

ANNUAL REPORT 2017-2018



Let's fly high together!

DELHI AVIATION FUEL FACILITY PRIVATE LIMITED

www.daffpl.in



'Project Utthan': Inauguration of DAFFPL Learning Centre at Palam village, New Delhi



'Women Empowerment': DAFFPL Tailoring Centre at Rangpuri Pahari, New Delhi



'Project Arogya': DAFFPL Mobile Medical Unit



'Project Utthan': Certificate Distribution Ceremony at Mahipal Pur, New Delhi



'Project Arogya': Eye Check Up camp in and around Airport



'Project Utthan': Inauguration of Centre For Excellence at Mahipal Pur, New Delhi

Table of Contents

Notice

Attendance Slip/Proxy Form

Message from Chairman

Brief Profile of Company

Our Business

Management Information

Achievements

Year at a glance

Key Trends

Board of Directors

Directors' Report

Auditors' Report

Annual Accounts



DELHI AVIATION FUEL FACILITY PRIVATE LIMITED

(Joint Venture of IOCL, BPCL & DIAL)

Regd. Office: Aviation Fueling Station, Shahbad Mohammad Pur, IGI Airport, New Delhi - 110 061, India

NOTICE

Notice is hereby given that the Ninth Annual General Meeting of the members of DELHI AVIATION FUEL FACILITY PRIVATE LIMITED ("the Company") will be held on Friday, 31st day of August 2018 at 12:30 PM (IST), at Registered Office of the Company at Aviation Fueling Station, Shahbad Mohammad Pur, New Delhi - 110061, India to transact the following business:

ORDINARY BUSINESS:

Item No. 1 – Adoption of Financial Statements

To receive, consider and adopt the audited financial statements for the financial year ended March 31, 2018 and the Reports of the Board of Directors and the Auditors thereon, including the Comments of the Office of the Comptroller & Auditor General of India (C&AG) on the accounts of the Company, if any, for the year ended March 31, 2018.

Item No. 2 – Declaration of Dividend

To confirm the payment of Interim Dividend of Rs. 1.5/- per Equity Share, already paid during the year, for the year ended March 31, 2018 and to declare Final Dividend on Equity Shares for the financial year ended March 31, 2018.

Item No. 3 – Fixation of Remuneration of Statutory Auditor

To fix the remuneration of the Statutory Auditor(s) of the Company already appointed by the Comptroller & Auditor General of India for auditing the accounts of the Company for the Financial Year 2018-19.

SPECIAL BUSINESS:

Item No. 4 - Appointment of Mr. Kamallesh Tripathi (DIN: 08088919) as a Nominee Director of the Company

To consider and if thought fit, to pass, with or without modifications, the following resolution as **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, Mr. Kamallesh Tripathi (DIN: 08088919), who was appointed as an Additional Director by the Board of Directors and who holds the office up to the date of this Annual General Meeting, be and is hereby appointed as a Nominee Director of the Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Item No. 5 - Appointment of Mr. Sanjiv Edward (DIN: 05350738) as a Nominee Director of the Company

To consider and if thought fit, to pass, with or without modifications, the following resolution as **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, Mr. Sanjiv Edward (DIN: 05350738), who was appointed as an Additional Director by the Board of Directors and who holds the office up to the date of this Annual General Meeting, be and is hereby appointed as a Nominee Director of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Item No. 6 - Ratification of the Remuneration of the Cost Auditors for the Financial Year ending March 31, 2018 and March 31, 2019

To consider and if thought fit, to pass, with or without modifications, the following resolution as **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration, as recommended by the Audit Committee and approved by the Board of Directors and set out in the statement annexed to the Notice convening this meeting, to be paid to the Cost Auditors appointed by the Board of Directors of the Company to fill casual vacancy, to conduct the audit of cost records of the Company for the financial year ending March 31, 2018, and also the payment of applicable tax and reimbursement of out of pocket expenses incurred in connection of the aforesaid audit, be and is hereby ratified.”

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration, as recommended by the Audit Committee and approved by the Board of Directors and set out in the statement annexed to the Notice convening this meeting, to be paid to the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of cost records of the Company for the financial year ending March 31, 2019, and also the payment of applicable tax and reimbursement of out of pocket expenses incurred in connection of the aforesaid audit, be and is hereby ratified.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

July 25, 2018

By Order of the Board of Directors
For **DELHI AVIATION FUEL FACILITY (P) LIMITED**

Registered Office:

Aviation Fueling Station,
Shahbad Mohammad Pur,
Indira Gandhi International Airport,
New Delhi - 110061
CIN: U74999DL2009PTC193079

Sd/-
S. Bhattacharya
Company Secretary
Membership No. ACS 26198

NOTES:

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (Act) with respect to the special business to be transacted at the 9th Annual General Meeting (AGM) is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 9TH ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/ HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY DULY FILLED, STAMPED & SIGNED NOT LATER THAN FORTY EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE MEETING, IF ANY, SUPPORTED BY APPROPRIATE RESOLUTIONS/ LETTER OF AUTHORITY AS APPLICABLE. A PROXY FORM IS ANNEXED TO THIS REPORT.**

PURSUANT TO SECTION 105 OF THE ACT, A PERSON CAN ACT AS A PROXY ON BEHALF OF NOT MORE THAN FIFTY (50) MEMBERS HOLDING IN AGGREGATE, NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY MAY APPOINT A SINGLE PERSON AS PROXY, WHO SHALL NOT ACT AS A PROXY FOR ANY OTHER MEMBER.

3. A proxy so appointed shall not have any right to speak at the meeting.
4. Members/Proxies should bring their Attendance Slip duly filled and signed for attending the meeting. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting, pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy of relevant Board Resolution together with the respective specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the meeting.
5. The Register of Directors and their shareholding, maintained under section 170 of the Companies Act, 2013 and the Register of Contracts or arrangements in which Directors are interested under Section 189 of Act, will be available for inspection by the members at the AGM.
6. The Register of Members and Share Transfer Books of the Company will remain closed from August 25, 2018 to August 31, 2018 (both days inclusive) for the purpose of ascertaining the eligibility of members for payment of dividend.
7. Subject to the provision of the Act, dividend as recommended by the Board of Directors, if approved at the AGM, will be paid within a period of 30 days from the date of declaration, to those members, whose names appears in the Register of Members as on the book closure date.
8. The Annual Report for the FY 2017-18 (Annual Report); Notice of 9th AGM along with the Attendance Slip and Proxy Form are being sent in electronic mode to Members at the e-mail IDs as registered with the Company unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company. Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.

