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

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

Independent Auditor's Report

To the Members of Delhi International Airport Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Delhi International Airport Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 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 ('ICAI') 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 opinion.

Emphasis of Matter

We draw attention to Note 2(B) of the accompanying standalone financial statements, which describes the uncertainties due to the outbreak of Covid-19 pandemic and the management's evaluation of the impact on the standalone financial statements of the Company as at the balance sheet date. Our opinion is not modified in respect of this matter.

Walker Chandiok & Co LLP

K. S. Rao & Co.

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

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

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Valuation of Derivative Financial Instruments *Refer to Note 3(q) for the accounting policy and note 8, 37, 38 and 39 for the financial disclosures in the accompanying standalone financial statements* The company has entered into derivative financial instruments i.e., call spread options, coupon only hedge, to hedge its foreign currency risks in relation to the long-term bonds 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, Financial Instruments. 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 such as market observable inputs and involvement of management' s valuation specialist, and therefore, is subject to an inherent risk of error. We have identified valuation of hedging instruments as a key audit matter in view the aforesaid significant judgements, estimates and complexity involved.	Our audit procedures to test the valuation of the derivative financial instruments included but were not limited to the following: • Assessed and tested the design and operating effectiveness of Company's key internal controls over derivative financial instruments and the related hedge accounting; • Reviewed the management's 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, Financial Instruments; • Evaluated the management's valuation specialist's professional competence, expertise and objectivity; • Tested the accuracy of input data provided by the management to the external valuation specialist and assessed the reasonability of the assumptions used, while valuing the hedging instruments; • Involved our valuation specialists to test the fair values of derivative financial instruments and compared the results to the management's results; • Assessed the appropriateness and adequacy of the related disclosures in the standalone financial statements in accordance with the applicable accounting standards

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

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

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

Capital work in progress for airport expansion *Refer to Note 3(d) for the accounting policy and Note 41(s) for the financial disclosures in the accompanying standalone financial statements* The Company is in the process of expansion of the airport with a plan to incur an amount of INR 9,576.13 crores. Till as at 31 March 2021, the Company has incurred INR 3,525.12 crores as capital expenditure towards such capital expansion. Determining whether expenditure meets the capitalization criteria, specifically with regard to whether they are operational or capital in nature, involves significant management judgement in assessing whether capitalization is in line with Ind AS 16, Property, Plant and Equipment and the Company's accounting policy. Further, the tariff determination by AERA for control periods for the aeronautical services is linked to the Regulated Asset Base, which is based on the fixed asset balance and considering these additions are significant to the asset base of the Company, we have assessed inappropriate capitalization as a significant risk as part of our audit strategy. Such, the aforementioned capital expenditure has been funded from the specific borrowings raised for such purpose. Accordingly, the borrowing cost incurred on such borrowings have been included as a capital expenditure in accordance with the provisions of Ind AS 23, Borrowing Costs. Owing to the above factors, we have identified this as a key audit matter for current year audit due to the significance of the capital expenditure incurred during the year.	Our audit procedures to assess appropriate capitalization of such expenditure included, but were not limited to the following: • Assessed the design and implementation and tested the operating effectiveness of key controls surrounding the capitalization of costs. • Reviewed management's capitalization policy, including application of the aforesaid policy, to assess consistency with the requirements set out by Ind AS 16, Property, Plant and Equipment. • Compared the additions with the budgets and the orders given to the vendors. • Ensured that the borrowing cost capitalized is as per Ind AS 23 Borrowing Costs • Tested the additions on a sample basis for their nature and purpose to ensure that the capitalization is as per company's accounting policy. • Assessed the appropriateness and adequacy of the related disclosures in the standalone financial statements in accordance with the applicable accounting standards.
Monthly Annual Fee to Airport Authority of India (AAI) *Refer to Note* 34(I)(h) *for the financial disclosures in the accompanying standalone financial statements.*	Our audit procedures in relation to the assessment of ongoing litigation / arbitration proceedings in relation to MAF fee included but were not limited to the following:

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K. S. RAO & CO. * Chartered Accountants * BENGALURU

The Company has ongoing litigation / arbitration proceedings with Airport Authority of India (AAI) in respect of Monthly Annual Fee (MAF) for the period 1 April 2020 to 31 March 2021 for which the Company has sought to be excused from making payment to AAI as triggered from a force majeure event, which could have a significant impact on the accompanying standalone financial statements, if the potential exposure were to materialize. Further, the application of accounting standards to determine the amount, if any, to be provided as a liability or disclosed as a contingent liability, is inherently subjective. The outcome of such litigation /arbitration proceedings is currently uncertain and the aforesaid assessment requires significant judgement by the management including interpretation of legal rights and obligations arising out of the underlying Operation, Management and Development Agreement dated 4 April 2006 entered with AAI, which required involvement of both management's and auditor's experts. Accordingly, this matter has been determined as a key audit matter for current year audit. The above matter is also considered fundamental to the understanding of the users of the accompanying standalone financial statements on account of the uncertainties relating to the future outcome of the proceedings/litigation.	• Obtained an understanding of management's process and evaluated design, implementation and operating effectiveness of management's key internal controls over assessment of litigations/ arbitration proceedings and determination of appropriate accounting treatment in accordance with the requirements of Ind AS 37, Provisions, Contingent liabilities and Contingent Assets. • Obtained and read the summary of litigation involved in respect of MAF payable, the supporting documentation including communications exchanged between the parties, and held discussions with the management of the Company to understand management's assessment of the matter; • Evaluated the legal opinions obtained by the management from its internal and external legal experts on the likelihood of the outcome of the said contingencies and potential impact of ongoing litigation/ arbitration proceedings and amount paid under protest, basis our understanding of the matter obtained as above, and held further discussions, as required, with such experts to seek clarity of their legal assessments. • Involved independent auditor's experts to validate the assessment of the likelihood of the outcome of contingencies and potential impact of ongoing litigation/ arbitration proceedings and amount paid under protest in order to assess the basis used for determination of appropriateness of the accounting treatment and resulting disclosures in the standalone financial statements in accordance with the requirements of applicable accounting standards;

Information other than the Financial Statements and Auditor's Report thereon

6. 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 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.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO * Chartered Accountants * BENGALURU

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

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. 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 financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the 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 Standards on Auditing 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 financial statements.

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

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

K.S. RAO & CO. Chartered Accountants BENGALURU

- Identify and assess the risks of material misstatement of the 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 with reference to financial statements 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. 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.

13. 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.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period 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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

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

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

15. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

16. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

17. Further to our comments in Annexure A, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

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 standalone financial statements dealt with by this report are in agreement with the books of account;

d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act;

f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 24 May 2021 as per Annexure B expressed unmodified opinion; and

g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. the Company, as detailed in note 34 (I) to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2021;

ii. the Company has made provision as at 31 March 2021, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021; and

Walker Chandiok & Co LLP Chartered Accountants

K.S. Rao & Co. Chartered Accountants Bengaluru

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

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

iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

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

Anamitra Das
Partner
Membership No.: 062191
UDIN: 21062191AAAAID8834
Place: Gurugram
Date: 24 May 2021

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

Hitesh Kumar P
Partner
Membership No: 233734
UDIN: 21233734AAAAIS8584
Place: Bengaluru
Date: 24 May 2021

K.S. RAO & CO.
Chartered Accountants
BENGALURU

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

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

Annexure A to the Independent Auditor's Report of even date to the members of Delhi International Airport Limited on the standalone financial statements for the year ended 31 March 2021

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment ('PPE').

(b) All fixed assets have not been physically verified by the management during the year, however, there is a regular program of verification 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) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company.

(ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.

(iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

(iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.

(v) In our opinion, 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 account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section **Annexure A to the Annexure A to the Independent Auditor's Report of even date to the members of Delhi International Airport Limited on the standalone financial statements for the year ended 31 March 2021**

(1) of Section 148 of the Act in respect of Company's services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

K.S. RAO & CO. Chartered Accountants BENGALURU

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

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

Annexure A to the Independent Auditor's Report of even date to the members of Delhi International Airport Limited on the standalone financial statements for the year ended 31 March 2021

(vii)(a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the Statue	Nature of Dues	Amount in Crores (₹)	Period to which the 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
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	Non-payment of Service tax on license fees/lease rentals	1.58	Financial year 2006-07 to 2009-10	Commissioner of Service tax, New Delhi
Finance Act 1994	Non-payment of Service tax on license fees/lease rentals	0.07	Financial year 2011-12 (April-June 2010)	Commissioner of Service tax, New Delhi
Finance Act 1994	Wrong availement of service tax on the payment made towards employee's medical insurance	0.22	Financial year 2011-12	Commissioner (Appeals) of Service Tax, New Delhi

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

K.S. RAO & CO. Chartered Accountants BENGALURU

Finance Act 1994	Service tax on the supply of electricity and water	2.35	Financial year 2009-10 to 2012-13	Commissioner of Service tax, New Delhi
Finance Act 1994	Service tax on the Development fees ('DF') collected	131.89	March 2009 to September 2013	Supreme Court
Finance Act 1994	Service tax on the Advance Development Costs ('ADC')	54.31	Financial year 2010-11	Supreme Court

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

(viii) The Company has not defaulted in repayment of loans or borrowings to any financial institution or a bank or government or any dues to debenture-holders during the year.

(ix) The Company did not raise moneys by way of Initial public offer or further public offer (including debt instruments). In our opinion, the Company has applied moneys raised by way of debt instruments for the purposes for which these were raised, though idle/surplus funds which were not required for immediate utilisation have been invested in liquid investments, payable on demand.

(x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) Managerial remuneration has been paid and provided by the company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.

(xiv) During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

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

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

Annexure A to the Independent Auditor's Report of even date to the members of Delhi International Airport Limited on the standalone financial statements for the year ended 31 March 2021

(xv) In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Anamitra Das
Partner
Membership No.: 062191
UDIN: 21062191AAAAID8834
Place: New Delhi
Date: 24 May 2021

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

Hitesh Kumar P

Hitesh Kumar P
Partner
Membership No: 233734
UDIN: 21233734AAAAIS8584
Place: Bengaluru
Date:24 May 2021

K.S. RAO & CO. * Chartered Accountants * BENGALURU

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

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

Annexure B

Annexure B to the Independent Auditor's Report of even date to the members of Delhi International Airport Limited on the standalone financial statements for the year ended 31 March 2021

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Delhi International Airport Limited ('the Company') as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

2. **Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

3. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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 the Company's 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 Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

4. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the ICAI. 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 with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

K.S. RAO & CO. * Chartered Accountants * BENGALURU

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

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

on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

7. A company's internal financial controls with reference to 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 controls with reference to financial statements include 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 with Reference to Financial Statements

8. Because of the inherent limitations of internal financial controls with reference to 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

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

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

Opinion

9. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements 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 Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013

Anamitra Das
Partner
Membership No.: 062191
UDIN: 21062191AAAAID8834
Place: New Delhi
Date: 24 May 2021

For K. S. Rao & Co.,

Chartered Accountants

Firm Registration Number: 003109S

Hitesh Kumar P
Partner
Membership No: 233734
UDIN: 21233734AAAAIS8584
Place: Bengaluru
Date: 24 May 2021

Delhi International Airport Limited
CIN. U63033DL2006PLC146936
Standalone Balance Sheet as at March 31, 2021
(All amounts in Rupees Crore, except otherwise stated)

	Notes	March 31, 2021	March 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	4	5,714.96	6,079.41
Right of use asset	41(p)	18.84	14.10
Capital work in progress		3,633.80	2,140.61
Intangible assets	5	379.04	331.35
Investment in subsidiary, associates and joint ventures	6.1	288.87	288.07
Financial assets			
(i) Investment	6.2	0.81	0.01
(ii) Loans	7	487.99	8.58
(iii) Other financial assets	8	773.72	1,133.08
Other non-current assets	9	1,301.59	1,474.04
Current tax assets		4.28	53.73
		13,716.46	11,372.98
Current assets			
Inventories	11	6.27	6.55
Financial assets			
(i) Investments	6.3	1,210.57	1,234.20
(ii) Trade receivables	12	94.84	76.51
(iii) Cash and cash equivalents	13	3,334.20	2,049.30
(iv) Bank balance other than cash and cash equivalents	14	449.80	827.09
(v) Loans	7	3.78	1.35
(vi) Other financial assets	8	836.31	715.26
Other current assets	9	106.83	424.25
		6,042.60	5,314.51
Total Assets		19,759.06	16,907.51
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	2,450.00	2,450.00
Other equity			
(i) Retained earnings	16	(32.47)	294.35
(ii) Cash flow hedge reserve	16	127.29	(1.89)
		2,544.82	2,742.46
Non-current liabilities			
Financial liabilities			
(i) Borrowings	17	10,674.40	9,920.89
(ii) Lease liabilities		14.40	11.80
(iii) Other financial liabilities	18	933.32	665.39
Deferred revenue	19	1,757.52	1,851.70
Deferred tax liabilities (net)	10	-	95.87
Other non-current liabilities	20	47.70	48.14
Long term provisions	23	3.53	1.62
		13,430.87	12,595.41
Current liabilities			
Financial liabilities			
(i) Borrowings	21	264.75	-
(ii) Trade payables	22		
-Total outstanding dues of micro enterprises and small enterprises		17.77	13.00
-Total outstanding dues of creditors other than micro enterprises and small enterprises		347.53	288.92
(iii) Lease liabilities		3.61	2.77
(iv) Other financial liabilities	18	2,683.09	750.36
Deferred revenue	19	93.25	103.45
Other current liabilities	20	213.80	261.57
Short term provisions	23	149.57	149.57
		3,773.37	1,569.64
Total Liabilities		17,204.24	14,165.05
Total Equity and Liabilities		19,759.06	16,907.51
Summary of significant accounting policies	3		

The accompanying notes are an integral part of these Standalone financial statements and have been taken on record by the board of directors vide the meeting dated May 24, 2021.

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

per Anamitra Das
Partner
Membership no: 062191
Place: Gurugram
Date : May 24, 2021

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 24, 2021

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

G.B.S Raju
Managing Director
DIN-00061686
Place: Dubai

K. Narayana Rao
Whole Time Director
DIN-00016262
Place: New Delhi

Videh Kumar Jaipuriar
Chief Executive Officer
Place: Gurugram

Hari Nagrani
Chief Financial Officer
Place: New Delhi

Sushil Kumar Dudeja
Company Secretary
Place: Gurugram
Date : May 24, 2021

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

K.S. RAO & CO.
Chartered Accountants
BENGALURU

Delhi International
New Delhi

Delhi International Airport Limited
CIN. U63033DL2006PLC146936
Standalone Statement of Profit and Loss for the year ended March 31, 2021
(All amounts in Rupees Crore, except otherwise stated)

	Notes	March 31, 2021	March 31, 2020
REVENUE			
Revenue from operations [refer note 41(q)]	24	2,423.47	3,909.42
Other income	25	98.60	334.20
Total revenue		2,522.07	4,243.62
EXPENSES			
Annual fee to Airports Authority of India (AAI) [refer note 34(I)(h) & 41(i)]		338.12	1,848.67
Employee benefits expense	26	213.33	209.38
Depreciation and amortization expense	27	568.85	626.25
Finance costs	28	696.09	678.66
Other expenses	29	1,188.82	879.30
Total expenses		3,005.21	4,242.26
(Loss)/ profit before tax		(483.14)	1.36
Current tax		-	-
Deferred tax (credit)	10	(165.73)	(11.79)
Total tax (credit)		(165.73)	(11.79)
(Loss) / profit for the year		(317.41)	13.15
Other comprehensive income	30		
A Items that will not be reclassified to profit or loss in subsequent periods			
Re-measurement gain/(loss) on defined benefit plans		0.91	(1.97)
Income tax effect		(0.32)	0.69
B Items that will be reclassified to profit or loss in subsequent periods			
Net movement of cash flow hedges		198.72	19.30
Income tax effect		(69.54)	(6.75)
Total other comprehensive income for the year (net of tax) (A+B)		129.77	11.27
Total comprehensive (loss) / income for the year (net of tax)		(187.64)	24.42
Earnings per equity share: [nominal value of share Rs. 10 (March 31, 2020 : Rs. 10)]			
(1) Basic	31	(1.30)	0.05
(2) Diluted	31	(1.30)	0.05
Summary of significant accounting policies	3		

The accompanying notes are an integral part of these Standalone financial statements and have been taken on record by the board of directors vide the meeting dated May 24, 2021.

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

per Anamitra Das
Partner
Membership no: 062191
Place: Gurugram
Date : May 24, 2021

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 24, 2021

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

G.B.S Raju
Managing Director
DIN-00061686
Place: Dubai

K. Narayana Rao
Whole Time Director
DIN-00016262
Place: New Delhi

Videh Kumar Jaipuriar
Chief Executive Officer
Place: Gurugram

Hari Nagrani
Chief Financial Officer
Place: New Delhi

Sushil Kumar Dudeja
Company Secretary
Place: Gurugram
Date : May 24, 2021

Delhi International Airport Limited
CIN. U63033DL2006PLC146936
Standalone Statement of Changes in Equity for the year ended March 31, 2021
(All amounts in Rupees Crore, except otherwise stated)

	Equity share capital	Reserves and Surplus	Item of OCI	Total equity
		Retained earnings	Cash flow hedge reserve*	
Balance as at April 1, 2019	2,450.00	282.48	(14.44)	2,718.04
Profit for the year	-	13.15	-	13.15
Other comprehensive (loss)/ income (net of tax)	-	(1.28)	12.55	11.27
Balance as at March 31, 2020	2,450.00	294.35	(1.89)	2,742.46
Balance as at April 1, 2020	2,450.00	294.35	(1.89)	2,742.46
Loss for the year	-	(317.41)	-	(317.41)
Other comprehensive income (net of tax)	-	0.59	129.18	129.77
Balance as at March 31, 2021	2,450.00	(22.47)	127.29	2,554.82

Explanatory notes annexed (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, 6.125% Senior secured notes (2026) of USD 522.60 million and 6.45% Senior secured notes (2029) of USD 500 million which are repayable in February'2022, October 2026 and June 2029 respectively. The Company has adopted Cash flow hedge accounting for Call spread options as per Ind AS 109. Accordingly, the effective portion of gain or loss on the hedging instruments is recognised in Other Comprehensive Income in the Cash flow hedge reserve, while any ineffective portion in recognised immediately in the Statement of profit & loss.

*Subsequently, the Company has cancelled Call spread Options of USD 105.422 million (USD 80 million of February 8, 2017 options & USD 25.422 million out of January 25, 2018 options) and Call spread option on interest liability of USD 105.422 million in April 2021 due to prepayment of USD 105.422 million to USD 288.75 million notes holders as per tender acceptance.

