

**Walker Chandiok & Co LLP**  
Chartered Accountants  
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India

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

**Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results of Delhi International Airport Limited pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

**To the Board of Directors of Delhi International Airport Limited**

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Delhi International Airport Limited ('the Company') for the quarter ended 30 June 2023 being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 52 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to note 4 to the accompanying Statement in relation to ongoing litigation / arbitration proceedings between the Company and Airport Authority of India (AAI) in respect of Monthly Annual Fee (MAF) for the period 1 April 2020 to 31 March 2022 for which the Company has sought to be excused from making payment to AAI as triggered from a force majeure event, which could have a significant impact on the accompanying Statement, if the potential exposure were to materialize. The outcome of such litigation/ arbitration proceedings is currently uncertain and basis internal assessment and legal opinion, pending final outcome of the litigation, the management is of the view that no further adjustments are required to be made



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to the accompanying Statement for the aforesaid matter. Our conclusion is not modified in respect of this matter.

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

*Danish Ahmed*

**Danish Ahmed**  
Partner  
Membership No.: 522144  
UDIN: 23522144BGZHNQ1082



**Place:** New Delhi  
**Date:** 14 August 2023

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

*H.S. Gupta*

**Sudarshana Gupta M S**  
Partner  
Membership No: 223060  
UDIN: 23223060BGXITC4692



**Place:** New Delhi  
**Date:** 14 August 2023

**Delhi International Airport Limited**  
Corporate Identity Number : U63033DL2006PLC146936  
Phone: +91-11-47197000 Fax: +91-11-47197181  
Email : DIAL-CS@gmrgroup.in Website: www.newdelhiairport.in  
Registered Office: New Udaan Bhawan, Opposite Terminal-III, IGI Airport, New Delhi-110037  
Statement of Unaudited Standalone Financial Results for the quarter ended June 30, 2023  
(All amounts in Rs. crore unless otherwise stated)

S.No.	Particulars	Quarter ended			Year ended
		June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
		Unaudited	Unaudited	Unaudited	Audited
<b>I</b>	<b>Revenue from operations</b>				
	(a) Sale of services	959.44	932.82	744.98	3,414.88
	(b) Other operating revenue	207.36	152.68	141.60	575.09
	<b>Total revenue from operations (I=(a)+(b))</b>	<b>1,166.80</b>	<b>1,085.50</b>	<b>886.58</b>	<b>3,989.97</b>
<b>II</b>	Other income	31.88	67.61	83.00	264.30
<b>III</b>	<b>Total Income (I+II)</b>	<b>1,198.68</b>	<b>1,153.11</b>	<b>969.58</b>	<b>4,254.27</b>
<b>IV</b>	<b>Expenses</b>				
	(a) Annual fee to Airports Authority of India (AAI) [refer note 4]	529.74	509.11	401.49	1,857.67
	(b) Employee benefits expense	63.70	67.02	61.24	251.98
	(c) Depreciation and amortisation expense	154.99	167.47	144.00	655.79
	(d) Finance costs	208.78	209.06	192.39	810.32
	(e) Other expenses	227.43	268.60	208.46	896.52
	<b>Total expenses (IV=(a)+(b)+(c)+(d)+(e))</b>	<b>1,184.64</b>	<b>1,221.26</b>	<b>1,007.58</b>	<b>4,472.28</b>
<b>V</b>	<b>Profit/ (loss) before exceptional items (III-IV)</b>	<b>14.04</b>	<b>(68.15)</b>	<b>(38.00)</b>	<b>(218.01)</b>
<b>VI</b>	Exceptional items (Refer note 7 and 8)	-	12.58	-	59.30
<b>VII</b>	<b>Profit/ (loss) before tax (V-VI)</b>	<b>14.04</b>	<b>(80.73)</b>	<b>(38.00)</b>	<b>(277.31)</b>
<b>VIII</b>	<b>Tax expense:</b>				
	Current tax - earlier years	-	-	-	7.55
	<b>Total tax expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7.55</b>
<b>IX</b>	<b>Profit/ (loss) for the period / year (VII-VIII)</b>	<b>14.04</b>	<b>(80.73)</b>	<b>(38.00)</b>	<b>(284.86)</b>
<b>X</b>	<b>Other comprehensive (loss)/ income</b>				
<b>A</b>	<b>Items that will not be reclassified to profit or loss</b>				
	Re-measurement gain/ (loss) on defined benefit plans	0.84	(1.35)	0.59	(1.82)
	Income tax effect	-	-	-	-
<b>B</b>	<b>Items that will be reclassified to profit or loss</b>				
	Net movement of cash flow hedges	(135.58)	155.72	(202.47)	(309.91)
	Income tax effect	-	-	-	-
	<b>Total other comprehensive (loss)/ income (net of tax) (X=(A)+(B))</b>	<b>(134.74)</b>	<b>154.37</b>	<b>(201.88)</b>	<b>(311.73)</b>
<b>XI</b>	<b>Total Comprehensive (loss)/ income for the period/year (IX+X) [Comprising profit/ (loss) and other comprehensive (loss)/ income for the period / year]</b>	<b>(120.70)</b>	<b>73.64</b>	<b>(239.88)</b>	<b>(596.59)</b>
<b>XII</b>	Paid-up equity share capital (face value of Rs. 10/- per equity share)	2,450.00	2,450.00	2,450.00	2,450.00
<b>XIII</b>	Other equity	(795.18)	(674.48)	(317.77)	(674.48)
<b>XIV</b>	<b>Earnings per share (EPS) -face value of Rs. 10/- each (not annualised)</b>				
	Basic (amount in Rs)	0.06	(0.33)	(0.16)	(1.16)
	Diluted (amount in Rs)	0.06	(0.33)	(0.16)	(1.16)
<b>XV</b>	<b>Net worth ( refer note 9 below)</b>	<b>1,654.82</b>	<b>1,775.52</b>	<b>2,132.23</b>	<b>1,775.52</b>
<b>XVI</b>	<b>Ratios ( refer note 9 below)</b>				
	Debt equity ratio	8.34	7.11	5.76	7.11
	Debt service coverage ratio*	0.67	5.42	0.56	0.90
	Interest service coverage ratio*	0.67	5.51	0.58	0.92
	Current ratio	1.10	0.79	1.58	0.79
	Long term debt to working capital	52.81	(22.50)	11.08	(22.50)
	Bad debts to account receivable ratio*	-	0.00	-	0.15
	Current liability ratio	0.13	0.14	0.10	0.14
	Total debt to total assets ratio	0.64	0.61	0.62	0.61
	Debtors turnover*	3.64	3.51	1.98	11.74
	Operating margin (%)	19.10%	11.82%	17.41%	13.36%
	Net profit margin (%)	1.20%	(7.44)%	(4.29)%	(7.14)%
	Outstanding redeemable preference shares	NA	NA	NA	NA
	Capital redemption reserve/ debenture redemption reserve (if any)	NA	NA	NA	NA
	Inventory turnover	NA	NA	NA	NA