Members may also note that the Notice of 9th AGM and the Annual Report, 2018 will be available on the Company's website, www.daffpl.in. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days up to and including the date of the Annual General Meeting and also at the Meeting.

EXPLANATORY STATEMENT IN PURSUANCE OF SECTION 102(1) OF THE COMPANIES ACT, 2013**Item No. 4 - Appointment of Mr. Kamalesh Tripathi (DIN: 08088919) as a Nominee Director of the Company**

Mr. Kamalesh Tripathi, Director of Delhi Aviation Fuel Facility Private Limited, who is working as Deputy General Manager (Corporate Affairs) with Indian Oil Corporation Limited, is a Chartered Accountant by profession, having more than 23 years of rich experience. Mr. Tripathi is also member of The Institute of Company Secretaries of India and The Institute of Cost and Management Accountants of India. He has rich experience in areas such as Treasury, Corporate Finance & Accounts, Pricing, Corporate Affairs and also as CFO and Company Secretary in Indian Oil Joint Venture Companies.

Details of Directorships in other companies	Nil
Membership/Chairmanship in the committees of other companies	Nil
No. of shares held in the Company	Nil
Relationship between Directors inter se	Nil

Mr. Tripathi who was nominated by Indian Oil Corporation Limited, was appointed as Additional Director of the Company with effect from March 17, 2018 by the Board of Directors and holds office up to the date of this Annual General Meeting.

The Company has received a notice from Indian Oil Corporation Limited nominating Mr. Kamalesh Tripathi as a candidate for the office of Directors.

None of the Directors or Key Managerial Personnel or their relatives, except Mr. Kamalesh Tripathi and his relatives to the extent of their shareholding interest, if any, in the Company, are concerned or interested (financially or otherwise) in this resolution. The Board recommends the Ordinary Resolution set out at Item no. 4 for approval of the members.

Item No. 5 - Appointment of Mr. Sanjiv Edward (DIN: 05350738) as a Nominee Director of the Company

Mr. Sanjiv Edward is currently serving as the Chief Commercial Officer of Delhi International Airport Limited (DIAL) w.e.f. January 2018, wherein he will be leading the Aeronautical and Aero-related business verticals of IGI Airport. In his new role, he is responsible for developing and driving the strategy for these verticals by achieving sustained growth of revenues through various streams, such as Cargo, Land & Space, Concessions and Aeronautical services. His profile also includes leading the Airlines marketing and Route development activities to enhance IGI Airports' Air connectivity network. Further, he will also be guiding the Revenue management function for Aeronautical activities.

Earlier to this role, Sanjiv was heading the Cargo business of DIAL, where he was responsible for driving the Cargo Strategy and Development of the Cargo Master plan making IGIA as the no 1 Cargo Airport in the country. He has been actively engaged with Government, Regulators and Industry for policy formulation at various levels.

Sanjiv was also the Chairman of The International Air Cargo Association (TIACA), Miami from May, 2015 to October, 2017. TIACA is a global body working towards efficiency in the air freight supply chain, working closely with WCO, ICAO, WTO, TSA, UNCTAD. He currently also serves on the Board of TIACA.

Prior to joining DIAL, Sanjiv has worked with British Airways World Cargo (BAWC) for over a decade and has rich Aviation experience with an in-depth understanding of cross cultural working and aviation related requirements of the different segments of the Industry.

He is an accomplished individual with domestic and international experience of over 20 years in Aviation Industry & has won several personal and corporate awards. Sanjiv is an alumnus of the Oxford Brookes University, UK.

Details of Directorships in other companies	03
Membership/Chairmanship in the committees of other companies	Nil
No. of shares held in the Company	Nil
Relationship between Directors inter se	Nil

Mr. Edward, who was nominated by Delhi International Airport Limited, was appointed as Additional Director of the Company with effect from April 23, 2018 by the Board of Directors and holds office up to the date of this Annual General Meeting.

The Company has received a notice from Delhi International Airport Limited nominating Mr. Sanjiv Edward as a candidate for the office of Directors.

None of the Directors or Key Managerial Personnel or their relatives, except Mr. Sanjiv Edward and his relatives to the extent of their shareholding interest, if any, in the Company, are concerned or interested (financially or otherwise) in this resolution. The Board recommends the Ordinary Resolution set out at Item no. 5 for approval of the members.

Item No. 6 – Ratification of remuneration of the Cost Auditor for the financial year ending March 31, 2018 and March 31, 2019

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, is required to be ratified by the members of the Company at the General Meeting.

The Board, on recommendation of the Audit Committee, appointed M/s. Balaji & Associates as the Cost Auditor of the Company for FY 2017-18 at a remuneration of Rs. 50,000/-. Later it was intimated that Mr. S.N. Balasubramanian, the active partner of the firm passed away and the firm was not reconstituted. Hence, the casual vacancy was required to be filled.

The Board, on the recommendation of the Audit Committee has appointed Mr. R. Krishnan, Cost Accountant (Membership No. 7799 Firm Registration Number 103578) to fill the casual vacancy at a remuneration of Rs. 50,000/- to conduct the audit of the cost records of the Company for the financial year ending March 31, 2018.

Further the Board, on the recommendation of the Audit Committee has appointed Mr. R. Krishnan, Cost Accountant (Membership No. 7799 Firm Registration Number 103578) at a remuneration of Rs. 50,000/- to conduct the audit of the cost records of the Company for the financial year ending March 31, 2019.

Accordingly, ratification by the members is being sought to the remuneration payable to the Cost Auditors for the financial year ending March 31, 2018 and March 31, 2019 by way of an Ordinary Resolution as set out in Item no. 6 of the Notice.