The accompanying notes are an integral part of these Standalone financial statements and have been taken on record by the board of directors vide the meeting dated May 24, 2021.

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

per Anamitra Das
Partner
Membership no: 062191
Place: Gurugram
Date : May 24, 2021

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

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 24, 2021

K.S. RAO & CO. Chartered Accountants BENGALURU

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

G.B.S Raju
Managing Director
DIN-00061686
Place: Dubai

K. Narayana Rao
Whole Time Director
DIN-00016262
Place: New Delhi

Videh Kumar Jaipuriar
Chief Executive Officer
Place: Gurugram

Hari Nagrani
Chief Financial Officer
Place: New Delhi

Sushil Kumar Dudeja
Company Secretary
Place: Gurugram
Date : May 24, 2021

Delhi International Airport Ltd. New Delhi

Delhi International Airport Limited
CIN. U63033DL2006PLC146936
Standalone Statement of Cash Flows for the year ended March 31, 2021
(All amounts in Rupees Crore, except otherwise stated)

	March 31, 2021	March 31, 2020
Cash flow from operating activities		
(Loss)/ profit before tax	(483.14)	1.36
Adjustment to reconcile loss/ (profit) before tax to net cash flows		
Depreciation and amortization expenses	568.85	626.25
Provision for bad debts / bad debts written off	-	0.10
Interest income on deposits/current investment	(45.54)	(125.89)
Exchange differences unrealised (net)	1.39	2.51
Gain on sale of current investments-Mutual fund	(12.06)	(35.64)
(Profit)/ loss on discard of Property, plant and equipments	(0.16)	2.25
Dividend income on non current investments carried at cost	(27.38)	(74.58)
Interest on borrowings	406.54	384.99
Call spread option premium	201.26	199.25
Other borrowing costs	0.29	-
Redemption premium on borrowings	15.41	-
Rent expenses on financial assets carried at amortised cost	0.12	0.20
Provision against advance to Airports Authority of India (AAI) [refer note 34(I)(h)]	446.21	-
Excess provision written back	-	(41.41)
Interest expenses on financial liability carried at amortised cost	71.13	88.97
Deferred income on financial liabilities carried at amortized cost	(104.72)	(100.76)
Fair value gain on financial instruments at fair value through profit or loss	(3.72)	(1.48)
	1,034.48	926.12
Working capital adjustment:		
Increase in current trade payables	37.24	22.22
(Decrease) in other non current liabilities	(0.44)	(38.45)
(Decrease)/ increase in other current liabilities	(46.00)	66.94
Increase in non current deferred revenue	2.28	1.00
(Decrease) in current deferred revenue	(5.96)	(7.90)
(Decrease)/ increase in non current financial liabilities	260.93	250.39
Increase/ (decrease) in current financial liabilities	70.57	(11.22)
(Increase)/ decrease in trade receivables	(18.32)	41.08
Decrease in inventories	0.28	0.78
Increase in other non current assets	(1,212.06)	(423.76)
Decrease/ (increase) in other current assets	321.14	(339.02)
Increase in other current financial assets	(380.21)	(351.95)
(Increase)/ decrease in other non current financial assets	(17.38)	11.29
Decrease/ (increase) in non current loans	1.79	(6.69)
Increase in current loans	(2.43)	(0.00)
Increase/ (decrease) in non current provisions	2.81	(0.35)
(Decrease)/ increase in current provisions	-	95.17
Cash generated from operations	48.72	235.65
Direct taxes refund (net)	49.47	10.06
Net cash flow from operating activities (A)	98.19	245.71
Cash flows from investing activities		
Purchase of property plant and equipments, including CWIP and capital advances	(1,502.97)	(1,784.28)
Proceeds from sale of property, plant and equipment	0.59	0.42
Inter corporate deposits refund received	-	400.00
Security deposit given for equipment lease	(401.20)	-
Purchase of current investments	(5,572.79)	(11,506.68)
Sale/maturity of current investments	5,654.68	11,765.01
Sale of investment in Joint ventures	-	1.30
Dividend income	27.38	74.58
Interest received	139.17	208.31
Investment of margin money deposit	(0.02)	(0.02)
Redemption of (Investments in) fixed deposits with original maturity of more than three months (net)	377.29	(428.15)
Net cash used in investing activities (B)	(1,277.87)	(1,269.51)

(The space has been intentionally left blank)

Delhi International Airport Limited
CIN. U63033DL2006PLC146936
Standalone Statement of Cash Flows for the year ended March 31, 2021
(All amounts in Rupees Crore, except otherwise stated)

	March 31, 2021	March 31, 2020
Cash flows from financing activities		
Principal payment of lease liability	(4.23)	(1.98)
Interest payment of lease liability	(1.59)	(1.59)
Proceeds from long term borrowing	3,213.63	3,501.24
Proceeds from short term borrowing	264.75	86.14
Option premium paid	(310.21)	(244.92)
Borrowing cost paid	(31.30)	(31.05)
Interest paid	(666.47)	(461.08)
Net cash flow from financing activities (C)	2,464.58	2,846.76
Net increase in cash and cash equivalents (A + B + C)	1,284.90	1,822.96
Cash and cash equivalents at the beginning of the year	2,049.30	226.34
Cash and cash equivalents at the end of the year	3,334.20	2,049.30
Components of cash and cash equivalents		
Cash on hand	0.08	0.07
Cheques/ drafts on hand	0.19	0.00
With banks		
- on current account	387.67	63.00
- on deposit account	2,946.26	1,986.23
Total cash and cash equivalents (refer note 13)	3,334.20	2,049.30

Explanatory notes annexed

1. The above cash flow statement has been compiled from and is based on the Standalone balance sheet as at March 31, 2021 and the related Standalone statement of profit and loss for the year.

2. Cash and cash equivalents include Rs 1.77 crore (March 31, 2020: Rs. 5.17 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, 2020	9,920.89	201.97	1,009.04
Cash flows	3,478.38	(666.47)	(310.21)
Non-cash changes			
Finance cost	(23.57)	665.91	309.62
Foreign exchange fluctuation	(334.38)	-	-
Change in Fair values	-	-	(136.04)
As at March 31, 2021	13,041.32	201.41	872.41

4. The accompanying notes are an integral part of these Standalone Financials Statements and have been taken on record by the board of directors vide the meeting dated May 24, 2021.

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

per Anamitra Das
Partner
Membership no: 052191
Place: Gurugram
Date : May 24, 2021

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 24, 2021

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

G.B.S Raju
Managing Director
DIN-00061686
Place: Dubai

K. Narayana Rao
Whole Time Director
DIN-00016262
Place: New Delhi

Videh Kumar Jaipuriar
Chief Executive Officer
Place: Gurugram

Hari Nagrani
Chief Financial Officer
Place: New Delhi

Saurabh Kumar Dadeja
Company Secretary
Place: Gurugram
Date : May 24, 2021

1. Corporate information

Delhi International Airport Limited ('DIAL' or 'the Company') is a Public Limited Company domiciled in India. It was incorporated as a Private Limited Company on March 1, 2006 under the provisions of the erstwhile Companies Act, 1956, (replaced with Companies Act 2013 with effect from April 1, 2014) and was converted into a Public Limited Company 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 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 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 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) Covid-19 Update:

Post outbreak of COVID-19 last year in the month of March, 2020, the business of the company got adversely impacted due to travel restrictions on international and domestic travel. As a quarantine measure, Government of India had also imposed the countrywide lockdown with effect from March 25, 2020, however, restrictions on operation of domestic flights were lifted from May 25, 2020. Accordingly, the airport was closed from March 25, 2020 to May 24, 2020 except for cargo and evacuation / rescue flights for passengers, which in turn has materially impacted the business of the Company. However gradually, the Government of India eased restrictions on domestic travel but restriction on international travel continued except air bubble flights. There has been gradual improvement in air travel over last 12 months majorly in domestic travel. Further, the outbreak of second wave of COVID-19 pandemic from March 2021 has impacted the air travel. The Company has made detailed assessment of its liquidity position for the next one year and of the recoverability and carrying values of its assets as at the balance sheet date and has concluded that there are no material adjustments required in the financial statements. For this assessment, Management believes that it has taken into account all the possible impact of known events arising from COVID 19 pandemic in these financial statements. However, the impact of the COVID 19 pandemic on our business will depend on future developments that cannot be reliably predicted. The impact of the COVID 19 pandemic might be different from that estimated as at the date of approval of these financial statements and the Company will closely monitor any material changes to future economic conditions.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

Delhi International Airport Ltd. * New Delhi *

3. Summary of significant accounting policies

a. Use of estimates

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

b. Current versus non-current classification

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

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

The Company classifies all other assets as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

c. Investments in Associates, Joint Ventures and Subsidiary

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

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

K.S. RAO & CO. Chartered Accountants BENGALURU

Delhi International Airport Ltd. New Delhi

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 statement of profit and loss during the reporting period in which they are incurred.

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

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

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

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

(All amounts in Rupees crore, except otherwise stated)

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.

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 had issued order no. 35/2017-18 on January 12, 2018 which was further amended on April 09, 2018, in the matter of Determination of Useful life of Airport Assets, which is effective from April 01, 2018.

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

In order to align the useful life of passenger related Furniture and Fixtures as per AERA order, the Company has revised the useful life during financial year 2018-19.

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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. ★ Chartered Accountants ★ BENGALURU

Delhi International Airport Ltd. * New Delhi * नई दिल्ली

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 financial statements.

The Company amortises, upfront fee paid as airport concession rights and other costs paid to AAI referred to above are recognized and amortized over the initial period of 30 years and extended period of 30 years of OMDA i.e. 60 years. Other intangible assets are amortised over the useful life of asset or six years, whichever is lower.

h. Government Grant and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that
(i) the Company will comply / have complied with the conditions attached to them, and
(ii) the grant / subsidy will be received.

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

i. Borrowing cost

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

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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड * Delhi International Airport Ltd. * New Delhi * नई दिल्ली

j. Leases

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

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

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

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

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

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

Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

In case of a short term lease contract and lease contracts for which the underlying asset is of low value, lease payments are charged to statement of profit and loss on accrual basis.

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.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड * Delhi International Airport Ltd. * New Delhi * नई दिल्ली

k. Inventories

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

l. Impairment of non-financial assets

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

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

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

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

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

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

K.S. RAO & CO. Chartered Accountants BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. New Delhi नई दिल्ली

m. Provisions, Contingent liabilities and Commitments

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

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

Contingent liability is disclosed in the case of:

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

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

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

n. Contingent assets

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

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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. * New Delhi * नई दिल्ली

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 statement of profit and loss of the year when the contributions to the respective funds are due. The Company has no obligation, other than the contribution payable to the respective trusts.

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

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

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

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

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

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

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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

K.S. RAO & CO. Chartered Accountants BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. New Delhi नई दिल्ली

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

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

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

p. Financial Instruments

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

I) Financial assets

Initial recognition and measurement

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

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (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 Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

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

Subsequent measurement

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

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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

Delhi International Airport Ltd. * New Delhi * दिल्ली इंटरनेशनल एयरपोर्ट लिमिटेड नई दिल्ली

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 statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 12.

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

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

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

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

In addition, the Company may elect to designate a Financial 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 statement of profit and loss.

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

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

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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड * Delhi International Airport Ltd. * New Delhi * नई दिल्ली

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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

K.S. RAO & CO. Chartered Accountants BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. New Delhi नई दिल्ली

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 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 and 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 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 statement of profit and loss.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

K.S. RAO & CO. Chartered Accountants BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd New Delhi नई दिल्ली

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 and interest rate swaps, to hedge its foreign currency risks and interest rate risks, respectively

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

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

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

a) Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment;

b) Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment;

c) Hedges of a net investment in a foreign operation.

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

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

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

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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. * New Delhi * नई दिल्ली

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 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 statement of profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

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.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इंटरनेशनल एयरपोर्ट लिमिटेड * Delhi International Airport Ltd. * New Delhi * नई दिल्ली

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

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

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

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

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

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

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes as mentioned below.
a) Disclosures for valuation methods, significant estimates and assumptions (note 37)

b) Quantitative disclosures of fair value measurement hierarchy (note 38)

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

u. Revenue recognition

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

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.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

K.S. RAO & CO. Chartered Accountants BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. New Delhi नई दिल्ली

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 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.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. * New Delhi * नई दिल्ली

Interest income

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

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

Dividends

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

Claims

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

v. Taxes

Tax expense comprises current tax and deferred tax.

Current income tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961.
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इंटरनेशनल एयरपोर्ट लिमिटेड * Delhi International Airport Ltd. * New Delhi * नई दिल्ली

Deferred tax

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

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

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

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

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

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

ii) In respect of deductible temporary differences associated with investments in subsidiary, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

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

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

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

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

K.S. RAO & CO. Chartered Accountants BENGALURU

दिल्ली इंटरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. New Delhi नई दिल्ली

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 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 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. 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.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड * Delhi International Airport Ltd. * New Delhi * नई दिल्ली

4 Property, plant and equipment

	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
Gross block (at cost)												
As at April 1, 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
Additions	106.08	3.72	-	32.70	0.80	20.37	25.16	0.68	14.56	18.79	3.80	226.66
Disposals	(2.93)	-	-	(0.08)	-	-	(2.75)	(0.81)	(10.33)	(2.83)	(2.26)	(21.99)
Adjustments [refer note (a) below]	(6.22)	(0.01)	0.72	2.10	(1.02)	(6.00)	(2.64)	(0.03)	(0.02)	(2.10)	(0.02)	(15.24)
As at March 31, 2020	4,562.69	19.52	397.66	1,089.27	236.05	2,248.55	2,475.95	12.91	105.75	286.23	19.23	11,453.81
Additions	**8.29**	**1.27**	**2.06**	**19.41**	**9.57**	**61.19**	**31.17**	**0.53**	**9.12**	**47.56**	**1.49**	**191.66**
Disposals	**(0.69)**	-	-	-	-	-	-	**(0.01)**	-	**(0.06)**	**(1.27)**	**(2.03)**
Adjustments [refer note (a) below]	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2021	**4,570.29**	**20.79**	**399.72**	**1,108.68**	**245.62**	**2,309.74**	**2,507.12**	**13.43**	**114.87**	**333.73**	**19.45**	**11,643.44**
Accumulated depreciation												
As at April 1, 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
Charge for the year	152.95	5.25	13.39	82.99	25.53	100.80	196.08	0.78	12.81	21.89	1.38	613.85
Disposals	(1.30)	0.00	(0.00)	(0.87)	(0.06)	(0.02)	(1.07)	(0.81)	(10.32)	(2.66)	(2.21)	(19.32)
As at March 31, 2020	1,431.20	12.65	140.57	858.93	206.89	938.41	1,509.14	10.68	62.47	194.29	9.17	5,374.40
Charge for the year	**153.21**	**3.85**	**13.39**	**51.89**	**11.50**	**102.68**	**181.99**	**0.81**	**14.47**	**20.01**	**1.88**	**555.68**
Disposals	**(0.26)**	-	-	-	-	-	-	**(0.01)**	-	**(0.06)**	**(1.27)**	**(1.60)**
As at March 31, 2021	**1,584.15**	**16.50**	**153.96**	**910.82**	**218.39**	**1,041.09**	**1,691.13**	**11.48**	**76.94**	**214.24**	**9.78**	**5,928.48**
Net block												
As at March 31, 2020	3,131.49	6.87	257.09	230.34	29.16	1,310.14	966.81	2.23	43.28	91.94	10.06	6,079.41
As at March 31, 2021	**2,986.14**	**4.29**	**245.76**	**197.86**	**27.23**	**1,268.65**	**815.99**	**1.95**	**37.93**	**119.49**	**9.67**	**5,714.96**

a. Includes reduction of cost due to input credit of GST amounting to Nil (March 31, 2020: Rs. 14.78 crore) and reduction of liability of vendors on final settlement amounting to Nil (March 31, 2020: Rs. 0.46 crore) pertaining to construction of various capital assets.

b. Buildings include space given on operating lease:
i. Gross block Rs. 190.87 crore (March 31, 2020: Rs. 235.47 crore),
ii. Depreciation charge for the year Rs. 6.35 crore (March 31, 2020: Rs. 7.84 crore),
iii. Accumulated depreciation Rs. 67.66 crore (March 31, 2020: Rs. 75.54 crore),
iv. Net book value Rs. 123.21 crore (March 31, 2020 : Rs. 159.93 crore)

c. Refer note 34(III)(i) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. Chartered Accountants * BENGALURU *

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड * Delhi International Airport Ltd. * New Delhi * नई दिल्ली

(All amounts in Rupees Crore, except otherwise stated)

5 Intangible assets

	Airport concessionaire rights	Computer software	Total
Gross block (at cost)			
As at April 1, 2019	490.52	42.49	533.01
Additions	-	3.28	3.28
As at March 31, 2020	490.52	45.77	536.29
Additions	-	1.13	1.13
As at March 31, 2021	490.52	46.90	537.42
Accumulated amortisation			
As at April 1, 2019	105.15	40.57	145.72
Charge for the year	8.21	1.01	9.22
As at March 31, 2020	113.36	41.58	154.94
Charge for the year	8.21	1.23	9.44
As at March 31, 2021	121.57	42.81	164.38
Net Block			
As at March 31, 2020	377.16	4.19	381.35
At March 31, 2021	368.95	4.09	373.04

(This space has been intentionally left blank)

Delhi International Airport Limited
CIN. U63033DL2006PLC146936
Notes to the standalone financial statements as at March 31, 2021
(All amounts in Rupees Crore, except otherwise stated)

