place : New Delhi
Date: August 08, 2019



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