ANNUAL REPORT 2018

None of the Directors/ Key Managerial Personnel of the Company/ their relatives is, in any way concerned or interested financially or otherwise in the resolution set out at Item No.6 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval of the Members.

July 25, 2018

By Order of the Board of Directors
For **DELHI AVIATION FUEL FACILITY (P) LIMITED**

Registered Office:

Aviation Fueling Station,
Shahbad Mohammad Pur,
Indira Gandhi International Airport,
New Delhi - 110061
CIN: U74999DL2009PTC193079

Sd/-
S. Bhattacharya
Company Secretary
Membership No. ACS 26198

ATTENDANCE SLIP

DELHI AVIATION FUEL FACILITY (P) LIMITED

CIN: U74999DL2009PTC193079

9th Annual General Meeting on Friday, 31st day of August at 12:30 pm at the
Reg. Office: Aviation Fueling Station, Shahbad Mohammad Pur, IGI Airport, New Delhi – 110061

Share Folio No.:

No. of Shares held:

Name:

Father's Name:

Address:

I/We certify that I am a registered shareholder/proxy for the registered shareholders of the Company. I/ We hereby record my/ our presence at the Ninth Annual General Meeting of the Company on Friday, 31st day of August 2018 at 12:30 pm (IST) at Registered Office at Aviation Fueling Station, Shahbad Mohammad Pur, IGI Airport, New Delhi – 110061, India.

Signature of Shareholder/ Proxy holder

NOTES:

1. You are requested to sign and hand it over at the entrance of the meeting hall.
 2. A copy of the Annual Report of the Company will be provided to you/ your proxy for reference at the meeting.
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ANNUAL REPORT 2018

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014 – Form No. MGT - 11]

DELHI AVIATION FUEL FACILITY (P) LIMITED

CIN: U74999DL2009PTC193079

Reg. Office: Aviation Fueling Station, Shahbad Mohammad Pur, IGI Airport, New Delhi – 110061

Share Folio No.:		No. of Shares held:	
Name:		Father's Name:	
Registered Address:		Email ID:	

I/We, being the member(s) of shares of DELHI AVIATION FUEL FACILITY (P) LIMITED, hereby appoint:

1. Name:
Address:
E-mail Id:
Signature:, or failing him
2. Name:
Address:
E-mail Id:
Signature:, or failing him
3. Name:
Address:
E-mail Id:
Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 9th Annual General Meeting/ Extraordinary General Meeting of the company, to be held on Friday, 31st day of August 2018 at 12:30 pm (IST) at Registered Office at Aviation Fueling Station, Shahbad Mohammad Pur, IGI Airport, New Delhi – 110061, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Reso. No.	Description	For	Against
1	Adoption of Financial Statements	<input type="checkbox"/>	<input type="checkbox"/>
2	Declaration of Dividend	<input type="checkbox"/>	<input type="checkbox"/>
3	Fixation of Remuneration of Statutory Auditor	<input type="checkbox"/>	<input type="checkbox"/>
4	Appointment of Mr. Kamalesh Tripathi as a Nominee Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>
5	Appointment of Mr. Sanjiv Edward as a Nominee Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>
6	Ratification of the Remuneration of the Cost Auditors for the Financial Year ending March 31, 2018 & March 31, 2019	<input type="checkbox"/>	<input type="checkbox"/>

Affix
Revenue
Stamp
Re. 1/-

Signature of shareholder

Signature of proxy holder

Signed this Day of 2018

NOTE: The Proxy in order to be effective must be deposited at the Registered Office of the Company duly completed, stamped and signed, not less than 48 hours before the scheduled time of the Annual General Meeting.

Message from Chairman



Dear Esteemed Stakeholders,

Greetings!

It is my pleasure to write to you at the completion of fiscal 2017-18 amidst huge challenges faced by the civil aviation industry in India. In spite of all the odds, your company has demonstrated excellence in operations, sustainability and community development, during the fiscal.

Company navigated challenges and ended the fiscal 2017 - 2018 with the turnover of Rs. 139.95 Crores, as against Rs. 117.10 Crores in the last fiscal and highest ever profit after tax of Rs. 48.96 Crores demonstrating an increase of 28% in comparison with last year.

These are momentous times with many structural changes happening in legislation, economy and business environment. With the onset of GST, India will move towards a unified tax structure, greater compliance and more digitization. On the other hand, high operational costs, high cost of aviation turbine fuel, high foreign exchange rate, competition from foreign airlines, congestion at airports have resulted in mixed circumstances of the aviation industry in India.

India's domestic aviation market is the ninth largest in the world and the overall civil aviation market in India is all set to become the world's third largest by 2020. By 2020, passenger traffic at Indian airports is expected to increase to 421 million. The Civil Aviation industry has ushered in a new era of expansion, driven by factors such as low-cost carriers (LCCs), modern airports, Foreign Direct Investment (FDI) in domestic airlines, advanced information technology (IT) interventions and growing emphasis on regional connectivity.

Indira Gandhi International Airport has jumped six notches to break into the league of the top 20 busiest airports in the world for 2017 in terms of traffic volumes. The GMR-group-run New Delhi airport jumped from 22nd rank in 2016 to 16th rank, solidifying its status as one of the fastest growing airports in the world for passenger traffic, as per the Airports Council International (ACI).

Air traffic in India rose 15.80 per cent year-on-year to 280.24 million during April-February 2017-18. Witnessing a growth of 18.50 per cent over the previous year, total passenger traffic stood at a 264.97 million in FY17. India's passenger traffic grew 15.80 per cent y-o-y to 280.24 million during April-February 2017-18. As of March 2018, there are nearly 550 commercial aircraft in operation in India.

The aviation sector in India, currently growing at nearly 28 per cent, and expected to see an investment of close to Rs 1 lakh crore in the next five years for capacity augmentation and development of new greenfield airports, the Airport Authority of India alone would infuse Rs 20,178 crore in the next 4-5 years for development of infrastructure at 21 airports, a capex outlay of Rs 50,000 crore is expected to be infused for the development of new greenfield airports such as Navi Mumbai, Jewar and Mopa (Goa), as confirmed by Ministry of State for Civil Aviation.