6.1 Investment in subsidiary, associates and joint ventures

	Non current	
	March 31, 2021	March 31, 2020
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, 2020 : 100,000 shares of Rs 10 each)	0.10	0.10
Investment in associates		
Celebi Delhi Cargo Terminal Management India Private Limited 29,120,000 shares of Rs. 10 each (March 31, 2020 : 29,120,000 shares of Rs. 10 each)	29.12	29.12
Delhi Airport Parking Services Private Limited 40,638,560 shares of Rs 10 each (March 31, 2020 : 40,638,560 shares of Rs 10 each)	40.64	40.64
Travel Food services (Delhi Terminal 3) Private Limited 5,600,000 shares of Rs. 10 each (March 31, 2020 : 5,600,000 shares of Rs. 10 each)	5.60	5.60
TIM Delhi Airport Advertising Private Limited 9,222,505 shares of Rs. 10 each (March 31, 2020 : 9,222,505 shares of Rs. 10 each)	9.22	9.22
DIGI Yatra Foundation 222 shares of Rs. 10 each (March 31, 2020 : 222 shares of Rs. 10 each)	0.00	0.00
Investment in joint ventures		
Delhi Aviation Services Private Limited 12,500,000 shares of Rs. 10 each (March 31, 2020 : 12,500,000 shares of Rs. 10 each)	12.50	12.50
Delhi Aviation Fuel Facility Private Limited 42,640,000 shares of Rs. 10 each (March 31, 2020 : 42,640,000 shares of Rs. 10 each)	42.64	42.64
GMR Bajoli Holi Hydropower Private Limited 108,333,334 shares of Rs. 10 each (March 31, 2020 : 108,333,334 share of Rs. 10 each)	108.33	108.33
Delhi Duty Free Services Private Limited 39,920,000 shares of Rs. 10 each (March 31, 2020 : 39,920,000 shares of Rs. 10 each)	39.92	39.92
	288.07	288.07
Aggregate book value of unquoted non-current investment	288.07	288.07

6.2 Other Non Current 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, 2020 : 7,839 shares of Rs 10 each)	0.01	0.01
	0.01	0.01

* The Company has approved to strike off its Subsidiary Company in its board meeting dated February 11, 2020.Pursuant to this, the Board of Directors of Delhi Aerotropolis Private Limited, in its meeting held on June 05, 2020 have approved the filing of application with the Registrar of Companies (ROC) for strike off. The application has been filed with the ROC on August 11, 2020. However, the approval from ROC is awaited.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. * New Delhi * नई दिल्ली

(All amounts in Rupees Crore, except otherwise stated)

6.3 Current Investments	Current	
	March 31, 2021	March 31, 2020
Investments carried at fair value through profit or loss		
Investment in mutual fund		
Unquoted investments		
ICICI Prudential Liquid Regular Plan Growth [Nil units (March 31, 2020 : 20,82,812.13) of Rs. 100 each]	-	61.19
Axis Liquid Fund Growth [Nil units (March 31, 2020 : 6,43,108.54) of Rs. 1000 each]	-	141.11
Sundaram Money Fund Regular – Growth [Nil units (March 31, 2020 : 1,97,782.78) of Rs. 10 each]	-	0.82
SBI Premier Liquid Fund - Regular Plan -Growth [Nil units (March 31, 2020 : 3,99,838.13) of Rs. 1000 each]	-	124.31
L&T Overnight Fund-Growth [8,03,024.16 units (March 31, 2020: Nil) of Rs. 1000 each]	128.92	-
UTI- Liquid Fund-Cash Plan-INST Growth [Nil units (March 31, 2020: 1,23,075.70) of Rs. 1000 each]	-	40.02
Tata Liquid Fund Plan A - Growth [Nil units (March 31, 2020 : 84,522.49) of Rs. 1000 each]	-	26.32
ICICI Prudential Overnight Fund-Growth [38,79,454.78 units (March 31, 2020 : 3,34,162.24) of Rs. 100 each]	43.05	3.60
SBI Overnight Fund-Growth [2,65,129.15 units (March 31, 2020 : 24,207.14) of Rs. 1000 each]	88.86	7.88
Aditya Birla Overnight Fund-Growth [12,61,799.83 units (March 31, 2020 : Nil) of Rs. 1000 each]	140.43	-
UTI Overnight Fund-Growth [2,60,128.63 units (March 31, 2020 : Nil) of Rs. 1000 each]	73.30	-
Axis Overnight Fund- Growth [11,04,803.07 units (March 31, 2020 : Nil) of Rs. 1000 each]	120.19	-
Tata Overnight Fund- Growth [4,88,140.73 units (March 31, 2020 : Nil) of Rs. 1000 each]	53.01	-
Kotak Overnight fund [6,57,652.84 units (March 31, 2020 : Nil) of Rs. 1000 each]	72.20	-
NIPPON Overnight Fund-Direct-Growth [22,51,862.11 units (March 31, 2020 : Nil) of Rs. 100 each]	24.88	-
Investments carried at amortised cost		
Investment in Commercial Papers		
SREI Infrastructure Finance Limited [Nil units (March 31, 2020 : 4,500) of Rs. 5,00,000 each]	-	206.75
SREI Equipment Finance Limited [Nil units (March 31, 2020 : 4,000) of Rs. 5,00,000 each]	-	183.86
Piramal Enterpreises [5,000 (March 31, 2020 : 3,800) of Rs. 5,00,000 each]	240.61	189.11
JM Financial Products Limited [Nil units (March 31, 2020 : 4,400) of Rs. 5,00,000 each]	-	200.30
Edelweiss Asset Reconstruction Limited [4,800 units (March 31, 2020 : 1,000) of Rs. 5,00,000 each]	225.12	48.93
	1,210.57	**1,234.20**
Aggregate book value of unquoted investments	**1,210.57**	1,234.20

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. Chartered Accountants BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. New Delhi नई दिल्ली

7. Loans

		Non current		Current	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Unsecured, considered good					
Carried at amortised cost					
Security deposits					
Unsecured, considered good		407.99	8.58	3.78	1.35
	(A)	407.99	8.58	3.78	1.35
Loan receivables which have significant increase in credit risk					
Advances to others		2.82	2.82	-	-
Less: Allowances for bad and doubtful debts		(2.82)	(2.82)	-	-
	(B)	-	-	-	-
Total (A+B)		407.99	8.58	3.78	1.35

8. Other financial assets

		Non current		Current	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Derivative Instrument carried at fair value through OCI #					
Cash flow hedge- Call spread option		633.79	1,009.04	238.62	-
	(A)	633.79	1,009.04	238.62	-
Carried at amortised cost					
Other recoverables from related parties [refer note 35(b)]					
Unsecured, considered good		-	-	42.03	97.76
Recoverables which have significant increase in credit risk					
Advance to AAI paid under protest		-	-	446.21	-
		-	-	488.24	97.76
Less: provision against advance to AAI paid under protest [refer note 34(I)(h)]		-	-	(446.21)	-
	(B)	-	-	42.03	97.76
Carried at amortised cost					
Others					
Interest accrued on fixed deposits and others		-	-	11.26	60.58
Non-trade receivable [refer note 41(b)] [net of provision of doubtful debts Rs. 0.81 crores (March 31, 2020 Rs. 0.82 crores)]		127.64	111.45	57.49	77.00
Unbilled receivables		12.01	12.33	486.91	464.51
Margin money deposit* (refer note 13)		0.28	0.26	-	-
Other receivable		-	-	-	15.41
	(C)	139.93	124.04	555.66	617.50
Total other financial assets (A+B+C)		773.72	1,133.08	836.31	715.26

#Financial assets at fair value reflect the change in fair value of call spread options and coupon only hedge, designated as cash flow hedges to hedge the future cash outflow in USD on settlement of foreign exchange borrowings of USD 1,311.35 million (Rs. 9,587.28 Crore) [March 31, 2020: USD 1,311.35 million (Rs. 9,922.33 Crore)] on senior secured foreign currency notes and coupon payment in USD on borrowing of USD 438.75 million.

* Rs 0.28 Crore (March 31, 2020: Rs 0.26 Crore) against License fee to South Delhi Municipal Corporation.

9. Other assets

		Non current		Current	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Capital advances		853.11	1,044.76	-	-
	(A)	853.11	1,044.76	-	-
Advances other than capital advance					
Advance to suppliers		-	-	73.06	100.90
	(B)	-	-	73.06	100.90
Others					
Prepaid expenses		15.55	16.41	11.46	8.18
Deposit with government authorities including paid under protest [refer note 34 I (a)]		-	-	9.64	8.13
Other borrowing cost to the extent not amortised		8.22		3.73	-
Lease equilisation assets [refer note 3(a)]		1,148.08	412.87	-	-
Good & service tax refund receivable		-	-	0.08	0.08
Balance with statutory / government authorities [refer note 41(a)]		477.62	-	8.86	306.96
	(C)	1,649.47	429.28	33.77	323.35
Total other assets (A+B+C)		2,502.58	1,474.04	106.83	424.25

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. Chartered Accountants BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. New Delhi नई दिल्ली

10. Income tax

	March 31, 2021	March 31, 2020
Current income tax:	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	(165.73)	(11.79)
Income tax credit reported in the statement of profit or loss	(165.73)	(11.79)

OCI Section

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

	March 31, 2021	March 31, 2020
Re-measurement gains (losses) on defined benefit plans	(0.32)	0.69
Cash flow Hedge Reserve	(69.54)	(6.75)
Income tax charged to OCI	(69.86)	(6.06)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2021 and March 31, 2020:

	March 31, 2021	March 31, 2020
Accounting profit before tax	(483.14)	1.36
Tax at the applicable tax rate of 34.94% (March 31, 2020: 34.94%)	(168.81)	0.48
Exempt income not included in calculation of tax	-	(26.06)
Adjustments on which deferred tax is not created	(11.39)	(1.16)
Donation paid disallowed	2.10	13.35
Interest on delayed payment of income tax	-	(0.01)
Other adjustments	12.37	1.61
Total tax expense	(165.73)	(11.79)
Total tax expense reported in the statement of profit and loss	(165.73)	(11.79)

Deferred tax:

	Balance sheet		Statement of profit or loss	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Deferred tax liability				
Accelerated depreciation for tax purposes	(851.59)	(884.30)	32.71	40.75
On account of upfront fees being amortized using EIR method	(50.24)	(30.29)	(19.95)	(14.13)
Fair value of investment in mutual fund	(1.31)	(0.52)	(0.79)	(0.15)
Right to use asset	*(6.30)*	*(5.09)*	*(1.21)*	*(5.09)*
Rent Equalization reserve	(401.18)	(144.27)	(256.91)	(144.27)
Cash flow hedge reserve (see note 1 below)	(92.36)	(105.61)	13.25	(25.28)
	(1,402.98)	(1,170.08)	(232.90)	(148.17)
Deferred tax asset				
Unabsorbed depreciation	782.26	790.14	(7.88)	10.18
Others Disallowances (see note 2 below)	169.89	13.57	156.31	0.52
Unrealised forex loss on borrowings	78.40	104.18	(25.78)	65.69
Intangibles (Airport Concession rights)	54.94	58.86	(3.92)	(3.93)
Advance from customer	-	0.62	(0.62)	(1.25)
Lease Liability	6.29	4.93	1.37	4.93
Interest income credited in capital work in progress	69.73	0.27	69.46	0.27
Non trade receivable deferment	10.13	8.82	1.31	(2.09)
Unpaid liabity of AAI revenue share	184.50	66.35	118.15	66.35
Other borrowing cost to the extent not amortised	46.84	26.47	20.37	13.23
	1,402.98	1,074.21	328.77	153.90
Net deferred tax asset/ (liablities)*	-	(95.87)	(95.87)	(5.73)

*The Company has significant unabsorbed depreciation as per the tax laws, In view of the absence of virtual certainty of realization of unabsorbed depreciation in the foreseeable future, deferred tax assets has been recognized only to the extent of deferred tax liability during the year.

1. Includes Rs.69.54 crore deferred tax liability (March 31, 2020 ; deferred tax liability for Rs. 6.75 crore) on cash flow hedge reserve charged / (credited) to OCI
2. Includes Rs. 0.32 crore deferred tax Liability (Mach 31, 2020 : deferred tax assets for Rs. 0.69 crore) on remeasurement (gain)/ loss on defined benefit plans charged to OCI

Reconciliations of net deferred tax liabilities

		March 31, 2021	March 31, 2020
Opening balance as at beginning of the year		95.87	101.60
Tax income during the period recognised in profit or loss	(A)	(165.73)	(11.79)
Tax income during the period recognised in OCI	(B)	69.86	6.06
Movement during the year	(A+B)	(95.87)	(5.73)
Closing balance		-	95.87

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.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

K.S. RAO & CO. Chartered Accountants BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. New Delhi नई दिल्ली

Delhi International Airport Limited
CIN. U63033DL2006PLC146936
Notes to the standalone financial statements as at March 31, 2021
(All amounts in Rupees Crore, except otherwise stated)

11. Inventories

(valued at lower of cost or net realizable value)	March 31, 2021	March 31, 2020
Stores and spares	6.27	6.55
	6.27	6.55

12. Trade receivables

	Current	
	March 31, 2021	March 31, 2020
Trade receivables		
Related parties (refer note 35(b))	20.64	20.48
Others	74.20	56.05
	94.84	76.53
Break up for security details:		
Trade receivables		
Secured, considered good**	41.50	38.59
Unsecured, considered good (refer note 41(b))	53.34	37.94
Trade Receivables which have significant increase in credit Risk	3.15	3.14
	97.99	79.67
Impairment Allowance (allowance for credit loss)		
Less: Unsecured, considered good	(3.15)	(3.14)
	94.84	76.53

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

Trade receivables includes:-

	Current	
	March 31, 2021	March 31, 2020
Dues from entities in which the Company's non-executive director is a director		
Airports Authority of India	0.00	0.02
GMR Warora Energy Limited	5.31	4.12
GMR Infrastructure Limited	0.32	0.83
GMR Aviation Private Limited	0.01	0.18
GMR Bajoli Holi Hydropower Private Limited	2.30	2.31
GMR Airports Limited	0.75	0.19
GMR Kamalanga Energy Limited	0.00	2.25
TIM Delhi Airport Advertising Private Limited	0.23	-
GMR Air Cargo and Aerospace Engineering Limited	0.01	-
GMR Airport Developers Limited	0.01	-
GMR Hyderabad International Airport Limited	0.13	0.02

13. Cash and Cash Equivalents

		Non-current		Current	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Balances with Banks					
-On current accounts#		-	-	387.67	63.00
-Deposits with original maturity of less than three months*		-	-	2,946.26	1,986.23
Cheques / drafts on hand		-	-	0.19	0.00
Cash on hand		-	-	0.08	0.07
	(A)	-	-	3,334.20	2,049.30
Other bank balances					
– Margin money deposit		0.28	0.26	-	-
Amount disclosed under other non-current financial assets (refer note 8)		(0.28)	(0.26)	-	-
	(B)	-	-	-	-
Total (A+B)		-	-	3,334.20	2,049.30

Cash and cash equivalents includes balance on current account with banks for Rs. 1.77 crore (March 31, 2020: Rs 5.17 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, 2021, the Company has available Rs. 87.35 crore (March 31, 2020: Rs. 222.40 crore) of undrawn borrowing facilities for future operating activities.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड * Delhi International Airport Ltd. * New Delhi * नई दिल्ली

14. Bank balances other than cash and cash equivalents

	Current March 31, 2021	Current March 31, 2020
Balances with banks:		
– Deposits with original maturity of more than three months but less than 12 months#	449.80	827.09
	449.80	827.09

Deposits with bank includes Rs. 55.10 crore (March 31, 2020: Rs. 65.50 crore) in respect of Marketing Fund.

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

		Non current March 31, 2021	Non current March 31, 2020	Current March 31, 2021	Current March 31, 2020
Financial assets carried at amortised cost					
Investment in commercial papers (refer note 6.3)		-	-	465.73	828.95
Trade Receivables (refer note 12)		-	-	94.84	76.53
Cash and cash equivalents (refer note 13)		-	-	3,334.20	2,049.30
Bank balance other than cash and cash equivalents (refer note 14)		-	-	449.80	827.09
Loans (refer note 7)		407.99	8.58	3.78	1.35
Other financial assets (refer note 8)		139.93	124.04	597.69	715.26
	(A)	547.92	132.62	4,946.04	4,498.48
Financial assets carried at Fair value through OCI					
Cash flow hedge- Call spread option (refer note 8)		633.79	1,009.04	238.62	-
	(B)	633.79	1,009.04	238.62	-
Financial assets carried at Fair value through profit or loss					
Investment in mutual funds (refer note 6.3)		-	-	744.84	405.25
Investments in Equity Shares (refer note 6.2)		0.01	0.01	-	-
	(C)	0.01	0.01	744.84	405.25
Total financial assets (A+B+C)		1,181.72	1,141.67	5,929.50	4,903.73

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

K.S. RAO & CO. Chartered Accountants BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. New Delhi नई दिल्ली

15 Equity Share Capital

	March 31, 2021	March 31, 2020
Authorised shares (No. in Crores)		
300 (March 31, 2020: 300) equity shares of Rs. 10 each	3,000	3,000
	3,000	3,000
Issued, subscribed and fully paid-up shares (No. in Crores)		
245 (March 31, 2020: 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	March 31, 2021		March 31, 2020	
	No. in crore	(Rs. In Crores)	No. in crore	(Rs. In Crores)
At the beginning of the year	245	2,450	245	2,450
Issued during the year	-	-	-	-
Outstanding at the end of the year	245	2,450	245	2,450

b. Terms/Rights Attached to equity Shares

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

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

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

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

Name of Shareholder	March 31, 2021	March 31, 2020
GMR Infrastructure Limited, the intermediate holding company 100 (March 31, 2020: 100) equity share of Rs.10 each fully paid up	0.00	0.00
GMR Energy Limited, Subsidiary of the intermediate holding company 100 (March 31, 2020: 100) equity share of Rs.10 each fully paid up	0.00	0.00
GMR Airports Limited along with Mr. Srinivas Bommidala 1 (March 31, 2020: 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, 2020: 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, 2020: 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

	March 31, 2021		March 31, 2020	
	Numbers	% holding in Class	Numbers	% Holding in Class
Equity shares of Rs. 10 each fully paid				
Airports Authority of India	637,000,000	26%	637,000,000	26%
GMR Airports Limited	1,567,999,798	64%	1,567,999,798	64%
Fraport AG Frankfurt Airport Services Worldwide	245,000,000	10%	245,000,000	10%
	2,449,999,798	100%	2,449,999,798	100%

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

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड * Delhi International Airport Ltd. * New Delhi * नई दिल्ली

(All amounts in Rupees Crore, except otherwise stated)

16 Other Equity

	March 31, 2021	March 31, 2020
Retained earnings		
Balance as per last financial statements	294.35	282.48
Net (loss)/ profit for the year	(317.41)	13.15
Re-measurement gain/ (loss) on defined benefit plans	0.59	(1.28)
Closing balance	(22.47)	294.35
Other items of Comprehensive Income		
Cash flow hedge reserve		
Balance as per last financial statements	(1.89)	(14.44)
Net Movement during the year	129.18	12.55
	127.29	(1.89)
	104.82	292.46

(This space has been intentionally left blank)

17 Borrowings

	Non - Current	
	March 31, 2021	March 31, 2020
Bonds		
6.125% (2022) senior secured foreign currency notes (Note-1)	2,102.17	2,167.04
6.125% (2026) senior secured foreign currency notes (Note-2)	3,801.96	3,932.07
6.45% (2029) senior secured foreign currency notes (Note-3)	3,688.81	3,821.78
10.964% (2025) Non Convertible Debentures (NCD)	3,183.63	-
	12,776.57	9,920.89
Amount disclosed under the head "other current financial liabilities" (refer note 18)	(2,102.17)	-
Net amount	10,674.40	9,920.89

a. 6.125% Senior Secured Foreign Currency Notes (Note-1) of USD 287.54 million (March 31, 2020: USD 286.40 million), principal outstanding of USD 288.75 million (March 31, 2020: 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 howeever In April 2021, DIAL has paid USD 105.422 million (Rs. 770.74 crore) to existing USD 288.75 million bondholders as per tender acceptance out of proceeds of NCD . The bonds are secured by first rank pari-passu charge on all the future revenues, receivables, Trust and Retention account, any other reserve, other bank accounts and insurance proceeds of the Company and all the rights, titles, interests, permits in respect of the project documents as detailed in the lenders agreements, to the extent permissible under OMDA.

b. 6.125% Senior Secured Foreign Currency Notes (Note-2) of USD 520.03 million (March 31, 2020: USD 519.67 million), principal outstanding of USD 522.60 million (March 31, 2020: 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 (i) During the previous year, the Company has issued USD 500.00 million 6.45% Senior Secured Foreign Currency notes in two different tranches for USD 350 million and USD 150 million. The Company received upfront premium of USD 12.00 million on issue of USD 150 million tranche on account of difference between prevailing market interest rate and interest rate on Notes.