\*Ratios for the quarter ended periods have not been annualised



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**Delhi International Airport Limited**

**Notes to the statement of unaudited standalone financial results for the three months period ended June 30, 2023**

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1. The above financial results of Delhi International Airport Limited ('DIAL' or 'the Company') have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on August 14, 2023. The statutory auditors of the Company have carried out a limited review on these financial results.
2. The Company's business activities fall within a single business segment in terms of Ind AS 108 'Operating Segment'.
3. During the quarter, the Company has issued Listed Non-Convertible Debentures (NCDs) (unsecured as per Companies Act and LODR) of Rs. 1,200 crores carrying fixed interest rate of 9.75% p.a. payable quarterly for first 60 months and coupon reset rate for balance 24 months subject to floor of 1.50% and cap of 5.50% over the Repo rate at the reset date, as per the provisions of Debenture Trust Deed. NCDs were allotted on April 13, 2023 by the Company to eligible Qualified Institutional Buyers (QIB's) with principal maturity due on April 13, 2030.

Proceeds from these NCDs shall be utilized for part financing of Phase3A expansion project. NCDs are secured (unsecured as per Companies Act and LODR) by first rank pari-passu charge on all the future revenues, receivables, Trust and Retention account, any other reserve, other bank accounts and insurance proceeds of the Company and all the rights, titles, interests, permits in respect of the project documents as detailed in the lenders agreements, to the extent permissible under Operation Management Development Agreement (OMDA).

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

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

- The ICICI Bank is directed to transfer back, into the Proceeds Account, any amount which may have been transferred from the Proceeds Account to the AAI Fee Account, after December 9, 2020,



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**Notes to the statement of unaudited standalone financial results for the three months period ended June 30, 2023**

- Transfer of moneys from the Proceeds Account to the AAI Fee Account, pending further orders, shall stand stayed and the Company can use money in Proceeds Account to meet its operational expenses.

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

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

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

Basis the legal opinion obtained, the Company is entitled to not to pay the Monthly Annual fee under article 11.1.2 of OMDA to AAI being an obligation it is not in a position to perform or render on account of occurrence of Force Majeure Event, in terms of the provisions of Article 16.1 of OMDA till such time the Company achieves level of activity prevailing before occurrence of Force majeure. Further, the Company had also sought relief for refund of MAF of an amount of Rs. 465.77 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 had not provided the Monthly Annual Fee to AAI for the period April 1, 2020 to March 31, 2022 amounting to Rs. 1,758.28 crores.

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

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

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

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



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**Delhi International Airport Limited**

**Notes to the statement of unaudited standalone financial results for the three months period ended June 30, 2023**

in third control period order on January 29, 2021 with Telecom disputes settlement and appellate tribunal (“TDSAT”).