During FY 2017-18, Indira Gandhi International Airport has recorded 65.59 million passenger traffic movement (13.8% growth as compared to FY 2016-17), 441,200 nos. of Aircraft movement (10.9% growth as compared to FY 2016-17) and 0.96 million metric tons of cargo movement (12.3% growth as compared to FY 2016-17) resulting into top ranked busiest airport in India.

Indian Aviation sector is facing several challenges arising out of capacity expansion by carriers. These include shortage of skilled manpower, safety concerns, declining income and the lack of infrastructure.

Moreover, stiff competition, high operational costs, high cost of aviation turbine fuel, high foreign exchange rate, congestion at airports are also negatively impacting the industry.

Your company continued to play a vital role in ensuring uninterrupted flow of Aviation Turbine Fuel at the Indira Gandhi International Airport, New Delhi with the support of Company's other two of parent companies, Indian Oil Corporation Limited and Bharat Petroleum Corporation Limited and other oil companies. The Company has embarked on a Modernization project with a goal to meet the highest environmental, safety and operational standards. Further the modernization of Terminal 1 along with laying of hydrant refueling system are under consideration.

Further, Airport Economic Regulatory Authority (AERA) has determined the Infrastructure Fueling Charges (IFC) for the second control period at Rs. 609 per KL as against Rs. 755 per KL of first control period, which may adversely affect the profitability of Company in coming years. The same is under consideration at the appellate tribunal TDSAT. However, every cloud has silver lining - TDSAT has issued interim stay order against tariff order of AERA.

As part of CSR initiative, your Company has undertaken various projects aligned with the Company's CSR policy which is being applauded by stakeholders and the society at large.

Project Shiksha which aims to ensure equality of education among the underprivileged students of Municipal Corporation of Delhi (MCD) run Schools around IGI Airport by meeting their basic needs. Company has provided water coolers and RO system to more than 30 nos. of schools till date benefitting more than 15000 students.

Project Utthan with a focus on empowering the unemployed youths and making them self-reliant is yet another project with salutary effect. Under the scheme, DAFFPL Learning & Skill Development Centre has been established at Mahipal Pur and Palam, New Delhi in collaboration with NIIT Foundation. Career based computer training and welding training are being imparted to youths at Shahbad Mohammad Pur and Computer Literacy Centre has been setup at Mehram Nagar, New Delhi where basic computer course (non-career) is being imparted in collaboration with GMR Varalakshmi Foundation (GMRVF), the CSR arm of GMR Group, the lead partner of DIAL. DAFFPL Tailoring Centre with GMRVF has been established at Rangpuri Pahari with the motive of empowering women. DAFFPL Centre of Excellence has been set up in collaboration with SEED Foundation imparting housekeeping and industrial fitting course. Over 1000 students have already been benefitted from this project in FY 2017-18. Amongst them, more than 760 students have already been placed at different companies, vocation etc.

Project Arogya. With a view to promote health, Company collaborated with Wockhardt Foundation and set up Mobile Medical Van touching 12 localities in and around airport and arranged eye camp for senior citizens, thereby benefitting more than 1200 people.

Project Divyang, is a project helping special needs children by providing cycles for commutation to school and providing hearing aids to needy students in collaboration with GMRVF.

At DAFFPL, we are committed to our mission of generating sustainable value for all our stakeholders, through greater efficiency and profitable growth. Our commitment to social responsibility is also reflected in the several welfare programs initiated by DAFFPL.

On behalf of the entire Board and the Management of DAFFPL, I would like to express my appreciation to all the employees, shareholders and other stakeholders for their continuing faith and confidence in the Company. We look forward to continuing this journey together in the current fiscal and beyond.

Let's fly high together!

Very sincerely,

Sanjay Sahay
Chairman

Brief Profile of the Company

DAFFPL, a Joint Venture Company of Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL) and Delhi International Airport Limited (DIAL) was awarded the right to design, develop, construct, manage, upgrade and operate the aviation fuel facility at the Indira Gandhi International (IGI) Airport in New Delhi, Terminal 2 & Terminal 3.

The Company was assigned this responsibility through the means of a Concession & Operating Agreement (“C&OA”) executed by and amongst IOCL, BPCL, IOSL and DIAL, whereby **DAFFPL** (“the Concessionaire”) was granted the right to design, develop, construct, manage, maintain, upgrade & operate the Aviation Fuelling Facility at the Fuel Farm situated at the IGI Airport on a Build, Own, Operate & Transfer (“BOOT”) basis.

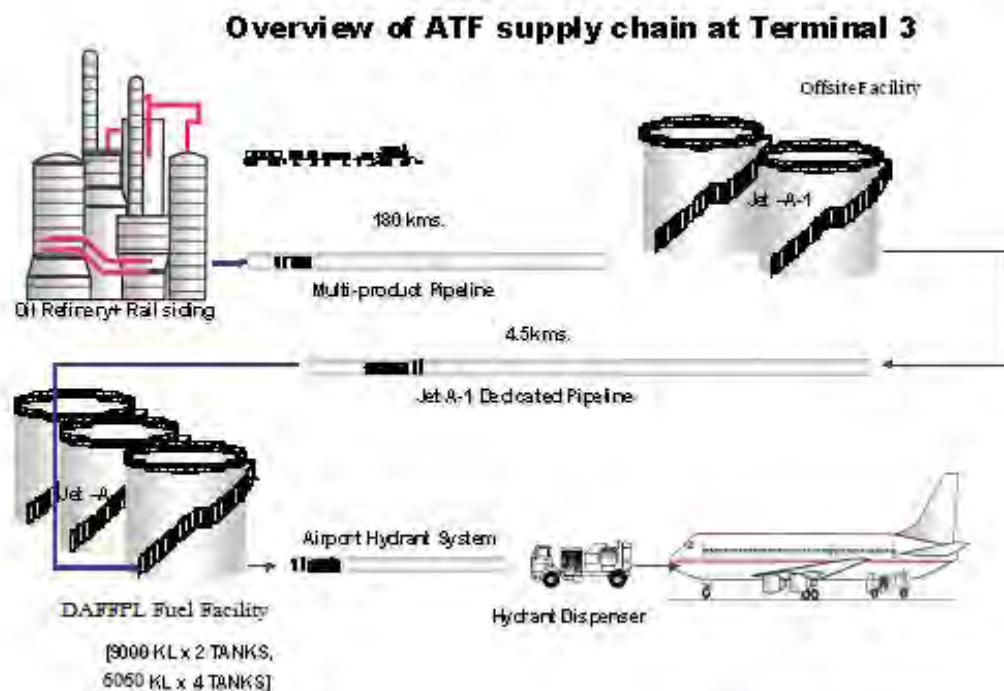
DAFFPL’s aim is ensuring an uninterrupted flow of aviation turbine fuel (ATF) on Open Access model to all type of aircrafts at the IGI Airport whether on local, domestic & international flights including transiting aircraft by providing services according to international benchmarks thus making it a key contributor in guaranteeing the smooth day-to-day operational activities inside IGI Airport.