(ii) 6.45% Senior Secured Foreign Currency Notes (Note-3) of USD 504.56 million (March 31, 2020: 505.11), principal outstanding of USD 500 million (March 31, 2020: USD 500 million) from International capital market carrying a fixed interest rate of 6.45% p.a. plus applicable withholding tax. The Note-3 are 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.

d.(i) During the current year, the Comapany has issued Non-Convertible Debentures (NCDs) of Rs. 3257.10 crore on March 30,2021. NCDs were issued on an upfront discount of 1.33%. Proceeds from NCDs shall be utilized to repay the entire 2022 notes and for financing of Phase3 A expansion project.

ii) 10.964% Non Convertible Debentures of Rs. 3183.63 crore (March 31, 2020: Nil), principal outstanding of Rs. 3257.10 crore (March 31, 2020: Nil) issued to Cliffton Limited (a Foreign Portfolio Investor registered with SEBI) carrying a fixed interest rate of 10.964% p.a. payable semi-annually (plus applicable withholding tax). The NCD are due for repayment in October 2025. NCDs 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.

e. With respect to Note-1, Note-2, Note-3 and NCD 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, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Other financial liabilities at amortised cost				
Security Deposits from trade concessionaires- others	382.87	394.23	244.41	194.94
Security Deposits from commercial property developers	15.99	14.43	-	-
Earnest money deposits	-	-	1.66	1.96
Capital Creditors #	-	-	64.17	308.91
Retention money	6.46	66.85	45.39	40.00
Annual fees payable to AAI [refer note 35(b)]	528.00	189.88	-	-
Current maturities of long term borrowings (refer note 17)*	-	-	2,102.17	-
Interest accrued but not due on borrowings	-	-	201.41	201.97
Employee benefit expenses payable	-	-	23.88	2.58
Total other financial liabilities at amortised cost	933.32	665.39	2,683.09	750.36
Total other financial liabilities	933.32	665.39	2,683.09	750.36

*Subsequently in April 2021, DIAL has paid USD 105.422 million (Rs. 770.74 crore) to existing USD 288.75 million bondholders as per tender acceptance out of proceeds of NCD.
Includes bills payable of Rs. 5.92 crore towards goods and services , which are initially paid by banks where there is no recourse on the Company.

19 Deferred Revenue

	Non Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Deferred income on financial liabilities carried at amortized cost (refer note a below)	1,750.83	1,847.29	90.80	95.04
Unearned revenue (refer note b below)	6.69	4.41	2.45	8.41
	1,757.52	1,851.70	93.25	103.45

(a)Deferred income on financial liabilities carried at amortized cost

	March 31, 2021	March 31, 2020
At April 1	1,942.33	1,982.42
Deferred during the year	2.13	55.86
Released to the statement of profit and loss	(102.83)	(95.95)
	1,841.63	1,942.33

(b) Unearned revenue

	March 31, 2021	March 31, 2020
At April 1	12.82	19.72
Deferred during the year	328.70	359.50
Released to the statement of profit and loss	(332.38)	(366.40)
	9.14	12.82

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, 2021 represents 'contract liabilities' due to adoption of modified retrospective approach of transition in accordance with Ind AS 115.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड * Delhi International Airport Ltd. * New Delhi * नई दिल्ली

20 Other Liabilities

	Non Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Advances from commercial property developers	46.15	46.59	19.27	33.13
Advance from customer	1.55	1.55	25.28	73.16
Marketing fund liability	-	-	51.72	57.13
Tax deducted at source/Tax Collected at source payable	-	-	48.83	40.26
Goods & Service tax payable	-	-	39.16	33.44
Other statutory dues	-	-	2.27	2.23
Other liabilities	-	-	27.27	22.22
	47.70	48.14	213.80	261.57

Notes:
1. Advances from commercial property developers and Advances from customers as at March 31, 2021 represents 'contract liabilities' due to adoption of modified retrospective approach of transition in accordance with Ind AS 115.

2. 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.

3. 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. 44.55 crores and after one year for Rs. 47.70 crores.

21 Short Term Borrowings

	March 31, 2021	March 31, 2020
Short Term Loans:		
Working capital demand loan from bank (secured)*	264.75	-
	264.75	-

* The Company has availed Working capital facility from ICICI bank, which is payable between 120 to 180 days from the date of disbursement, in single installment and carried an interest rate of 7.5% per annum (March 31, 2020: Nil). The current working capital facility is valid till March 02, 2022. The working capital facility is secured with:

(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.

22 Trade payables*

	Current	
	March 31, 2021	March 31, 2020
Total outstanding dues of micro enterprises and small enterprises (including outstanding dues of related party of Rs. 5.67 crore)	17.77	13.00
Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Related parties [refer note 35(b)]	78.83	89.03
- Others	268.70	199.89
	365.30	301.92

*Includes bills payable of Rs. 21.85 crore (March 31, 2020: Nil) towards goods and services, which are initially paid by banks where there is no recourse on the Company.

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

	March 31, 2021	March 31, 2020
The principal amount and the interest due thereon remaining unpaid to any supplier:		
- Principal amount	17.77	13.00
- Interest thereon	-	-
The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued and remaining unpaid	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small investor	-	-

Terms and conditions of the above financial liabilities:
Trade payables are non-interest bearing and are normally settled on 60-day terms.
Related parties payable are payable on demand once they get due.

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

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

K.S. RAO & CO. Chartered Accountants BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. New Delhi नई दिल्ली

(All amounts in Rupees Crore, except otherwise stated)

23 Provisions

	Non Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Provision for employee benefits				
Provision for leave benefits [refer note 33(a)]	-	-	29.52	29.52
Provision for Gratuity [refer note 33(c)]	3.53	1.62	-	-
Provision for superannuation	-	-	0.32	0.32
Others	-	-	119.73	119.73
	3.53	1.62	149.57	149.57

Break up of financial liabilities

	Non Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Financial liability carried at amortised cost				
Borrowings (refer note 17)	10,674.40	9,920.89	-	-
Short Term Borrowings (refer note 21)			264.75	
Trade Payables (refer note 22)	-	-	365.30	491.80
Lease liabilities	14.40	11.80	3.61	2.77
Other financial liabilities	933.32	475.51	2,683.09	750.36
	11,622.12	10,408.20	3,316.75	1,244.93

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

K.S. RAO & CO.
Chartered Accountants
BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड
Delhi International Airport Ltd.
New Delhi
नई दिल्ली

Delhi International Airport Limited
CIN. U63033DL2006PLC146936
Notes to the standalone financial statements as at March 31, 2021
(All amounts in Rupees Crore, except otherwise stated)

24. Revenue From Operations

	March 31, 2021	March 31, 2020
Revenue from contract with customers		
Aeronautical (A)	399.99	949.16
Non - Aeronautical		
Duty free	89.43	469.38
Retail	44.33	167.61
Advertisement	50.53	157.31
Food & Beverages	47.62	161.41
Cargo	299.48	269.73
Ground Handling	66.45	114.17
Parking	19.59	34.35
Land & Space — Rentals	515.90	537.69
Others	144.97	292.99
Total Non -Aeronautical (B)	1,278.20	2,204.64
Other operating revenue		
Revenue from commercial property development (C)	745.28	755.62
TOTAL (A+B+C)	2,423.47	3,909.42

25. Other income

	March 31, 2021	March 31, 2020
Interest income on financial asset carried at amortised cost		
Bank deposits and others	53.39	140.49
Security deposits given	0.20	0.36
Dividend Income on non-current investments carried at cost	27.38	74.58
Other non-operating income		
Gain on sale of financial asset carried at Fair value through profit and loss		
Current investments-Mutual fund	12.06	35.64
Fair value gain on financial instruments at fair value through profit and loss*	3.72	1.48
Profit on sale of property, plant & equipment	0.16	-
Income from Duty credit scrips [refer note 41(m)]	-	37.95
Excess provision written back	-	41.41
Miscellaneous income	1.69	2.29
	98.60	334.20

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

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. * New Delhi * नई दिल्ली

Delhi International Airport Limited
CIN. U63033DL2006PLC146936
Notes to the standalone financial statements as at March 31, 2021
(All amounts in Rupees Crore, except otherwise stated)

26. Employee Benefits Expense

	March 31, 2021	March 31, 2020
Salaries, wages and bonus	191.67	187.14
Contribution to provident and other funds	12.93	13.80
Gratuity expenses [refer note 33(c)]	2.88	2.16
Staff welfare expenses	5.85	6.28
	213.33	209.38

27. Depreciation and amortization expense

	March 31, 2021	March 31, 2020
Depreciation on property, plant and equipment (refer note 4)	555.68	613.85
Amortization of intangible assets (refer note 5)	9.44	9.22
Depreciation on Right to use the Asset [refer note 41(p)]	3.73	3.18
	568.85	626.25

28. Finance Costs

	March 31, 2021	March 31, 2020
Interest on borrowings	404.11	384.99
Call spread option premium	201.26	199.25
Interest expenses on financial liability carried at amortised cost	71.13	88.97
Other interest	2.43	3.13
Other borrowing costs		
-Bank charges	1.46	2.32
-Other cost	0.29	-
Redemption premium on borrowings	15.41	-
	696.09	678.66

29. Other expenses

	March 31, 2021	March 31, 2020
Utility expenses	29.60	69.70
Repairs and maintenance		
Plant and machinery	102.70	115.88
Buildings	17.77	24.53
IT Systems	97.92	33.38
Others	20.77	19.77
Manpower hire charges	124.72	141.49
Airport Operator fees	108.21	103.80
Security related expenses	19.18	27.48
Insurance	17.70	10.97
Consumables	16.72	16.27
Professional and consultancy expenses	62.28	99.08
Provision against advance to AAI paid under protest [refer note 34(I)(h)]	446.21	-
Travelling and conveyance	27.29	35.88
Rates and taxes	11.43	12.24
Rent (including lease rentals)	1.24	4.29
Advertising and sales promotion	4.55	14.59
Communication costs	2.79	2.68
Printing and stationery	1.04	1.57
Directors' sitting fees	0.26	0.22
Payment to auditors (refer note A below)	0.72	0.75
Provision for bad debts / bad debts written off	-	0.10
Exchange difference (net)	1.39	2.71
Corporate cost allocation	49.95	72.45
Collection charges (net)	1.12	7.34
Donations	0.97	28.20
CSR expenditure (refer note B below)	5.05	10.00
Loss on sale of property, plant & equipment	-	2.25
Expenses of commercial property development	14.30	15.43
Miscellaneous expenses	2.94	6.25
	1,183.82	879.30

A. Payment to Auditors (Included in other expenses above)
(Excluding Goods and service tax)

	March 31, 2021	March 31, 2020
As Auditor		
Audit fee	0.60	0.60
Tax audit fee	0.06	0.06
Other services		
- Other services (including certification fees)*#	0.01	0.01
-Reimbursement of expenses	0.05	0.08
	0.72	0.75

*Excludes audit fees capitalised for Rs. 0.32 crore on 10.964% (2025) Non Convertible Debentures issued during the year. (March 31, 2020: 2.00 crore on 6.45% (2029) senior secured foreign currency notes issued during previous year).

Excludes audit fees of Rs 0.56 Crore adjusted as upfront fees with borrowing cost and amortised over the life of 10.964% (2025) Non Convertible Debentures issued during the year.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. Chartered Accountants BENGALURU

दिल्ली इंटरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. New Delhi नई दिल्ली

(All amounts in Rupees Crore, except otherwise stated)

B. Details of CSR expenditure:

		March 31, 2021		March 31, 2020
a) Gross amount required to be spent by the Company during the year		-		9.50
(b) Amount spent during the year ended on March 31, 2021:	**In cash**	**Yet to be paid in cash**		**Total**
i) Construction/acquisition of any asset	-	-		-
ii) On purposes other than (i) above	4.92	0.13		5.05
c) Amount spent during the year ended on March 31, 2020:	In cash	Yet to be paid in cash		Total
i) Construction/acquisition of any asset	0.02	0.13		0.15
ii) On purposes other than (i) above	9.60	0.25		9.85

30. Components of OCI

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

During the period ended March 31, 2021	**March 31, 2021**
Cash Flow Hedge Reserve (net)	(137.22)
Less: reclassified to statement of profit and loss	335.94
	198.72

During the period ended March 31, 2020	March 31, 2020
Cash Flow Hedge Reserve (net)	825.85
Less: reclassified to statement of profit and loss	(806.55)
	19.30

31. Earnings Per Share (EPS).

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

	March 31, 2021	March 31, 2020
(Loss)/ profit attributable to equity holders of the company	(317.41)	13.15
Weighted average number of equity shares used for Computing Earning Per Share (Basic & Diluted)	245.00	245.00
	245.00	245.00
Earning Per Share (Basic) (Rs)	(1.30)	0.05
Earning Per Share (Diluted) (Rs)	(1.30)	0.05
Face value per share (Rs)	10.00	10.00

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. * New Delhi * नई दिल्ली

32. Significant accounting judgements, estimates and assumptions

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

32.1 Judgements

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

Discounting rate

The Company has considered incremental borrowing rate of Airport sector as at transition date, for measuring deposits being financial assets and financial liabilities, at amortised cost. The incremental borrowing rate have been revised for period starting from April 1, 2020 for all the deposits taken/received post March 31, 2020. The impact has, accordingly, been duly accounted in the Financial Statements.

Consideration of significant financing component in a contract

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

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.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड * Delhi International Airport Ltd. * New Delhi * नई दिल्ली

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 34(I)(h) and 41(i)].

Impairment of non-financial assets

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

32.2 ESTIMATES AND ASSUMPTIONS

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

Taxes

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

Defined benefit plans

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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. * New Delhi * नई दिल्ली

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.
The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 33 (c).

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 37, 38 and 39 for further disclosures.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

K.S. RAO & CO. Chartered Accountants BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. New Delhi नई दिल्ली

33. Retirement and other employee Benefit:-

Employee Benefit:-

a) Leave Obligation

The leave obligation cover the Company's liability for earned leave and sick leave. The entire amount of the provision of Rs. 29.52 crore (March 31, 2020: Rs. 29.52 crore) is presented as current in financial statements, since the Company does not have an unconditional right to defer settlement of the obligation.

b) Defined benefit plans

During the year ended March 31, 2021, the Company has recognised Rs. 12.93 crore (March 31, 2020: Rs. 14.18 crore) as an expenses and included in Employee benefits expense as under the following defined contribution plans.

	For the year ended March 31, 2021	For the year ended March 31, 2020
Employer's contribution to		
Provident and other fund#	**9.33**	9.90
Superannuation fund*	**3.60**	3.90
Total	**12.93**	13.80

#Net of amount transferred to Capital work-in-progress ('CWIP') & CPD Rs. 0.64 Crore (March 31, 2020: Rs. 0.36 Crore)
*Net of amount transferred to CWIP & CPD Rs. 0.23 Crore (March 31, 2020: Rs. 0.20 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, 2021**	March 31, 2020
Plan assets at the year end, at fair value	**192.99**	179.23
Present value of benefit obligation at year end	**182.70**	169.24
Net (liability) recognized in the balance sheet	-	-

Walker Chandiok & Co LLP * Chartered Accountants *

K.S. Rao & Co. * Chartered Accountants * Bengaluru

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. * New Delhi * नई दिल्ली

(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, 2021	March 31, 2020
Discount rate	6.80%	6.80%
Fund rate	8.50%	8.50%
PFO rate	8.50%	8.50%
Withdrawal rate	5.00%	5.00%
Mortality	Indian Assured Lives Mortality (2006-08) Ult *	Indian Assured Lives Mortality (2006-08) Ult *

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

(c) 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 and loss and amounts recognised in the balance sheet for defined benefit plans/obligations:
Net employee benefit expense:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current Service Cost	2.78	2.33
Past Service Cost	-	-
Net Interest Cost	0.10	(0.17)
Total	2.88	2.16

Amount recognised in Other Comprehensive Income:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Actuarial gain due to DBO experience	(1.06)	(0.16)
Actuarial loss due to DBO financial assumptions changes	-	1.33
Actuarial (gain)/ loss arising during period	(1.06)	1.17
Return on plan assets less than discount rate	0.15	0.80
Actuarial (gains)/ loss recognized in OCI	(0.91)	1.97

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. Chartered Accountants BENGALURU

Delhi International Airport Ltd. New Delhi दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड नई दिल्ली

Balance Sheet

Particulars	**March 31, 2021**	March 31, 2020
Defined benefit obligation	**(24.44)**	(22.55)
Fair value of plan assets	**20.91**	20.93
Benefit Liability	**(3.53)**	(1.62)

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

Particulars	**March 31, 2021**	March 31, 2020
Opening defined benefit obligation	**22.55**	19.18
Interest cost	**1.48**	1.40
Current service cost	**2.78**	2.33
Acquisition cost	**0.17**	0.06
Benefits paid (including transfer)	**(1.48)**	(1.59)
Actuarial (gain)/ loss on obligation-experience	**(1.06)**	1.17
Closing defined benefit obligation	**24.44**	22.55

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

Particulars	**March 31, 2021**	March 31, 2020
Opening fair value of plan assets	**20.93**	21.14
Acquisition Adjustment	**-**	0.07
Interest income on plan assets	**1.38**	1.57
Contributions by employer	**0.23**	0.54
Benefits paid (including transfer)	**(1.48)**	(1.59)
Return on plan assets greater/ (lesser) than discount rate	**(0.15)**	(0.80)
Closing fair value of plan assets	**20.91**	20.93

The Company expects to contribute Rs. 0.23 crore to gratuity fund during the year ended on March 31, 2022 (March 31, 2021: Rs. 2.22 crore).