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

TDSAT at the request of AERA and concurred by DIAL has agreed and tagged CP2 appeal with CP3 appeal. The matter is sub judice at TDSAT. The arguments are concluded in matter and DIAL has made written submissions on May 23, 2023. The final order was pronounced on July 21, 2023. TDSAT in its order in its order has allowed certain claims of DIAL and disallowed certain others. The order of the TDSAT is subject to appeal, if any preferred, before the Supreme Court of India.

6. Exceptional items comprise of the write off of trade receivables and impairment of investment in joint venture, and reversal of lease receivables for previous year (refer note 7 and 8 below).
7. DIAL has billed National Aviation Security Fees Trust (“NASFT”) for lease rentals towards the land and space provided as barrack accommodation to CISF staff deployed at IGI Airport charging at the rates as per the principle defined in the State Support Agreement (“SSA”) entered along with OMDA.

However, NASFT has refused to pay DIAL for the rentals for land and space billed for financial years ended March 31, 2021 and March 31, 2022 and advised the Company not to raise any invoices towards rentals for financial year March 31, 2023 citing that rentals are charged at high rates and any expenses incurred by Airport operator for construction of such accommodation should be claimed as part of Regulatory Asset Base (RAB). DIAL has raised objection on the stand taken by NASFT, which it believes is arbitrary in nature and is not in line with SSA. However, NASFT has not accepted the submissions made by DIAL and has withheld the payment for land and space rentals for the financial years ended March 31, 2022 and March 31, 2023.

In view of the above, the Company had decided not to raise any invoices for the financial year ended March 31, 2023 and has written off the lease receivables pertaining to these areas recognized earlier until financial year ended March 31, 2022 and had disclosed the amount of Rs. 54.14 crores as an “Exceptional item” in during the previous year ended March 31, 2023.

8. In respect of its equity investment in GMR Bajoli Holi Hydropower Private Limited (‘Bajoli Holi’), the Company has to maintain minimum 17.33% of equity shareholding until the expiry of or early termination of power purchase agreement dated September 11, 2017 entered between the Company and the Bajoli Holi Hydropower Private Limited, expiring on May 03, 2036. The Company had invested Rs. 108.33 crore as equity share capital. Due to inordinate delay in commencement of operation in Bajoli Holi and basis the valuation report of the external valuer as at March 31, 2023, the Company had created a provision for impairment in its investment in Bajoli Holi for Rs. 38.53 crores as at June 30, 2023 (March 31, 2023: Rs. 38.53 crores).
9. **Notes to additional disclosures as per regulation 52(4) of Securities and Exchange Board of India (Listing Obligation and Disclosures Requirements) Regulation, 2015 as amended:**
  - a) Debt equity ratio represents total debt (long-term borrowings, short-term borrowings and lease liability) / total equity (equity share capital + other equity).
  - b) Debt service coverage ratio represents earnings available for debt servicing. (Net profit after taxes + Non-cash operating expenses like depreciation and amortizations + Finance costs + other adjustments like loss on sale of fixed assets) / Debt service (Interest payments+ option premium +lease payments + principal repayments). Part of the borrowing is repaid through refinancing, so that principal repayment pertaining to such



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**Notes to the statement of unaudited standalone financial results for the three months period ended June 30, 2023**

- refinanced borrowings are not considered. Interest payments also includes option premiums and other borrowing costs capitalised during construction phase.
- c) Interest service coverage ratio represents earnings available for interest servicing. (Net profit after taxes + Non-cash operating expenses like depreciation and amortizations + Finance costs + other adjustments like loss on sale of fixed assets) / Interest service (interest payment+ option premium payment). Interest payment also includes option premiums and other borrowing costs capitalised during construction phase.
- d) Current ratio represent current assets/ current liability.
- e) Long term debt to working capital represents long-term borrowings including lease liabilities/ (current assets less current liabilities) (including current maturities of long term borrowings).
- f) Bad debts to accounts receivable ratio represents allowance for bad and doubtful debts/ average trade receivables.
- g) Current liability ratio represents current liabilities (including current maturities of long-term borrowings) / total liabilities (excludes deferred tax liabilities on fair value of equity).
- h) Total debts to total assets represent total borrowings (long term borrowings, short term borrowings and current maturities of long-term borrowings)/total assets.
- i) Debtors turnover represents revenue from operations / average trade receivables (including unbilled receivables).
- j) Net profit margin represents profit after tax (excluding other comprehensive income)/ revenue from operations.
- k) Operating profit margin represents (profit before tax (excluding other comprehensive income) + finance cost)/ revenue from operations.
- l) Inventory turnover ratio is not applicable because the Company is in operation and maintenance of airports.
- m) Net worth represents paid-up equity share capital plus other equity.
- n) The Company does not have any outstanding redeemable preference shares and capital redemption reserve/debenture redemption reserve.

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

  
**K. Narayana Rao**  
**Whole Time Director**  
**DIN : 00016262**  
**Place : New Delhi**  
**Date : August 14, 2023**



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