DAFFPL undertakes the development of the Aviation Fuelling Facility at the IGI Airport to meet the development plans of the airport by DIAL. This includes the development, upgrading of modern and robust existing facilities at Terminal 2 & 3 and expansion and extension by utilizing all existing assets & facilities.

Our Business

SALIENT FEATURES OF DAFFPL's BUSINESS:

- ✓ **DAFFPL** started its commercial operations in the month of July, 2010 when Terminal 3 at IGI Airport was commissioned for the public.
- ✓ **DAFFPL** promotes open access model and increase competitiveness among fuel suppliers.
- ✓ **DAFFPL** owns the ATF Facility which includes the On-site facility at Aviation Fuelling Station, Shahbad Mohammad Pur, IGI Airport, New Delhi & the Aviation Fuel Hydrant System (AFHS) at T 3 and T 2 at IGI Airport.
- ✓ IndianOil Skytanking Private Limited (IOSL) was appointed as the Operator to operate, manage & maintain the Fuel Farm facility.
- ✓ IndianOil Skytanking Private Limited (IOSL) & Bharat Stars Services Private Limited (BSSPL) were appointed as Into Plane Agent responsible for providing refueling / defueling activities to Air Carriers.



DELHI AVIATION FUEL FACILITY (P) LIMITED

Management Information

Board of Directors

Mr. Sanjay Sahay, Chairman [w.e.f. 29.06.2018]	IOCL
Mr. P.S. Nair,	DIAL
Ms. Monica Widhani	BPCL
Mr. Kamalesh Tripathi [w.e.f. 17.03.2018]	IOCL
Mr. Sanjiv Edward [w.e.f. 23.04.2018]	DIAL
Mr. Sameet Yogesh Pai [w.e.f. 20.06.2018]	BPCL
Mr. Ganesh Sathyamurthy [w.e.f. 12.07.2018]	IOCL
Mr. Pradeep Panicker [Up to 21.04.2018]	DIAL
Mr. Sukhendu Majumdar [Up to 12.03.2018]	IOCL
Mr. G. Ananthakrishnan [03.10.2017 to 18.06.2018]	BPCL
Mr. Talib S. Khwaja [Up to 29.06.2018]	IOCL
Mr. S.K. Agrawal [Up to 18.06.2018]	BPCL
Mr. N.V.N. Ramsai [Up to 29.06.2018]	IOCL
Mr. K. Sivakumar [Up to 31.08.2017]	BPCL

Audit, Finance & Compensation Committee (As on 31.03.2018)

Mr. N.V.N. Ramsai	Chairman
Mr. S.K. Agrawal	Member
Mr. Pradeep Panicker	Member

Corporate Social Responsibility Committee (As on 31.03.2018)

Mr. Pradeep Panicker	Chairman
Ms. Monica Widhani	Member
Mr. Kamalesh Tripathi	Member

Management Team

Mr. Rakesh Kumar Arora	Chief Executive Officer
Mr. Manish Parikh	Chief Financial Officer
Mr. S. Bhattacharya	Company Secretary

Bankers

Indian Bank, Delhi
ICICI Bank, Delhi
HDFC Bank, Delhi

Registered Office

Aviation Fueling Station,
Shahbad Mohammad Pur,
IGI Airport, New Delhi –
110061, India

Statutory Auditor

M/s. Wahi & Gupta, Chartered
Accountants, Delhi

Internal Auditor

M/s. PKF Sridhar &
Santhanam LLP, Chartered
Accountants, Delhi

Tax Auditor

M/s. Wahi & Gupta,
Chartered Accountants,
Delhi

Cost Auditor

Mr. R. Krishnan, Cost
Accountant, Delhi

Achievements

Financial

- Highest ever PAT of Rs. 48.96 Cr. as per Ind AS since incorporation;
- Upgradation of rating to “AA-“ (stable) by ICRA;
- Total Dividend of Rs. 188.60 Cr. paid since incorporation which is 115% of paid up capital;
- Total revenue increased to Rs. 139.96 Cr. compared to Rs. 117.09 Cr. in the previous year.

CSR

- New skill development project with SEED Foundation;
- Women empowerment project with GMR Varalakshmi Foundation;
- New project on promotion of health, mobile clinic with Wockhardt Foundation;
- Touched the life of beneficiaries as follows:
 - Project Shiksha – More than 15000 students;
 - Project Utthan – More than 1000 students and their families. 760 students have already been placed.
 - Project Arogya – More than 1200 people

Technical & Project

- Modernisation project started after getting statutory approvals from Petroleum Explosives Safety Organisation (PESO) and Factory Inspector;
- 60% assignment related to modernisation completed;
- 100% of Engineering activities completed;
- 90% of Procurement activities completed;
- 50% of Construction activities completed.