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

Particulars	**March 31, 2021**	March 31, 2020
	(%)	(%)
Investments with insurer managed funds	**100**	100

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

Particulars	**March 31, 2021**	March 31, 2020
Discount rate (in %)	**6.80%**	6.80%
Salary Escalation (in %)	**6.00%**	6.00%
Expected rate of return on assets	**8.00%**	8.00%
Attrition rate (in %)	**5.00%**	5.00%

(All amounts in Rupees crore, except otherwise stated)

A quantitative sensitivity analysis for significant assumption as at March 31, 2021 is as shown below:

	March 31, 2021	March 31, 2020
Assumptions	Discount rate	
Sensitivity Level	**1%**	1%
Impact on defined benefit obligation due to increase	**(1.73)**	(1.65)
Impact on defined benefit obligation due to decrease	**1.99**	1.90

Assumptions	Future Salary Increase	
Sensitivity Level	**1%**	1%
Impact on defined benefit obligation due to increase	**1.80**	1.72
Impact on defined benefit obligation due to decrease	**(1.64)**	(1.57)

Assumptions	Attrition rate	
Sensitivity Level	**1%**	1%
Impact on defined benefit obligation due to increase	**0.09**	0.08
Impact on defined benefit obligation due to decrease	**(0.10)**	(0.10)

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, 2020:10 years).

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. * New Delhi * नई दिल्ली

34. Commitments and Contingencies

I. Contingent liabilities not provided for:

	Particulars	March 31, 2021	March 31, 2020
(i)	In respect of Income tax matters *	**64.29**	64.29
(ii)	In respect of Indirect tax matters [refer note (e), (f) & (g) below and other matters*]	**190.42**	190.42
(iii)	In respect of other matters [refer note (a) below]	**38.41**	38.41
(iv)	In respect of Annual fee payable to AAI [refer note (h) below]		

*pertaining to various cases not included below

a) During the year ended March 31, 2017, the Delhi Cantonment Board (DCB) had 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. 1.15 crore, Rs. 1.12 crore, Rs. 1.10 crores and Rs. 1.10 crores each for financial year 2017-18, financial year 2018-19, financial year 2019-20 and financial year 2020-21 respectively based on same computation as of financial year 2016-17.
DCB has raised provisional invoice on April 29, 2019 demanding property tax of Rs. 10.73 crore for the *FY 2019-20* along with arrears of Rs. 28.78 crore for *FY 2016-17, FY 2017-18 and FY 2018-19.* Accordingly, the Company has disclosed remaining amount of Rs. 38.41 crore in respect of FY 2016-17, FY 2017-18, FY 2018-19 and FY 2019-20 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 has submitted its application for adopting the same computation method as considered by SDMC, while arriving at the demand for the financial year 2016-17, the amount of liability for earlier years is unascertainable, and therefore no provision has been considered.

Thereafter on November 1, 2019, DCB issued a notice seeking payment of Property Tax for the amount Rs. 38.41 crores from DIAL and threatened recovery through issue of warrant of distress upon failure to make payment within 30 days. DIAL filed a writ petition before the Hon'ble Delhi High court against DCB to set aside the impugned demand notices. The Hon'ble Delhi High court heard the matter on December 2, 2019 and directed to be keep in abeyance the impugned demand notices and directed DCB to grant a detailed hearing to DIAL, upon DIAL's filing a representation before the DCB and also explain the basis of calculation arrived at by DCB, subject to deposit a sum of Rs. 8.00 crore with DCB within three weeks as liability is to be determined and accordingly the writ petition was disposed off. In compliance of High Court order DIAL had deposited a sum of Rs.8.00 crore under protest on December 20, 2019.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड * Delhi International Airport Ltd. * New Delhi * नई दिल्ली

DIAL had made representations during personal hearings granted by DCB. However, despite many representations made by DIAL and ignoring all contentions of DIAL, DCB has passed an assessment order dated June 15, 2020 levying the property tax of Rs. 867.21 crores per annum from financial year 2016-17 onwards against its earlier assessment of tax of Rs. 9.13 crores per annum DCB has raised the total demand of Rs. 2,601.63 crores for three years i.e. 2016-17 to 2018-19 and DIAL has been directed to pay Rs. 2,589.11 crores after making due adjustments of amount already deposited within 30 days.

As per the legal opinion taken by DIAL, the order dated June 15, 2020 is in violation of the earlier order dated December 2, 2019 passed by the Delhi High Court, also is in breach of the provisions of the Cantonments Act and is per se arbitrary and illegal, deserves to be set aside/quashed. Accordingly, DIAL filed a Writ Petition on July 20, 2020 before the High Court of Delhi challenging the assessment order dated June 15, 2020. The writ petition was heard on various dates in which Honourable Delhi High Court directed DCB not to take any coercive action against the Company till next hearing.

Now, AAI, DCB and Ministry of Defence have filed their counter reply. Pending writ petition, DCB has raised additional demand of property tax for Rs. 1733.32 crore for the FY 2019-20 and FY 2020-21 after considering amount paid by DIAL, which have also been objected by Company in view of directions of the High court to DCB not to take any coercive action. Accordingly, the Company has filed its additional affidavit for consideration for FY 2019-2020 and FY 2020-2021 in present writ petition. The matter is now listed for further hearing on July 08, 2021.

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 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 June 2, 2021. Based on an internal assessment and aforesaid order of the Hon'ble High Court of Delhi, the management is confident that no liability in this regard would be payable and as such no provision has been made in these financial statements.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

K.S. RAO & CO. Chartered Accountants BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. New Delhi नई दिल्ली

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, 2021 (March 31, 2020 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 28, 2021 for arguments.

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. 110.41 crore from April 1, 2014 till March 31, 2021 (March 31, 2020: Rs. 102.81 crore) towards the expenditure incurred on repair and maintenance of security equipment to the Statement of profit and loss which includes Rs. 7.60 crore during the year ended March 31, 2021 (March 31, 2020: Rs 6.42 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) to the Company with an undertaking to MoCA by the Company that in case the matter pending before the Hon'ble High Court is decided in its DIAL's favour, DIAL will not claim this amount back from MoCA.

d) The Company was entitled to custom duty credit scrip under Served from India Scheme (SFIS) of Foreign Trade Policy issued by Government of India. Under the terms of SFIS, service providers are entitled to custom duty credit scrip as a percentage of foreign exchange earned by the Company that can be utilized for payment of import duty. Till March 31, 2014, the Company had cumulatively utilized custom duty credit scrip amounting to Rs. 89.60 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.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड * Delhi International Airport Ltd. * New Delhi * नई दिल्ली

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

However, Airport Authority of India ('AAI') has expressed different view on this and argued that amount utilized under SFIS should be treated as revenue and accordingly annual fee 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 annual fee to AAI's bank account as per terms of the escrow agreement.

The Company had filed a writ petition against the AAI's letter in Hon'ble High Court of Delhi on July 10, 2015 disputing the demand and 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 the writ petition 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 the Company.

The matter was contested in arbitration before Arbitral Tribunal and arbitration award was pronounced in favour of the Company on December 27, 2018, mentioning that the income earned by way of SFIS Scrip does not fall under the definition of Revenue as per OMDA as it is not related with any Aeronautical or Non-Aeronautical activities and it is of the nature of capital receipt. Accordingly, no annual fee is payable to AAI by the Company on SFIS revenue and demand of AAI for annual fee stands rejected. However, AAI has filed an appeal challenging the order of Arbitral Tribunal before the High Court of Delhi on April 25, 2019 for setting aside the arbitration award dated December 27, 2018. The matter is now listed for July 6, 2021 for issuing notice/ preliminary arguments on the maintainability of the petition.

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 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 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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. Chartered Accountants BENGALURU

दिल्ली इंटरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. New Delhi नई दिल्ली

Adjudication raising a demand of service tax of Rs. 54.31 crore and the amount deposited Rs. 4.07 crore has been refunded back with interest by the department.

The department has filed SLP before Supreme Court, against the Order dated February 8, 2019 passed by CESTAT in favour of DIAL. DIAL has filed counter affidavit on September 9, 2020 and the next date of hearing is yet to be notified.

Accordingly, the amount of Rs.54.31 crore disclosed as contingent liability as at March 31, 2021. Further, the management of the Company is of the view that no adjustments are required to be made to these financial statements.

f) The Commissioner of Service Tax, New Delhi had issued 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 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.

The department has filed SLP before Supreme Court, against the Order dated January 18, 2019 passed by CESTAT in favour of DIAL. DIAL has filed counter affidavit on August 14, 2020 and the next date of hearing is yet to be notified.

Accordingly, the amount of Rs.131.89 crore has been disclosed as contingent liability as at March 31, 2021. Further, the management of the Company is of the view that no adjustments are required to be made to these financial statements.

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

K.S. RAO & CO.
Chartered Accountants
BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड
Delhi International Airport Ltd.
New Delhi
नई दिल्ली

g) In certain matters before Hon'ble Delhi High Court or Hon'ble Supreme Court yet to be decided, wherein DIAL has been made respondent and the petitions filed by the UOI, others/concessionaires which are relating to the applicability of service tax (under pre-GST regime) on services provided by DIAL and the issues under consideration are related to licensing of space in Airport, Service tax on supply of electricity, running of duty free shops to be regarded as Airport Services. DIAL initially charged service tax against the services provided, however levy and the applicability was contested by the such parties and accordingly they filed petitions before judicial authorities making DIAL as a party/respondent in the matters. The management is of the view that these matters will not result in any additional obligation on DIAL in case of adverse decisions and in case of any demand or liability arising on account of adjudication of the issues, the same are recoverable from the service recipients.

h) In the month of March 2020, DIAL in its various communications issued inter-alia under Article 16 (Force Majeure), informed AAI that consequent to outbreak of Covid-19 pandemic, the entire aviation industry, particularly the IGI Airport has been adversely affected. It was specifically communicated that the said crisis has materially and adversely affected the business of DIAL which in turn directly impacts the performance of DIAL's obligations under the OMDA (including obligation to pay Annual Fee/Monthly Annual Fee) while it is continuing to perform its obligation to operate, maintain and manage the IGI Airport. DIAL thereby invoked Force Majeure as provided under Article 16 of OMDA and claimed that it would not in a position to perform its obligation to prepare Business Plan and pay Annual Fee/ Monthly Annual fee to AAI. The said event(s) of Force Majeure has also been admitted by AAI in its communication to DIAL. Consequently, DIAL is entitled to suspend or excuse the performance of its said obligations as notified to AAI. However, AAI has not agreed to such entitlement of DIAL under OMDA. This has resulted in dispute and for the settlement of which, DIAL has invoked on September 18, 2020 dispute resolution mechanism in terms of Article 15 of OMDA. Further, on December 02, 2020, DIAL again requested to AAI to direct the Escrow Bank to not transfer the amounts from Proceeds Accounts to AAI Fee Account, seeking similar treatment as granted by Hon'ble High Court of Delhi to Mumbai International Airport Ltd.

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

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

Meanwhile with the nomination of arbitrators by DIAL and AAI and appointment of presiding arbitrator, the arbitration tribunal has been constituted on January 13, 2021. The first preliminary hearing was held on January 29, 2021. Parties have to complete their pleadings by June 19, 2021 and DIAL has filed its statement of claim on March 25, 2021.

Before DIAL's above petition could be finally disposed off and while the issue is now pending before the Arbitral Tribunal, AAI has preferred an appeal against the ad-interim order under section 37 of the Arbitration and Conciliation Act, 1996 before division bench of Delhi High Court.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

K.S. RAO & CO. Chartered Accountants BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. New Delhi नई दिल्ली

Though AAI has preferred an appeal, but it has not issued any certificate or instructions to the Escrow Bank from December 09, 2020 onwards regarding the amount of AAI Fee payable by DIAL to AAI, as contemplated under the Escrow Agreement and the OMDA. Resultantly both pursuant to the ad-interim order of Hon'ble Delhi High Court and in the absence of any certificate or instruction from AAI, the Escrow Bank has not transferred any amount pertaining to AAI Fee from Proceeds Account to AAI Fee Account of the Escrow Account from December 09, 2020 onwards.

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

In view of the above, the management of the Company has decided not to provide the Monthly Annual Fee to AAI for the year ended March 31, 2021 amounting to Rs. 768.69 crores on "Revenue" as defined in OMDA [refer note 41(i)].

As AAI had already appropriated the Monthly Annual Fee amounting to Rs. 446.21 crores from April 01, 2020 till December 09, 2020, which the company has already protested. Accordingly, the same has been shown as Advance to AAI paid under protest. However, since the recovery of this amount is sub-judice before the Hon'ble Delhi High Court and the arbitral tribunal, as a matter of prudence, the Company has decided to create a provision against above advance and shown the same in other expenses under Note 29.

i) There are numerous interpretative issues till now relating to the Hon'ble Supreme Court (SC) judgement on Provident Fund dated February 28, 2019. The Company has paid the liability on a prospective basis from the date of the SC order. The company has not made any provision related to the period before the order due to lack of clarity on the subject.

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

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

III. Capital and Other Commitments:

i. Capital Commitments:

At March 31, 2021, the Company has estimated amount of contracts remaining to be executed on capital account not provided for [net of advances of Rs.681.38 crore (excluding GST) (March 31, 2020: Rs. 887.43 crore)] Rs. 5,148.34 crore (excluding GST) (March 31, 2020: Rs. 6,268.85 crore).

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

K.S. RAO & CO. Chartered Accountants BENGALURU

Delhi International Airport Ltd. New Delhi
दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड नई दिल्ली

Delhi International Airport Limited
CIN. U63033DL2006PLC146936
Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Rupees crore, except otherwise stated)

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. [Refer note 34(I)(h)].

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. Financial Year 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, 2018-19, 2019-20 and 2020-2021.

v. During previous years, 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, 6.125% Senior secured notes (2026) of USD 522.60 million and 6.45% Senior secured notes (2029) for USD 500 million which are repayable in February 2022, October 2026 and June 2029 respectively.

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, 2021	March 31, 2021	March 31, 2020
522.60	December 6, 2016	October 22, 2026	66.85 - 101.86	1,241.30	519.07	722.23	849.03
80.00*	February 8, 2017	January 25, 2022	68.00 - 85.00	94.33	75.35	18.98	38.01
208.75*	January 25, 2018	January 25, 2022	63.80 - 85.00	198.34	148.95	49.39	99.09
350.00	June 24, 2019	May 30, 2029	69.25-102.25	742.79	122.50	620.29	695.21
150.00	February 27, 2020	May 30, 2029	71.75-102.25	307.17	32.87	274.30	307.17

During the previous year, the Company has also entered into "Coupon only hedge" and "Call Spread option" with bank for hedging the payment of interest liability on 6.45% Senior secured notes (2029) for USD 150 million and 6.125% Senior secured notes (2022) for USD 288.75 million borrowings respectively.

*Subsequently, the Company has cancelled Call spread Options of USD 105.422 million (USD 80 million of February 8, 2017 options & USD 25.422 million out of January 25, 2018 options) and Call spread option on interest liability of USD 105.422 million in April 2021 due to prepayment of USD 105.422 million to USD 288.75 million notes holders as per tender acceptance.

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 21 dated October 31, 2019). The said agreement has expired on 28th July 2020. During the period, April 1, 2020 to July 28, 2020, the Company accounted Rs. Nil towards such concession fee from WAISL (March 31, 2020: Rs. 21.57 crore) and this is included in revenue from operations.

Also in case of delay in payment of dues from customers to WAISL, the Company was required to fund the deficit on a temporary basis till the time WAISL collects the dues from such customers. Till March 31, 2021, the Company had funded net of recovery Rs. 19.98 crore (March 31, 2020: Rs. 24.16 crore) towards shortfall in collection from customers.

With respect to Subsidiary, Joint ventures and associates:

vii. The Company has committed to provide financial support to Delhi Aerotropolis Private Limited (100% Subsidiary Company) to meet the liabilities of Delhi Aerotropolis Private Limited (Subsidiary Company), as and when required.

The Subsidiary Company has not undertaken any commercial activities during the year or preceding previous year. The accumulated losses as at March 31, 2020 exceed fifty percent of the net worth and the company incurred cash losses during the financial year and in the immediately preceding financial year. The Company has approved to strike off the Subsidiary Company in its board meeting dated February 11, 2020. Pursuant to this, the Board of Directors of DAPL, in its meeting held on June 05, 2020 have approved the filing of application with the Registrar of Companies (ROC) for strike off. The application has been filed with the ROC on August 11, 2020. However, the approval from ROC is awaited.

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

Company Name	**As at March 31, 2021**		As at March 31, 2020	
	No. of Shares	**Amount (Rs.)**	No. of Shares	Amount (Rs.)
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	16,800,000

ix. 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.

x. *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 had invested Rs. 108.33 crore as equity share capital.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड * Delhi International Airport Ltd. * New Delhi * नई दिल्ली

xi. The Company had invested in DIGI Yatra foundation, a Special Purpose Vehicle (SPV) formed as central platform to 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 had 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. 2,220 only (March 31, 2020 : Rs. 2,220). In future, 26% of equity share of Digi Yatra Foundation will be held by 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.