Total numbers of flight refueled

1,45,713

Total volume handled

21,01,500 KL

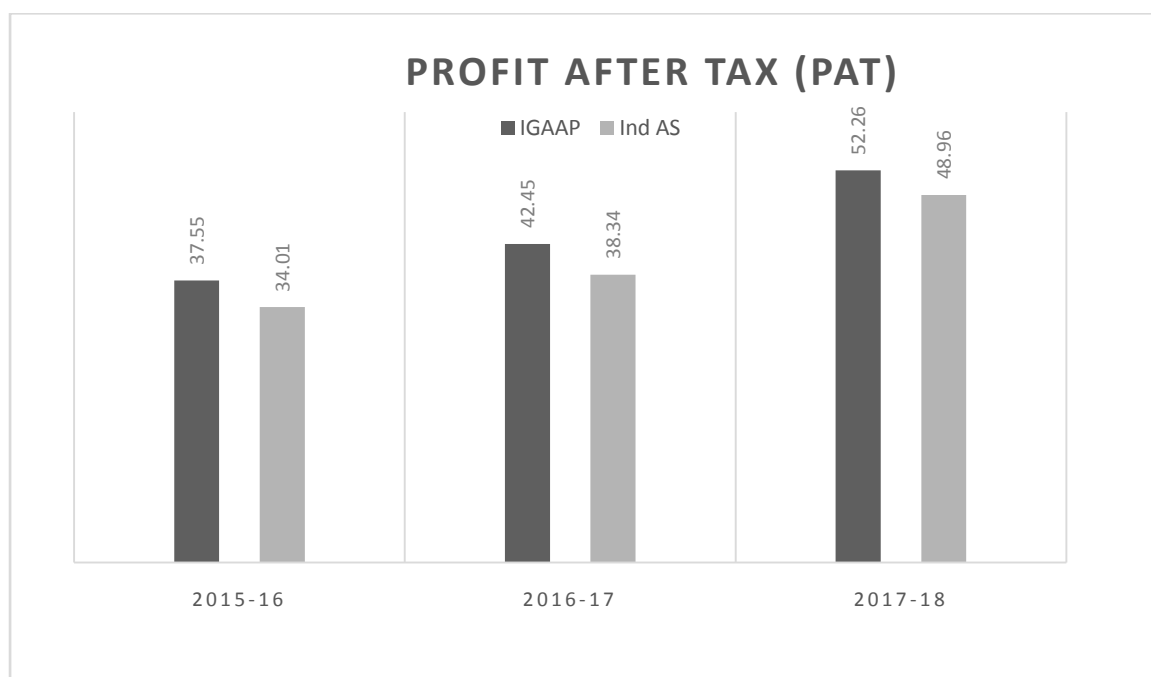
Year At A Glance

Financial Result as per Ind AS (Rs. In Crore)

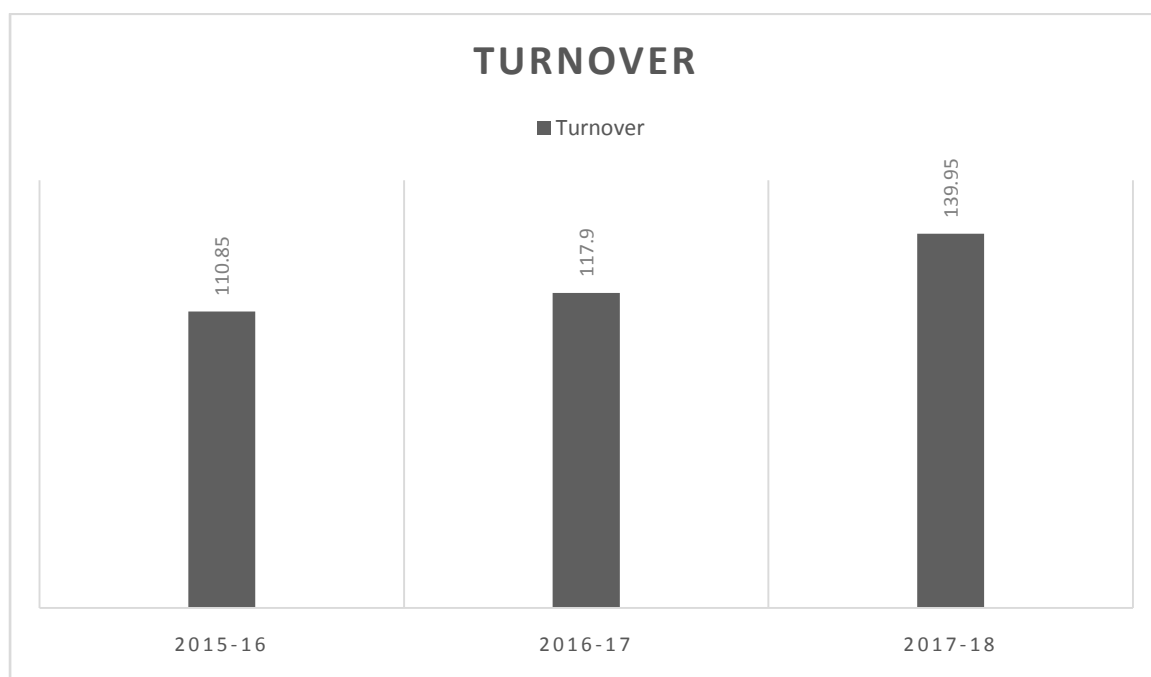
PARTICULARS	F.Y. Ended as on 31.03.2018	F.Y. Ended as on 31.03.2017
Revenue from Operation	139.95	117.10
Other income	3.69	3.75
Total Revenue	143.64	120.85
Less: Total Expenses	32.10	22.68
Earnings before Interest, Tax, Dividend and Amortization (EBITDA)	111.54	98.17
Less: Depreciation Expense	26.72	27.13
Less: Finance Cost	7.87	10.18
Profit Before Tax & Exceptional Item	76.95	60.86
Less: Provision for Income Tax & Deferred Tax	27.99	22.52
Profit after Tax	48.96	38.34
Add: Other Comprehensive Income (OCI)	0.03	--
Total Comprehensive Income	48.93	38.34
Basic EPS (Equity Shares of Rs. 10 each)	2.99	2.34
Dividend per Share	2.00	2.00