(This space is intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इंटरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. * New Delhi * नई दिल्ली

Delhi International Airport Limited
CIN. U63033DL2006PLC146936
Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Rupees Crore, except otherwise stated)

35. 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 Aerotropolis Private Limited[5]
Associate company	Delhi Airport Parking Services Private Limited
	Travel Food Services (Delhi Terminal 3) Private Limited
	Celebi Delhi Cargo Terminal Management India Private Limited
	TIM Delhi Airport Advertising Private Limited
	DIGI Yatra Foundation[1]
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)	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
	Kakinada SEZ Limited (formerly known as Kakinada SEZ Private Limited)
	GMR Pochanpalli Expressways Limited
	GMR Tambaram Tindivanam Expressways Limited
	GMR Energy Trading Limited
	GMR Goa International Airport Limited
	GMR Air Cargo and Aerospace Engineering (Formerly known as GMR Aero Technic Limited[6])
	GMR Hospitality & Retail Limited
	GMR Tuni Anakapalli Expressways Limited
	GMR League Games Private Limited
Joint ventures	Delhi Aviation Services Private Limited
	Delhi Aviation Fuel Facility Private Limited
	Delhi Duty Free Services Private Limited
	WAISL Limited (Formerly known as Wipro Airport IT Services Limited[2])
	GMR Bajoli Holi Hydropower Private Limited
Enterprises in respect of which the company is a joint venture	Airports Authority of India
	Fraport AG Frankfurt Airport Services Worldwide
Associate of member of a Group of which DIAL is a member	GMR Megawide Cebu Airport Corporation
Joint Venture of member of a Group of which DIAL is a member	GMR Chhattisgarh Energy Limited[3]
	GMR Kamalanga Energy Limited
	GMR Warora Energy Limited
	GMR Consulting Services Private Limited
	GMR Vemagiri Power Generation Limited
Enterprises where significant influence of Key management Personnel or their relatives exists	GMR Varalaksmi Foundation
Key Management personnel	Mr. G.M. Rao – Executive Chairman
	Mr. G.B.S Raju- Managing Director
	Mr. Srinivas Bommidala – Non Executive Director
	Mr. Grandhi Kiran Kumar – Non Executive Director
	Mr. K. Narayana Rao - Whole Time Director
	Mr. Indana Prabhakara Rao- Executive Director
	Mr. 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)[7]
	Mr. Rubina Ali - Director (AAI Nominee)[4]
	Mr. Anil Kumar Pathak - Director (AAI Nominee)[4]

1. The Company had invested in DIGI Yatra foundation, a Special Purpose Vehicle (SPV) formed as central platform for identity management of passengers, as Joint Venture (JV) of private airport operators and 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. During the previous year DIAL has transferred 148 shares to Cochin International Airport Limited (CIAL) on August 18, 2019.Currently DIGI Yatra foundation is having paid up capital of Rs. 10,000 and DIAL has invested Rs. 2,220 only (March 31, 2020 : Rs. 2,220). 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 (CIAL), DIAL, GMR Hyderabad International Airport Limited (GHIAL), Mumbai International Airport Limited (MIAL) i.e. 14.8% each.

2. The Company has sold its entitre investment in WAISL Limited of Rs 1.30 cr. (1,300,000 shares of Rs. 10 each) at face to Antariksh Softtech Private Limited on June 26, 2019.

3. Entire stake in GMR Chattisgarh Energy Limited held by its Holding Company, GMR Generation Assets Limited has been sold off to Adani Power Limited on June 29, 2019.

4. Airport Authority of India (AAI) has appointed its nominee directors Mr. Rubina Ali and Mr Anil Kumar Pathak with effect from June 06, 2019 and January 29, 2019 respectively.

5. The Company has approved to strike off its Subsidiary Company in its board meeting dated February 11, 2020. Pursuant to this, the Board of Directors of DAPL, in its meeting held on June 05, 2020 have approved the filing of application with the Registrar of Companies (ROC) for strike off. The application has been filled with the ROC on August 11, 2020. However, the approval from ROC is awaited.

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

7. Subsequently, Mr. Anuj Aggarwal cease to be director due to his demise on April 22, 2021.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

K.S. RAO & CO. Chartered Accountants BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. New Delhi नई दिल्ली

(All amounts in Rupees Crore, except otherwise stated)

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

Balances as at Date	March 31, 2021	March 31, 2020
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
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	0.00
Joint Ventures		
Delhi Aviation Services Private Limited	12.50	12.50
Delhi Duty Free Services Private Limited	39.92	39.92
Delhi Aviation Fuel Facility Private Limited	42.64	42.64
GMR Bajoli Holi Hydropower Private Limited	108.33	108.33
Trade Receivables (including marketing fund)		
Intermediate holding company		
GMR Infrastructure Limited	0.32	0.83
Holding Company		
GMR Airports Limited	0.75	0.19
Enterprises in respect of which the company is a joint venture		
Airports Authority of India	-	0.02
Associate Companies		
TIM Delhi Airport Advertising Private Limited	0.23	-
Celebi Delhi Cargo Terminal Management India Private Limited	0.01	-
Joint Ventures		
GMR Bajoli Holi Hydropower Private Limited	2.30	2.31
Delhi Aviation Services Private Limited	-	0.53
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Aviation Private Limited	0.01	0.18
GMR Hyderabad International Airport Limited	0.13	0.02
GMR Air Cargo and Aerospace Engineering (Formerly known as GMR Aero Technic Limited)	0.01	0.06
GMR Tambaram Tindivanam Expressways Limited	4.72	4.82
GMR Energy Trading Limited	0.18	2.31
GMR Pochanpalli Expressways Limited	3.82	-
GMR Airport Developers Limited	0.01	-
Joint Venture of member of a Group of which DIAL is a member		
GMR Warora Energy Limited	5.31	4.12
GMR Vemagiri Power Generation Limited	2.83	2.84
GMR Kamalanga Energy Limited	-	2.25
Other Financial Assets - Current		
Unbilled receivables		
Intermediate holding company		
GMR Infrastructure Limited	-	0.01
Enterprises in respect of which the company is a joint venture		
Airports Authority of India	1.12	1.93
Associate Companies		
Delhi Airport Parking Services Private Limited	2.95	2.05
TIM Delhi Airport Advertising Private Limited	18.82	23.47
Celebi Delhi Cargo Terminal Management India Private Limited	18.06	13.54
Travel Food Services (Delhi Terminal 3) Private Limited	1.89	1.73
Joint Ventures		
Delhi Duty Free Services Private Limited	15.91	14.72
Delhi Aviation Services Private Limited	1.48	1.09
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Aviation Private Limited	0.01	0.01
GMR Air Cargo and Aerospace Engineering (Formerly known as GMR Aero Technic Limited)	0.02	0.05
GMR Energy Trading Limited	0.01	-
Joint Venture of member of a Group of which DIAL is a member		
GMR Warora Energy Limited	-	0.01
GMR Kamalanga Energy Limited	0.01	-

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इंटरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. * New Delhi * नई दिल्ली

Delhi International Airport Limited
CIN. U63033DL2006PLC146936
Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Rupees Crore, except otherwise stated)

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

Balances as at Date	March 31, 2021	March 31, 2020
Other recoverables		
Joint Ventures		
Delhi Aviation Services Private Limited	0.05	0.02
Delhi Duty Free Services Private Limited	0.12	-
Associate Companies		
Delhi Airport Parking Services Private Limited	0.15	0.24
Travel Food Services (Delhi Terminal 3) Private Limited	0.08	-
Celebi Delhi Cargo Terminal Management India Private Limited	0.18	0.06
TIM Delhi Airport Advertising Private Limited	0.68	-
DIGI Yatra Foundation	0.16	0.14
Enterprises in respect of which the company is a joint venture		
Airports Authority of India (including advance to AAI paid under protest)	486.35	96.74
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
Kakinada SEZ Limited	0.11	0.11
GMR Airport Developers Limited	-	0.01
GMR Goa International Airport Limited	0.27	0.30
GMR Pochanpalli Expressways Limited	0.02	0.02
Associate of a member of a group of which DIAL is a member		
GMR Megawide Cebu Airport Corporation	0.07	0.01
Provision against advance to AAI paid under protest		
Enterprises in respect of which the Company is a joint venture		
Airports Authority of India [refer note 34(I)(h)]	446.21	-
Non- Trade Receivables (including marketing fund)		
Intermediate holding company		
GMR Infrastructure Limited	-	0.04
Enterprises in respect of which the company is a joint venture		
Airports Authority of India	2.27	4.35
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Energy Trading Limited	0.01	0.25
Joint Venture of member of a Group of which DIAL is a member		
GMR Warora Energy Limited	0.72	0.61
GMR Kamalanga Energy Limited	-	0.25
GMR Vemagiri Power Generation Limited	0.57	0.57
Associate Companies		
Travel Food Services (Delhi Terminal 3) Private Limited	0.05	-
Celebi Delhi Cargo Terminal Management India Private Limited	1.42	0.52
TIM Delhi Airport Advertising Private Limited	0.25	-
Joint Ventures		
GMR Bajoli Holi Hydropower Private Limited	0.21	0.18

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. * New Delhi * नई दिल्ली

Delhi International Airport Limited
CIN. U63033DL2006PLC146936
Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Rupees Crore, except otherwise stated)

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

Balances as at Date	March 31, 2021	March 31, 2020
Trade payable (including marketing fund)-Current		
Intermediate holding company		
GMR Infrastructure Limited	1.64	2.57
Holding company		
GMR Airports Limited	11.27	13.06
Associate Companies		
TIM Delhi Airport Advertising Private Limited	-	0.06
Travel Food Services (Delhi Terminal 3) Private Limited	-	0.02
Joint Ventures		
Delhi Duty Free Services Private Limited	-	4.19
GMR Bajoli Holi Hydropower Private Limited	5.97	7.98
Enterprises where significant influence of key Management personnel or their relative exists		
GMR Varalakshmi Foundation	-	0.01
Enterprises in respect of which the company is a joint venture		
Fraport AG Frankfurt Airport Services Worldwide	59.71	57.53
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
Raxa Security Services Limited	5.67	2.20
GMR Airport Developers Limited	0.19	-
GMR Hyderabad International Airport Limited	-	1.37
GMR Hospitality & Retail Limited	0.04	0.04
Joint Venture of member of a Group of which DIAL is a member		
GMR Vemagiri Power Generation Limited	-	0.02
Other financial liabilities - Non Current		
Enterprises in respect of which the company is a joint venture		
Airports Authority of India	528.00	189.88
Remuneration payable to key managerial personnel		
Mr. G. M. Rao	1.63	-
Mr. K. Narayana Rao	0.38	-
Mr. G.B.S Raju	1.75	-
Mr. Indana Prabhakara Rao	0.60	-
Other Financial Liabilities at amortised cost- Current		
Security Deposits from trade concessionaires		
Associate Companies		
Celebi Delhi Cargo Terminal Management India Private Limited	7.04	0.01
Delhi Airport Parking Services Private Limited	0.01	0.42
TIM Delhi Airport Advertising Private Limited	0.75	0.74
Travel Food Services (Delhi Terminal 3) Private Limited	0.63	-
Joint Ventures		
Delhi Duty Free Services Private Limited	0.40	0.40
Delhi Aviation Services Private Limited	14.64	14.60
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Aviation Private Limited	0.11	0.11
GMR Air Cargo and Aerospace Engineering (Formerly known as GMR Aero Technic Limited)	0.23	0.22
Other Financial Liabilities at amortised cost- Non Current		
Security Deposits from trade concessionaires		
Holding company		
GMR Airports Limited	0.01	-
Joint Ventures		
Delhi Aviation Fuel Facility Private Limited	38.89	45.20
Delhi Duty Free Services Private Limited	161.34	146.51
Associate Companies		
Celebi Delhi Cargo Terminal Management India Private Limited	45.12	39.37
Delhi Airport Parking Services Private Limited	0.57	0.51
TIM Delhi Airport Advertising Private Limited	11.68	10.61
Travel Food Services (Delhi Terminal 3) Private Limited	3.41	3.60

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. Chartered Accountants BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. New Delhi नई दिल्ली

(All amounts in Rupees Crore, except otherwise stated)

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

Balances as at Date	March 31, 2021	March 31, 2020
Unearned Revenue		
Current		
Associate Companies		
TIM Delhi Airport Advertising Private Limited	0.16	0.33
Travel Food Services (Delhi Terminal 3) Private Limited	0.32	0.41
Celebi Delhi Cargo Terminal Management India Private Limited	0.40	0.39
Joint Ventures		
Delhi Duty Free Services Private Limited	0.17	0.20
Delhi Aviation Services Private Limited	-	0.01
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Tambaram Tindivanam Expressways Limited	-	0.01
GMR Pochanpalli Expressways Limited	0.01	-
GMR Aviation Private Limited	-	0.01
GMR Air Cargo and Aerospace Engineering (Formerly known as GMR Aero Technic Limited)	0.01	0.01
Unearned Revenue		
Non-Current		
Associate Companies		
Celebi Delhi Cargo Terminal Management India Private Limited	0.19	-
TIM Delhi Airport Advertising Private Limited	0.05	0.02
Travel Food Services (Delhi Terminal 3) Private Limited	0.07	0.05
Joint Ventures		
Delhi Duty Free Services Private Limited	0.02	0.03
Deferred Revenue		
Deferred Income on financial liabilities carried at amortised cost - Current		
Associate Companies		
Delhi Airport Parking Services Private Limited	0.11	0.12
Celebi Delhi Cargo Terminal Management India Private Limited	8.08	7.36
TIM Delhi Airport Advertising Private Limited	1.61	1.63
Travel Food Services (Delhi Terminal 3) Private Limited	0.43	0.48
Joint Ventures		
Delhi Aviation Fuel Facility Private Limited	6.31	8.67
Delhi Duty Free Services Private Limited	13.55	13.64
Delhi Aviation Services Private Limited	0.51	0.35
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Air Cargo and Aerospace Engineering (Formerly known as GMR Aero Technic Limited)	0.02	0.03
Deferred Revenue		
Deferred Income on financial liabilities carried at amortised cost - Non-Current		
Associate Companies		
Delhi Airport Parking Services Private Limited	1.51	1.62
Celebi Delhi Cargo Terminal Management India Private Limited	94.11	91.51
TIM Delhi Airport Advertising Private Limited	13.14	14.53
Travel Food Services (Delhi Terminal 3) Private Limited	1.69	2.13
Joint Ventures		
Delhi Aviation Fuel Facility Private Limited	72.12	112.61
Delhi Duty Free Services Private Limited	32.00	43.72
Other liabilities-Current		
Advances from customer		
Associate Companies		
TIM Delhi Airport Advertising Private Limited	-	4.93
Travel Food Services (Delhi Terminal 3) Private Limited	-	0.70
Joint Ventures		
Delhi Duty Free Services Private Limited	-	28.25

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड * Delhi International Airport Ltd. * New Delhi * नई दिल्ली

(All amounts in Rupees Crore, except otherwise stated)

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

Transactions during the year	March 31, 2021	March 31, 2020
Non-current investments		
Sale of Investment made in Equity Share		
Joint Ventures		
WAISL Limited	-	1.30
DIGI Yatra Foundation	-	0.00
Repayment of Inter corporate loan		
Intermediate holding company		
GMR Infrastructure Limited	-	400.00
Security Deposits from trade concessionaires		
Security Deposits Received		
Holding Company		
GMR Airports Limited	0.01	-
Associate Companies		
Celebi Delhi Cargo Terminal Management India Private Limited	19.09	7.10
Travel Food Services (Delhi Terminal 3) Private Limited	-	0.12
Security Deposits from trade concessionaires		
Security Deposits Refunded		
Joint Ventures		
Delhi Aviation Fuel Facility Private Limited	46.79	-
Associate Companies		
Delhi Airport Parking Services Private Limited	0.42	-
Marketing Fund Billed		
Associate Companies		
Delhi Airport Parking Services Private Limited	-	0.02
Travel Food Services (Delhi Terminal 3) Private Limited	0.48	1.34
Joint Ventures		
Delhi Duty Free Services Private Limited	2.66	14.03
Marketing Fund Utilised		
Associate Companies		
TIM Delhi Airport Advertising Private Limited	0.19	0.30
Travel Food Services (Delhi Terminal 3) Private Limited	0.11	0.01
Joint Ventures		
Delhi Duty Free Services Private Limited	4.21	7.17
Utilization of advance from commercial property developers		
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Airport Developers Limited	0.67	1.21
Capital Work in Progress		
Associate Companies		
Travel Food Services (Delhi Terminal 3) Private Limited	-	0.03
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Airport Developers Limited	8.14	6.98
Holding company		
GMR Airports Limited	-	0.43

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड * Delhi International Airport Ltd. * New Delhi * नई दिल्ली

(All amounts in Rupees Crore, except otherwise stated)

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

Transactions during the year	March 31, 2021	March 31, 2020
Non-aeronautical revenue		
Intermediate holding company		
GMR Infrastructure Limited	0.42	2.01
Holding company		
GMR Airports Limited	1.31	1.97
Joint Venture		
Delhi Aviation Fuel Facility Private Limited	38.60	38.66
Delhi Aviation Services Private Limited	5.11	8.47
Delhi Duty Free Services Private Limited	90.40	456.82
WAISL Limited (till June 26, 2019)	-	21.64
GMR Bajoli Holi Hydropower Private Limited	-	1.96
Associate Companies		
TIM Delhi Airport Advertising Private Limited	49.58	159.36
Celebi Delhi Cargo Terminal Management India Private Limited	271.76	245.15
Travel Food Services (Delhi Terminal 3) Private Limited	12.26	32.71
Delhi Airport Parking Services Private Limited	19.66	34.42
Fellow subsidiaries (including subsidiary companies of the ultimate Holding company)		
GMR Aviation Private Limited	0.08	0.07
GMR Energy Trading Limited	1.05	1.96
GMR Tambaram Tindivanam Expressways Limited	-	3.01
GMR Air Cargo and Aerospace Engineering (Formerly known as GMR Aero Technic Limited)	0.75	0.71
GMR Pochanpalli Expressways Limited	3.24	-
Joint Venture of member of a Group of which DIAL is a member		
GMR Warora Energy Limited	1.01	1.96
GMR Kamalanga Energy Limited	2.07	1.96
Aeronautical Revenue		
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Aviation Private Limited	0.07	0.10
Enterprises in respect of which the Company is a joint venture		
Airports Authority of India	0.02	0.01
Other Income		
Dividend Income on Non-current Investments		
Joint Ventures		
Delhi Aviation Fuel Facility Private Limited	2.77	3.41
Delhi Duty Free Services Private Limited	-	43.91
Delhi Aviation Services Private Limited	5.00	3.13
Associate Companies		
TIM Delhi Airport Advertising Private Limited	3.23	9.22
Delhi Airport Parking Services Private Limited	-	14.63
Travel Food Services (Delhi Terminal 3) Private Limited	-	0.28
Celebi Delhi Cargo Terminal Management India Private Limited	16.38	-
Non-Aeronautical - Income on Security deposits		
Associate Companies		
Delhi Airport Parking Services Private Limited	0.13	0.14
TIM Delhi Airport Advertising Private Limited	1.55	1.10
Celebi Delhi Cargo Terminal Management India Private Limited	8.27	7.47
Travel Food Services (Delhi Terminal 3) Private Limited	0.49	0.48
Joint Ventures		
Delhi Aviation Fuel Facility Private Limited	6.80	12.50
Delhi Duty Free Services Private Limited	12.81	19.10
Delhi Aviation Services Private Limited	1.41	1.02
Fellow subsidiaries (including subsidiary companies of the ultimate Holding company)		
GMR Air Cargo and Aerospace Engineering (Formerly known as GMR Aero Technic Limited)	0.03	0.03
Interest Income-Others		
Associate Companies		
Delhi Airport Parking Services Private Limited	0.02	-
Travel Food Services (Delhi Terminal 3) Private Limited	0.04	-
Other Revenue		
Interest on Inter Company Deposits		
Intermediate holding company		
GMR Infrastructure Limited	-	40.16