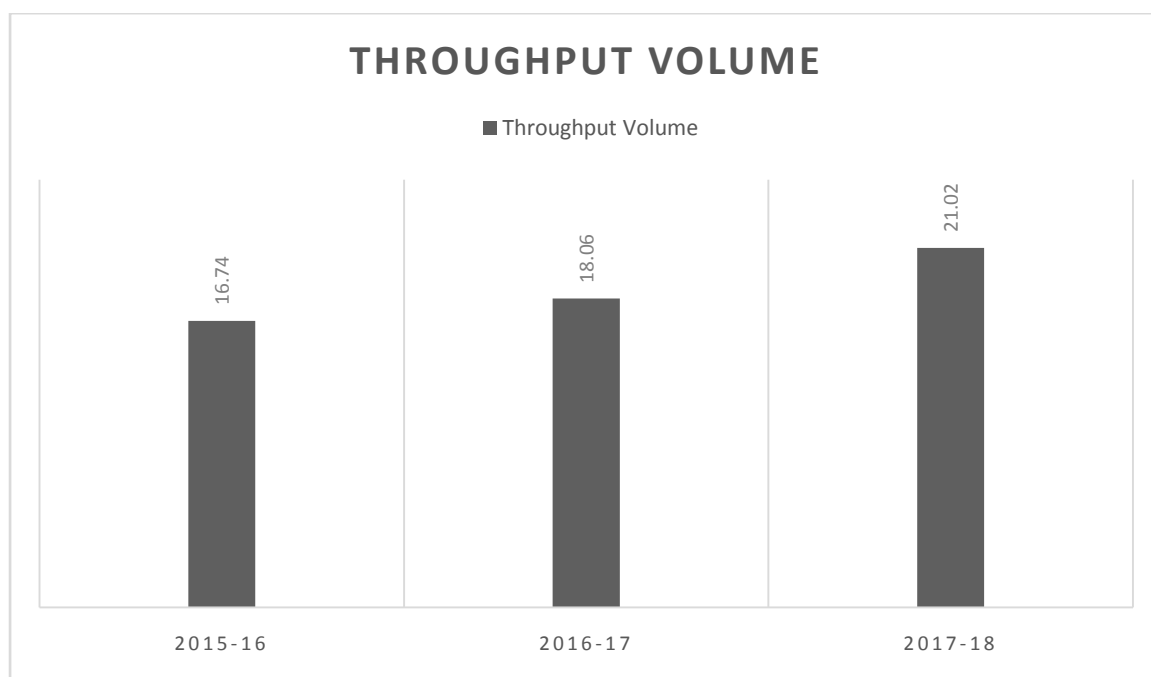
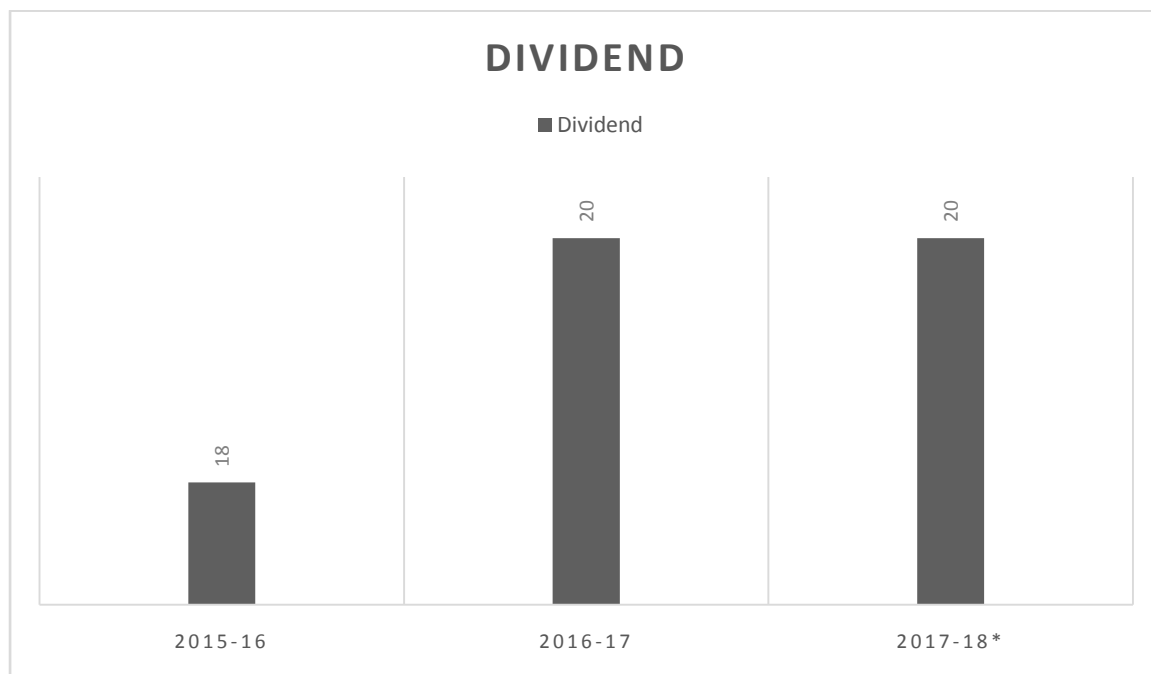
Key Trends

Profit after Tax (PAT) (Rs. in Crore)



Turnover (Rs. in Crore)



Throughput Volume (KL in Lakh)**Dividend Declared**

*Interim dividend 15% and Final Dividend 5% for FY 2017-18

Board of Directors



Mr. Sanjay Sahay, Chairman, DAFFPL

Chief General Manager (Aviation), Indian Oil Corporation Limited

Mr. Sanjay Sahay in the last 31 years of his career has handled various key positions at various levels in Indian Oil Corporation Limited. He joined Indian Oil in the year 1987 as Management Trainee, after completing B. Sc. (Engg.) in Metallurgy. He began his career in Indian Oil from Aviation Fuel Station at Guwahati and continued for almost 26 long years at various field locations like Patna, Hasimara, Bagdogra and Kolkata in addition to Guwahati. During his postings at these locations, he successfully led the team as Location In charge of Aviation Fuel station at Kolkata Airport besides Hasimara and Bagdogra.