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड * Delhi International Airport Ltd. * New Delhi * नई दिल्ली

(All amounts in Rupees Crore, except otherwise stated)

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

Transactions during the year	March 31, 2021	March 31, 2020
Excess provision written back		
Enterprises in respect of which the Company is a joint venture		
Airports Authority of India	-	15.37
Other expenses		
Advances written off		
Subsidiary Company		
Delhi Aerotropolis Private Limited	-	0.05
Key managerial Remuneration paid/payable		
Short-term employee benefits*		
Mr. G.M. Rao	5.07	5.28
Mr. K. Narayana Rao	1.46	1.66
Mr. G.B.S Raju	4.32	4.51
Mr. Indana Prabhakara Rao	2.27	2.48
Annual Fee		
Enterprises in respect of which the Company is a joint venture		
Airports Authority of India [refer note 34(I)(h)]	338.12	1,848.67
Advance to AAI paid under protest		
Enterprises in respect of which the Company is a joint venture		
Airports Authority of India [refer note 34(I)(h)]	446.21	-
Provision against advance to AAI paid under protest		
Enterprises in respect of which the Company is a joint venture		
Airports Authority of India [refer note 34(I)(h)]	446.21	-
Finance Cost- Interest expense on financial liablity carried at amortised cost		
Associate Companies		
Delhi Airport Parking Services Private Limited	0.09	0.08
TIM Delhi Airport Advertising Private Limited	1.22	0.72
Celebi Delhi Cargo Terminal Management India Private Limited	5.26	4.16
Travel Food Services (Delhi Terminal 3) Private Limited	0.44	0.39
Joint Ventures		
Delhi Aviation Fuel Facility Private Limited	4.44	8.80
Delhi Duty Free Services Private Limited	15.83	25.95
Delhi Aviation Services Private Limited	1.61	1.57
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Air Cargo and Aerospace Engineering (Formerly known as GMR Aero Technic Limited)	0.03	0.03
Donations/ CSR Expenditure		
Enterprises where significant influence of key Management personnel or their relative exists		
GMR Varalakshmi Foundation	1.59	5.81
Manpower hire charges		
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Airport Developers Limited	52.29	55.57
Airport Operator fees		
Enterprises in respect of which the Company is a joint venture		
Fraport AG Frankfurt Airport Services Worldwide	108.21	103.80
Professional and consultancy expenses		
Enterprises in respect of which the Company is a joint venture		
Fraport AG Frankfurt Airport Services Worldwide	0.07	0.28

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

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

K.S. RAO & CO. Chartered Accountants BENGALURU

Delhi International Airport Ltd. New Delhi

(All amounts in Rupees Crore, except otherwise stated)

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

Transactions during the year	March 31, 2021	March 31, 2020
Corporate Cost Allocation		
Intermediate Holding company		
GMR Infrastructure Limited	14.34	14.14
Holding company		
GMR Airports Limited	35.61	58.31
Services Received		
Travelling & Conveyance- Chartering Cost		
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Aviation Private Limited	-	3.75
Security related expenses		
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
Raxa Security Services Limited	21.77	25.73
Enterprises in respect of which the company is a joint venture		
Airports Authority of India	-	0.01
Hire Charges-Equipments		
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
Raxa Security Services Limited	0.41	-
Utility Expenses		
Electricity Charges		
Joint Ventures		
GMR Bajoli Holi Hydropower Private Limited	117.11	46.58
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Energy Trading Limited	-	30.98
Electricity charges recovered		
Intermediate holding company		
GMR Infrastructure Limited	0.02	0.12
Joint Ventures		
Delhi Aviation Services Private Limited	7.36	14.21
Delhi Duty Free Services Private Limited	9.09	7.14
GMR Bajoli Holi Hydropower Private Limited	0.01	0.12
Associate Companies		
Delhi Airport Parking Services Private Limited	1.95	2.14
Celebi Delhi Cargo Terminal Management India Private Limited	7.79	10.76
TIM Delhi Airport Advertising Private Limited	2.26	3.35
Travel Food Services (Delhi Terminal 3) Private Limited	5.43	7.51
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Aviation Private Limited	0.03	0.01
GMR Tambaram Tindivanam Expressways Limited	-	0.05
GMR Energy Trading Limited	0.18	0.21
GMR Air Cargo and Aerospace Engineering (Formerly known as GMR Aero Technic Limited)	0.01	0.01
GMR Pochanpalli Expressways Limited	0.06	-
Enterprises in respect of which the Company is a joint venture		
Airports Authority of India	14.27	19.45
Joint Venture of member of a Group of which DIAL is a member		
GMR Warora Energy Limited	0.08	0.23
GMR Vemagiri Power Generation Limited	-	0.02
GMR Kamalanga Energy Limited	0.12	0.17
Water charges recovered		
Joint Ventures		
Delhi Aviation Services Private Limited	0.05	0.22
Delhi Duty Free Services Private Limited	0.01	0.03
GMR Bajoli Holi Hydropower Private Limited	0.01	0.03
Associate Companies		
Delhi Airport Parking Services Private Limited	0.64	1.24
Travel Food Services (Delhi Terminal 3) Private Limited	0.41	1.15
Celebi Delhi Cargo Terminal Management India Private Limited	3.77	3.18
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Energy Trading Limited	0.01	-
Joint Venture of member of a Group of which DIAL is a member		
GMR Warora Energy Limited	-	0.01

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. Chartered Accountants BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. New Delhi नई दिल्ली

(All amounts in Rupees Crore, except otherwise stated)

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

Transactions during the year	March 31, 2021	March 31, 2020
Recovery of Collection Charges		
Enterprises in respect of which the Company is a joint venture		
Airports Authority of India	0.96	3.54
Directors' sitting fees		
Key management personnel		
Mr. R.S.S.L.N. Bhaskarudu	0.05	0.05
Ms. Siva Kameswari Vissa	0.04	0.04
Mr. Anil Kumar Pathak	0.02	0.01
Mr. N.C. Sarabeswaran	0.05	0.04
Mr. G. Subba Rao	0.03	0.03
Mr. Srinivas Bommidala	0.01	0.01
Mr. Grandhi Kiran Kumar	0.01	-
Mr. Anuj Aggarwal	0.01	0.01
Mr. M. Ramachandran	0.05	0.04
Expenses incurred by Company on behalf of related parties		
Intermediate Holding company		
GMR Infrastructure Limited	0.02	0.01
Holding company		
GMR Airports Limited	3.75	5.60
Joint Ventures		
Delhi Aviation Services Private Limited	0.26	0.53
Delhi Duty Free Services Private Limited	0.52	0.48
WAISL Limited (till June 26, 2019)	-	0.39
Associate Companies		
Celebi Delhi Cargo Terminal Management India Private Limited	0.73	0.68
TIM Delhi Airport Advertising Private Limited	0.76	0.71
Delhi Airport Parking Services Private Limited	0.85	0.80
Travel Food Services (Delhi Terminal 3) Private Limited	0.58	0.53
DIGI Yatra Foundation	-	0.14
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Airport Developers Limited	-	0.01
GMR Tuni Anakapalli Expressways Limited	-	0.00
GMR Pochanpalli Expressways Limited	-	0.02
Kakinada SEZ Limited	-	0.02
GMR Hyderabad International Airport Limited	-	0.22
GMR Goa International Airport Limited	-	0.04
Associate of a member of a group of which DIAL is a member		
GMR Megawide CEBU Airport Corporation	0.07	0.07
Joint Venture of member of a Group of which DIAL is a member		
GMR Warora Energy Limited	-	0.01
GMR Vemagiri Power Generation Limited	0.02	-
Expenses incurred by related parties on behalf of Company		
Intermediate Holding company		
GMR Infrastructure Limited	0.02	0.01
Holding company		
GMR Airports Limited	0.36	0.01
Associate Companies		
Travel Food Services (Delhi Terminal 3) Private Limited	0.64	0.31
Joint Venture of member of a Group of which DIAL is a member		
GMR Vemagiri Power Generation Limited	-	0.01
GMR Warora Energy Limited	-	0.03
Fellow subsidiaries (including subsidiary companies of the ultimate/ Intermediate holding company)		
GMR Hyderabad International Airport Limited	0.01	1.67
GMR Airport Developers Limited	0.03	
GMR Hospitality & Retail Limited	-	0.06
GMR League Games Private Limited	0.02	-
Raxa Security Services Limited	0.03	-

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

Delhi International Airport Ltd. * New Delhi *

(All amounts in Rupees crore, except otherwise stated)

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

Name of Entities	Relationship	Ownership interest	Date of incorporation	Country of incorporation
Delhi Aerotropolis Private Limited [refer note 34 III (ii)(vii))]	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	Joint Venture	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	22.20%	February 20, 2019	India
GMR Bajoli Holi Hydropower Private Limited	Joint Venture	20.14%	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

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, 2021, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2020: Nil). This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates.

Commitments with related parties:

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

Transactions with key management personnel

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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इंटरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. * New Delhi * नई दिल्ली

36. Segment Information

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

Major customers: Revenue from one customer of the Company is approximately Rs. 271.76 crore of the Company's total revenues (March 31, 2020: Revenue from one customer of the Company is approximately Rs. 456.77 crore of the Company's total revenues)

37. Fair Values

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

Particulars	Carrying value		Fair value	
	As at March 31, 2021	As at March 31, 2020	**As at March 31, 2021**	As at March 31, 2020
Financial Assets				
Investment in mutual fund	**744.84**	405.25	**744.84**	405.25
Cash flow hedges-Call spread option	**872.41**	1009.04	**872.41**	1009.04
Total	**1617.25**	1414.29	**1617.25**	1414.29
Financial Liabilities (carried at amortised cost)				
Security Deposits from trade concessionaires	**627.28**	589.17	**638.11**	601.00
Security Deposits from commercial property developers	**15.99**	14.43	**16.74**	15.73
Total	**642.27**	603.60	**654.85**	616.73

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, 2021, the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. Chartered Accountants BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड * Delhi International Airport Ltd. * New Delhi नई दिल्ली

(All amounts in Rupees crore, except otherwise stated)

38. 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, 2021:

	Fair value measurement using				
	Date of valuation	**Total**	**Market prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Assets measured at fair value					
Investment in mutual fund	March 31, 2021	**744.84**	**744.84**	-	-
Cash flow hedges-Call spread option	March 31, 2021	**872.41**	-	**872.41**	-
Total		**1617.25**	**744.84**	**872.41**	-

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, 2020:

	Fair value measurement using				
	Date of valuation	**Total**	**Market prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Assets measured at fair value					
Investment in mutual fund	March 31, 2020	405.25	405.25	-	-
Cash flow hedges-Call spread option	March 31, 2020	1009.04	-	1009.04	-
Total		1414.29	405.25	1009.04	-

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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड * Delhi International Airport Ltd. * New Delhi * नई दिल्ली

39. Risk Management

Financial risk management objectives and policies

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

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

Market risk

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

The sensitivity analysis in the following sections relate to the position as at March 31, 2021 and March 31, 2020:

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, 2021.

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

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, 2021 and March 31, 2020.

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.

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. However, the Company has hedged its borrowing through call spread option.

Cash flow hedges

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड * Delhi International Airport Ltd. * New Delhi * नई दिल्ली

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, 2021		March 31, 2020	
	Assets	Liabilities	Assets	Liabilities
Cash flow hedges-Call spread option	872.41	-	1009.04	-

As at March 31, 2021, the USD spot rate is above the USD call option strike price for all call spread options of USD 1311.35 million. Accordingly, an amount of Rs. 335.94 crore has been released from Cash flow hedge reserve to statement of profit and loss to neutralize the impact of Foreign exchange gain included in standalone statement of profit and loss.

As at March 31, 2020, the USD spot rate is above the USD call option strike price for all call spread options of USD 1311.35 million. Accordingly, an amount of Rs. 806.55 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.

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, 2021	March 31, 2020
	Impact on profit/ (loss) before tax	
USD Sensitivity		
INR/USD- Increase by 5%	(5.12)	(0.43)
INR/USD- decrease by 5%	5.12	0.43
EURO Sensitivity		
INR/EURO- Increase by 5%	(0.20)	(0.19)
INR/EURO- decrease by 5%	0.20	0.19
GBP Sensitivity		
INR/GBP Increase by 5%	(0.02)	(0.18)
INR/GBP- decrease by 5%	0.02	0.18
SGD Sensitivity		
INR/SGD Increase by 5%	(0.01)	-
INR/SGD- decrease by 5%	0.01	-

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. Chartered Accountants BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड * Delhi International Airport Ltd. * New Delhi * नई दिल्ली

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. Rs. 2,111.05 crore of the Company's debt will mature in less than one year at March 31, 2021 (March 31, 2020: Nil) based on the carrying value of borrowings reflected in the financial statements. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

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

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
As at March 31, 2021						
Borrowings*	**-**	**770.74**	**1,340.31**	**3,257.10**	**7,476.23**	**12,844.38**
Short Term Borrowings	**-**	**48.75**	**216.00**	**-**	**-**	**264.75**
Trade payables	**-**	**365.30**	**-**	**-**	**-**	**365.30**
Lease liability	**-**	**1.31**	**3.98**	**16.84**	**-**	**22.13**
Other financial liabilities	**32.05**	**281.55**	**279.54**	**350.52**	**2,323.83**	**3,267.49**
Total	**32.05**	**1,467.65**	**1,839.83**	**3,624.46**	**9,800.06**	**16,764.05**
As at March 31, 2020						
Borrowings*	-	-	-	2,184.83	7,737.50	9,922.33
Trade payables	-	301.92	-	-	-	301.92
Lease liability	-	0.59	2.18	10.78	1.02	14.57
Other financial liabilities	43.64	502.00	216.82	436.74	2,375.26	3,574.46
Total	43.64	804.51	219.00	2,632.35	10,113.78	13,813.28

*For range of interest, repayment schedule and security details refer note 17.

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.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

K.S. RAO & CO. Chartered Accountants BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. New Delhi नई दिल्ली

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, 2021 and March 31, 2020 is the carrying amounts of Trade Receivables.

Collateral

As at March 31, 2021 the security provided to NCD's, bond holders, hedge providers 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.

(This space has been intentionally left blank)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड * Delhi International Airport Ltd. * New Delhi * नई दिल्ली

(All amounts in Rupees crore, except otherwise stated)

40. Capital management

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

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

	March 31, 2021	March 31, 2020
Long term borrowings (including current maturities)	12,776.57	9,920.89
Short term borrowings	264.75	-
Total Borrowings (I)	**13,041.32**	**9,920.89**
Less:		
(i) Cash and cash equivalents	3,334.20	2,049.30
(ii) Bank balance other than cash and cash equivalents	449.80	827.09
(iii) Current investments	1,210.57	1,234.20
Total cash & investments (II)	**4,994.57**	**4,110.59**
Net debts (A)= I-II	**8,046.75**	**5,810.30**
Share Capital	2,450.00	2,450.00
Other Equity	104.82	292.46
Total Equity (B)	**2,554.87**	**2,742.46**
Total equity and total net debts (C=A+B)	**10,601.58**	**8,552.76**
Gearing ratio (%) (A/C)	**75.90%**	**67.93%**

*the Company consider to use net debt instead of debt for computation of gearing ratio w.e.f. from current financial year.

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, 2021 and March 31, 2020.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. Chartered Accountants BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. New Delhi नई दिल्ली

41. Other Disclosures

a) AERA DF Order No. 28/2011-12, 30/2012-13 and AERA tariff order No. 03/2012-13 and 57/2020-21 on determination of Aeronautical Tariff; issued on November 14, 2011, December 28, 2012, April 24, 2012 and December 30, 2020 respectively

(i) DIAL implemented the Tariff order No. 40/2015-16 dated December 08, 2015 issued by AERA for the second control period with effect 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 at the TDSAT 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 third control period i.e. 2019 -2024. DIAL's appeal against the second control period is pending before the TDSAT and the same is still to be heard which shall be heard in due course. Also, DIAL in respect of TDSAT order dated April 23, 2018 has filed a limited appeal in the Hon'ble Supreme Court of India on July 21, 2018 and same is still to be heard.

Further, 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. AERA has time to time extended the prevailing tariff. AERA has issued tariff order no 57/2020-21 for third control period on December 30, 2020 allowing DIAL to continue with BAC+10% tariff for the balance period of third control period plus compensatory tariff in lieu of Fuel Throughput Charges. DIAL had also filed an appeal against some of AERA's decision in third control period order on January 29, 2021 with TDSAT.

(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 Company has a receivable of Rs. 196.31 crore as at March 31, 2021 (March 31, 2020: Rs. 186.57 crores) (including unbilled receivables) 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, 2021, the Company has recognized receivable of Rs. Nil (Year ended March 31, 2020: Rs. 28.90 crore) (including GST) and received Nil (Year ended March 31, 2020: Rs. 8.41 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 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. Nil (March 31, 2020: Rs. 27.97 crore) recognised as interest income on delayed payment by Air India.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

K.S. RAO & CO. Chartered Accountants BENGALURU

Delhi International Airport Ltd. New Delhi

c) **Particulars of un-hedged and un-discounted foreign currency exposure as at the reporting date are as under:**

	March 31, 2021			March 31, 2020		
Particulars	**Amount (Rs. in Crores)**	**Currency**	**Foreign Currency in Crores**	Amount (Rs. In Crores)	Currency	Foreign Currency in Crores
Trade Payables	4.00	EUR	0.05	3.73	EUR	0.05
	0.44	GBP	0.00	3.56	GBP	0.04
	0.15	SGD	0.00	0.04	SGD	0.00
	24.35	USD	0.33	8.56	USD	0.11
	0.03	AUD	0.00	0.03	AUD	0.00
	0.03	AED	0.00	-	-	-
Other Current Financial Liabilities	78.04	USD	1.07	154.64	USD	2.08
	-	EUR	-	0.08	EUR	0.00

Closing exchange rates in Rs:

Currency	March 31, 2021	March 31, 2020
EUR	85.750	82.770
GBP	100.753	93.503
SGD	54.350	53.025
USD	73.110	75.665
AUD	55.703	46.075
AED	19.905	20.60

d) **Additional information :**

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

Particulars	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Aeronautical Services (Revenue from airlines)	7.48	47.54

ii) CIF value of imports (On accrual basis)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इंटरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. * New Delhi * नई दिल्ली

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Import of capital goods	10.95	2.02
Import of stores and spares	1.08	2.87
Total	12.03	4.89

iii) Expenditure in foreign currency charged to statement of profit & loss (On accrual basis)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on borrowings	384.78	376.16
Professional and consultancy expenses	4.77	16.98
Finance costs	15.53	0.05
Other expenses	9.25	9.12
Travelling and Conveyance	0.60	1.85
Total	414.93	404.16

iv) Expenditure in foreign currency capitalised/ debited in borrowings/ debited in other borrowing cost to the extent not amortised (On accrual basis)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on borrowings	252.21	156.83
Professional and consultancy expenses	4.07	17.50
Finance costs (Other borrowing costs including amount debited in borrowings/ debited in other borrowing cost to the extent not amortised)*	38.68	22.66
Total	294.96	196.99

*Includes Rs. 12.14 crore debited in other borrowing cost to the extent not amortised.

v) Consumption of stores and spares during the year:

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
	%	Amount	%	Amount
Imported	9.56	1.73	5.08	1.08
Indigenous	90.44	16.36	94.92	20.18
Total	100.00	18.09	100.00	21.26

vi) Consumption of capital spares during the year:

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
	%	Amount	%	Amount
Imported	60.25	1.17	60.00	2.13
Indigenous	39.75	0.77	40.00	1.42
Total	100.00	1.94	100.00	3.55

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इंटरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. * New Delhi * नई दिल्ली

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

As per the MOCA notification, the PSF (SC) is replaced by Aviation Security Fee w.e.f. July 1, 2019 and will be governed by National Aviation Security Fee trust.

f) The Company has received Advance Development Costs (ADC) of Rs. 680.14 crore, including Rs. 6.93 crore related to Phase II development (March 31, 2020: 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 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, 2021, the Company has incurred development expenditure of Rs. 582.11 crore (March 31, 2020: Rs. 567.81 crore), which has been adjusted against the aforesaid ADC. Further, in case of Silver Resort Hotel India Private Limited, the Company had 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 which is now refunded during the previous financial year as per settlement agreement approved vide Hon'ble High Court order dated November 7, 2019 [refer note 41(k) below]. Remaining ADC of amount Rs. 65.42 crore including Rs. 6.93 crore related to Phase II development (March 31, 2020: Rs. 79.72 crore, including Rs. 6.93 crore related to Phase II development) is disclosed under other liabilities.

g) 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 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 and accounting annual fee as expense till the matter is settled. 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). Pleadings in the matter are completed and issues were framed by Arbitral Tribunal. At the stage of oral evidence, DIAL had examined two of its witnesses. Despite opportunity being given no witness was examined by AAI. DIAL had completed its arguments/ submissions, AAI arguments have been partly heard and will further continue on the next date of hearing. However, due to current COVID -19 situation, the matter was not taken up for hearing for AAI's arguments and was simply adjourned. Next date of hearings are 11.07.2021, 18.07.2021 and 01.08.2021 for AAI's arguments and 07.08.2021 and 08.08.2021 for DIAL's rejoinder arguments.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

K.S. RAO & CO. Chartered Accountants BENGALURU

दिल्ली इंटरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. New Delhi नई दिल्ली

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, 2021, the Company has accounted for Rs. 181.07 crore (March 31, 2020: Rs. Rs. 174.40 crore) towards such Marketing Fund and has incurred expenditure amounting to Rs. 129.34 crore (March 31, 2020: Rs. 117.27 crore) (net of income on temporary investments) till March 31, 2021 from the amount so collected. The balance amount of Rs. 51.72 crore pending utilization as at March 31, 2021 (March 31, 2020: Rs. 57.13 crore) 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 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 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, 2021**	For the year ended March 31, 2020
Construction income from commercial property developers	Other operating income	**14.30**	15.43
Discounting on fair valuation of deposits taken from commercial property developers	Other operating income	**31.80**	31.89
Discounting on fair valuation of deposits taken from concessionaires	Sale of services – Non Aeronautical	**71.03**	64.07
Discounting on fair valuation of deposits given	Other income	**0.20**	0.36
Significant financing component on revenue from contract with customers	Sale of services – Non Aeronautical	**1.89**	4.80

However, the Company has accrued revenue of Rs. 735.21 crores (March 31, 2020: Rs. 412.87 crores) on straight line basis, in accordance with Ind AS 116. Annual fee of Rs. 338.12 crores (March 31, 2020:Rs. 189.88 crore) on this revenue is also provided which is payable to AAI in future years on actual realization of revenue.

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

j) 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, 2021.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

K.S. RAO & CO. Chartered Accountants BENGALURU

Delhi International Airport Ltd. New Delhi

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

The Arbitral Award was passed by the Hon'ble Arbitral Tribunal which was received by the Company on September 08, 2017. The favorable award passed in majority by Tribunal granting Rs.115.89 crore 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.

Both the parties agreed for settlement and accordingly the matter has been settled vide Hon'ble High Court order dated November 7, 2019 according to which DIAL has paid Rs. 54 crores to the developer as final settlement including outstanding ADC of Rs. 32.61 crore.

l) 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.

m) 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 year ended March 31, 2018, the Company had received SEIS scrips of Rs. 31.19 crore of financial year 2015-16 having validity till September 30, 2019.

Pursuant to above, during the year ended March 31, 2019, the Company has received SEIS scrips of Rs. 55.82 crores for financial year 2016-17, having validity till October 21, 2020. During the year ended March 31, 2020, the Company has also received SEIS scrips of Rs. 24.32 crores and Rs. 15.87 crores for FY 2017-18 and FY 2018-19 respectively, having validity till June 20, 2021 and August 13, 2021 respectively.

As on March 31, 2021, The Company has entirely utilized / sold Rs. 127.20 crore (March 31, 2020: Rs. 111.11 crore) of the remaining scrips.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

K.S. RAO & CO. Chartered Accountants BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. New Delhi नई दिल्ली

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 Arbitral Order dated December 27, 2018 in case of SFIS Scrip, the Income from SEIS Scrip is out of the purview of revenue definition as per OMDA. Accordingly, management believes that, no Annual Fee is payable as per the provisions of OMDA, and has not been provided in these financial statements.

n) The Hon'ble Orissa High Court vide Judgement in W.P. No.20463/2018, in the case of Safari Retreats Private Limited, observed that the GST provisions w.r.t input tax credit allowability in respect of Civil work are not in line with the objective of the Act, and accordingly, held that if an assessee is required to discharge GST on the rental income, it is eligible to avail the Input Tax Credit (ITC) of GST w.r.t. civil work. DIAL (the company) is engaged in rendering output supplies which is in the nature of letting out space/ facilities to various airline operators and other parties/concessionaires, in return for consideration, known by different nomenclatures and are leviable to GST. Hence, the company has availed the GST ITC in respect of the costs for civil work incurred as part of the Phase 3A expansion project and regular operations, upon application of the said judicial pronouncement. Further, department has filed an appeal in Hon'ble Supreme Court of India against the judgement of Hon'ble Orissa High Court. Pending outcome of judgement of Hon'ble Supreme Court of India, considering the judgement of Hon'ble Orissa High Court and based on the opinion obtained by the Company in this regard, the Management is of the view that GST ITC in respect of such civil work is eligible to be availed by the Company. Having regard to the same, GST ITC amounting to Rs.477.62 crores (March 31, 2020: Rs. 254.01 crores) has been claimed in GST return and disclosed under balance with statutory / Government authorities in financial statements (refer note 9).

Further a Writ Petition has also been filed by the company in the matter before Delhi High Court on July 10, 2020, for ITC claim to be allowed of GST in respect of the civil works i.e. works contract service and goods and services received by the company for construction of immoveable property used for providing output taxable supplies. The writ was heard by the Hon'ble High Court on July 29, 2020 and issued notice to the respondents. Accordingly the matter was heard on September 15, 2020 and on November 20, 2020. Next date of hearing has been fixed on July 09, 2021.

o) AERA vide its letter dated January 15, 2020 advised to implement the directions given by the Ministry of Civil Aviation vide letter No. AV 13030/216/2016-ER (Pt. 2) dated January 8, 2020 wherein charging of airport operator charge or fuel throughput charge in any manifestation should be discontinued with immediate effect and asked AERA/ MoCA to consider the amount in this stream and duly compensate the Airport Operators by recalibrating other tariffs during determinations of airport tariffs. AERA vide order no. 57/2020-21 dated December 30, 2020 has allowed compensatory tariff in lieu of Fuel Throughput Charges w.e.f. February 01, 2021 for the balance period of third control period.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड * Delhi International Airport Ltd. * New Delhi * नई दिल्ली

p) Leases

Company as lessee

The Company has taken office and residential space, information technology equipment under lease arrangements. Office premises are obtained on lease for terms ranging from 0-10 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. 6.94 crore (March 31, 2020 Rs. 7.68 crore).

Right of use assets:

Particulars	March 31, 2021 (Rs. in crore)	March 31, 2020 (Rs. in crore)
Opening Right of use assets	***14.10***	***19.31***
Additions	11.31	0.95
Deletions/ adjustment	(3.64)	(2.98)
Depreciation during the year	(3.73)	(3.18)
Closing Right of use assets	**18.04**	**14.10**

Lease liability:

Particulars	March 31, 2021 (Rs. in crore)	March 31, 2020 (Rs. in crore)
Opening Lease liability	**14.57**	**18.60**
Additions	11.31	0.95
Deletions/ adjustment	(3.64)	(2.98)
Interest for the year	1.59	1.59
Repayment made during the year	(5.82)	(3.59)
Closing Lease liability	**18.01**	**14.57**

Maturity profile of Lease liability:

Particulars	within 1 year	1-3 years	3-5 years	Above 5 years	Total
Year ended March 31, 2021					
Lease payments	3.61	8.36	6.04	-	18.01
Interest payments	1.68	2.10	0.34	-	4.12
Year ended March 31, 2020					
Lease payments	2.77	6.04	4.73	1.03	14.57
Interest payments	1.38	1.82	0.58	0.01	3.79

Following amount has been recognised in statement of profit and loss account:

Particulars	March 31, 2021	March 31, 2020
Depreciation on right of use asset	3.73	3.18
Interest on lease liabilities	1.59	1.59
Expenses related to low value assets (included under other expenses)	0.22	1.15
Expenses related to short term leases (included under other expenses)	1.02	2.95
Total amount recognized in statement of profit & loss account	**6.56**	**8.87**

Operating lease: Company as lessor

The Company has sub-leased land and space to various parties under operating leases. The leases have varying terms, escalation clauses and renewal rights.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इंटरनेशनल एयरपोर्ट लिमिटेड Delhi International Airport Ltd. * New Delhi * नई दिल्ली

Delhi International Airport Limited
CIN. U63033DL2006PLC146936
Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts in Rupees crore, except otherwise stated)

The lease rentals received during the year (included in note 24) and future minimum rentals receivable under non-cancellable operating leases are as follows:

Particulars	March 31, 2021	March 31, 2020
Income Received during the year	305.66	661.87
Receivables on non- cancelable leases		
Not later than one year	704.37	700.45
Later than one year but not later than five year	3,044.42	3,012.31
Later than five year	33,865.09	34,867.87

q) Revenue

For the year ended March 31, 2021, revenue from operations includes Rs. 90.74 crore (March 31, 2020: Rs. 59.12 crore) from the contract liability balance at the beginning of the period.

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

	March 31, 2021			
Particulars	**Aeronautical**	**Non-aeronautical**	**Others**	**Total**
India	399.99	1,278.20	745.28	2,423.47
Outside	-	-	-	-
Total	**399.99**	**1,278.20**	**745.28**	**2,423.47**

	March 31, 2020			
Particulars	Aeronautical	Non-aeronautical	Others	Total
India	949.16	2,204.64	755.62	3,909.42
Outside	-	-	-	-
Total	949.16	2,204.64	755.62	3,909.42

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

	March 31, 2021			
Particulars	**Aeronautical**	**Non-aeronautical**	**Others**	**Total**
Services rendered at a point in time	333.53	-	-	**333.53**
Services transferred over time	66.46	1,278.20	745.28	**2,089.94**
Total	**399.99**	**1,278.20**	**745.28**	**2,423.47**

	March 31, 2020			
Particulars	Aeronautical	Non-aeronautical	Others	Total
Services rendered at a point in time	813.63	-	-	813.63
Services transferred over time	135.53	2,204.64	755.62	3,095.79
Total	949.16	2,204.64	755.62	3,909.42

Reconciliation of revenue from operation recognised in the statement of profit and loss with the contracted price:

Particulars	**March 31, 2021**	March 31, 2020
Revenue as per contracted price	2,421.58	3,904.62
Adjustments:		
- Significant financing component	1.89	4.80
Total	**2,423.47**	3,909.42

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

दिल्ली इन्टरनेशनल एयरपोर्ट लिमिटेड * Delhi International Airport Ltd. * New Delhi * नई दिल्ली

r) i) DIAL had entered into development agreements with five developers collectively referred as Bharti Reality SPV's ("Developers") on March 28, 2019 ("Effective date") granting the Developers the right during the term for developing 4.8 million square feet commercial space from the Effective Date, subject to the receipt of applicable permits and thereafter executed the sub lease of the asset area in Gateway and Downtown Districts. As per the terms of Development agreements, DIAL is entitled to receive interest free refundable security deposit ("RSD"), advance development cost ("ADC") and the annual lease rent ("ALR") in certain manner and at certain times as stated in the respective development agreements. On the Effective Date as specified in the Development agreements DIAL has received the initial first tranche payment towards RSD amount from the Developers.

At the initial planning phase of the project, DIAL was required to procure the Concept Master Plan ("CMP") approval from government authorities within 180 days from the Effective Date or with in a further additional time period of 90 days. Post the expiry of 270 days from the Effective Date, only the Developers can extend such period as per the development agreement. The Developers have provided such extension up to June 30, 2021.

Due to global impact of COVID-19, aviation industry has been adversely affected. Further, the approval of CMP from Government authorities, is finally been received from Delhi Urban Art Commission (DUAC) in March 2021. Considering the significant delay in getting the CMP approval, DIAL is not in a position to seek payment of ALR from the Developers for the financial year ended on March 31, 2021. As discussions are in process with Developers, pending final settlement of the issues with the Developers, the management of the Company has decided not to accrue ALR effective from April 01, 2020 till the final settlement with the Developers and considered the financial year 2021 as Lease Holiday period. Accordingly, the Company has accrued revenue of Rs. 463.84 crores (March 31, 2020: Rs. 479.28 crores) on straight line basis considering Financial Year 2021 as Lease Holiday period, in accordance with recognition and measurement principles under Ind AS 116 "Leases".

ii) DIAL had entered a settlement agreement with Bamboo Hotel ("Developer") on January 17, 2019 in reference to dispute which aroused due to non- approval of concept plan by AAI and consequent loss of revenue and time to the Developer. The settlement agreement was entered with the background that AAI approval on the concept master plan will be arranged shortly by the DIAL and there will be no further loss of revenue and time to the developer. As per Settlement agreement, the Developer shall pay the license fee for FY 2020-21 and FY 2021-22 in March 2022.

Further, Developer has informed via communication dated November 17, 2020 that since, the approval of AAI on revised concept plan was received on September 4, 2020 and COVID 19 pandemic has resulted into delay in commencement of development work and funding of the project etc., resulting loss of revenue and delay in project completion time by the developer. Developer has asked for waiver of applicable license fee for FY2020-21 and FY2021-22 due in March 2022. Considering the uncertainty in collection of license fees for FY 2020-21, DIAL management has assessed the possibility of developer agreeing to pay license fee for FY 2020-21 is remote and uncertain, hence the management has decided not to accrue the income for FY 2020-21, and considered financial year 2021 as Lease Holiday period. Accordingly, the Company has accrued revenue of Rs. 47.43 crores (March 31, 2020: Rs. 48.49 crores) on straight line basis considering FY 2020-21 as Lease Holiday period, in accordance with recognition and measurement principles under Ind AS 116 "Leases".

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

K.S. RAO & CO. * Chartered Accountants * BENGALURU

Delhi International Airport Ltd. * New Delhi * दिल्ली इंटरनेशनल एयरपोर्ट लिमिटेड नई दिल्ली

s) During the year 2018-19, company had started the construction activities for phase 3A airport expansion as per Master Plan. The company has incurred Rs. 4,160.88 crores excluding GST (including capital advances of Rs. 635.76 crores (excluding GST)) till March 31, 2021 [March 31, 2020: Rs. 2,813.45 crores (including capital advances of Rs. 839.16 crores)] towards construction of phase 3A works, which includes Interest during construction of Rs. 418.08 crores (net of interest income Rs: 198.83 crore) as on March 31, 2021 (March 31, 2020: Rs. 117.15 crores [net of interest income of Rs. 115.80 crore]).

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

Particulars	As on March 31, 2021	As on March 31, 2020
Employee benefit expenses	28.78	16.67
Manpower hire charges	18.08	8.84
Professional consultancy	15.58	8.62
Travelling and conveyance	3.01	2.53
Others	3.90	1.04
Total	69.35	37.70

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

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

Per Anamitra Das
Partner
Membership No. 062191
Place: Gurugram
Date: May 24, 2021

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

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

Per Hitesh Kumar P
Partner
Membership No. 233734
Place : Bengaluru
Date: May 24, 2021

K.S. RAO & CO. Chartered Accountants BENGALURU

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

G.B.S. Raju
Managing Director
DIN-00061686
Place : Dubai

K. Narayana Rao
Whole Time Director
DIN-00016262
Place: New Delhi

Videh Kumar Jaipuriar
Chief Executive Officer
Place: Gurugram

Hari Nagrani
Chief Financial Officer
Place: New Delhi

Sushil Kumar Dudeja
Company Secretary
Place: Gurugram
Date: May 24, 2021

Delhi International Airport Ltd. * New Delhi *