Further he moved to Indian Oil Skytanking Private Limited (IOSPL), JV Company of Indian Oil, as General Manager on deputation and was instrumental in successful commissioning of Tank Farm and Fuel Hydrant Facility at Bangalore International Airport. This was the 1st JV operations for Aviation Fuel Handling under open access system in India.

Subsequently, with all these credentials he was moved to Delhi International Airport for commissioning and start-up of Fuel Hydrant Facility at T3, under IOSPL. The project was successfully completed and commissioned on time which ensured smooth start of T3 operation.

At present Mr. Sahay is Chief General Manager IOCL-HO, Accountable Manager of Indian Oil as per DGCA requirement and also Chairman of IOSPL. In IOCL he is looking after Operations, Quality Control, Supply Chain Management System and Defense business.



Mr. P.S. Nair, Ex. Chairman, DAFFPL

CEO – Corporate, Airport Sector, GMR Group

A Master of Arts in Political Science/Public Administration with a Post Graduate Diploma in Public Sector Management from Leeds University (UK), Mr. P.S. Nair, Ex- Chairman of Delhi Aviation Fuel Facility Private Limited, has over 39 years of diverse experience in the airport sector - both in the public and private domains.

He has held several senior positions such as Airport Director of Trivandrum, Mumbai and Delhi Airports, Executive Director - Cargo, Commercial and Key Infrastructure Development departments, overseeing the respective functions on a pan-India basis with the Airports Authority of India, which owns and operates over 120 Airports in India. His last position in the Airports Authority of India was as fulltime Board Member (No. 2 position) - an appointment by the 'Appointments Committee of the Cabinet' headed by the Hon. Prime Minister - where he was responsible for Personnel, Administration, Legal, Commercial and Land Management functions.

He has been an ex-Officio Director on the Board of Directors of Hotel Leela Venture, Radisson Hotel and a host of other JV Companies of GMR. Mr. Nair has also served in several High Level Task Forces, Committees, Working Groups and Advisory Committees formed by the Government of India on various

aspects of Civil Aviation. He played a pivotal role in the formation of Delhi Aviation Fuel Facility Private Limited and also served as its first Chairman from 2009 to 2012.

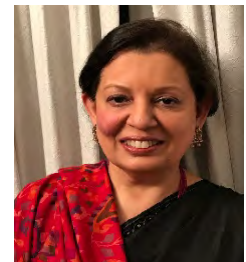
In GMR Group, he has held the position of Chief Executive Officer of GMR Hyderabad International Airport, India's first greenfield airport built under the Public-Private Partnership (PPP) initiative. He played an instrumental role in successful commissioning of the Hyderabad international airport ahead of schedule. He then moved on as CEO of Delhi International Airport (P) Ltd. where he was responsible for the operation, overall management, as well as the operational readiness, integration and successful commissioning of the state-of-the-art, Terminal 3.

He is currently on the roll of GMR Airports Ltd - the holding company that oversees the functioning of the four Airport Companies in the GMR's Airport portfolio viz, Delhi & Hyderabad as well as Goa (MOPA) International Airports in India and Cebu Airport in Philippines.

Mr. Nair is nominated member on the World Governing Board of 'Airport Council International (ACI) World', Montreal. He is also the Second Vice President elected from amongst the 18 Directors of the Hong Kong headquartered ACI-Asia Pacific Regional Board. Mr. Nair is also an elected Vice President of the Aeronautical Society of India (AeSI), a professional body, devoted to advancement of aeronautical sciences and engineering in India. He is a Director on the Governing body of the Aerospace & Aviation Sector Skill Council set up by the Govt of India. Mr. Nair is presently holding directorship on the Boards of several subsidiary companies/JVs of GMR Airports Ltd.

Ms. Monica Widhani, Director, DAFFPL

Executive Director (Aviation), Bharat Petroleum Corporation Limited



Ms. Monica Widhani, Director of Delhi Aviation Fuel Facility Private Limited, is a Chartered Accountant from the Institute of Chartered Accountants of India. She has been working with Bharat Petroleum since 1985, and has worked in various departments including Finance, Retail and the Chairman's Office. She is currently Executive Director, heading the Aviation Business Unit for Bharat Petroleum.

Mr. Kamalesh Tripathi, Director, DAFFPL

Dy. General Manager (Corporate Affairs), Indian Oil Corporation Limited



Mr. Kamalesh Tripathi, Director of Delhi Aviation Fuel Facility Private Limited, who is working as Deputy General Manager (Corporate Affairs) with Indian Oil Corporation Limited, is a Chartered Accountant by profession, having more than 23 years of rich experience. Mr. Tripathi is also member of The Institute of Company Secretaries of India and The Institute of Cost and Management Accountants of India. He has rich experience in areas such as Treasury, Corporate Finance & Accounts, Pricing, Corporate Affairs and also as CFO and Company Secretary in Indian Oil Joint Venture Companies.

Mr. Sanjiv Edward, Director, DAFFPL

CCO – Delhi International Airport Limited



Sanjiv Edward is currently serving as the Chief Commercial Officer of Delhi International Airport Limited (DIAL) w.e.f. January 2018, wherein he will be leading the Aeronautical and Aero-related business verticals of IGI Airport. In his new role, he will be responsible for developing and driving the strategy for these verticals by achieving sustained growth of revenues through various streams, such as Cargo, Land & Space, Concessions and Aeronautical services. His profile also includes leading the Airlines marketing and Route development activities to enhance IGI Airports' Air connectivity network. Further, he will also be guiding the Revenue management function for Aeronautical activities.

Earlier to this role, Sanjiv was heading the Cargo business of DIAL, where he was responsible for driving the Cargo Strategy and Development of the Cargo Master plan making IGIA as the no 1 Cargo Airport in the country. He has been actively engaged with Government, Regulators and Industry for policy formulation at various levels.

Sanjiv was also the Chairman of The International Air Cargo Association (TIACA), Miami from May, 2015 to October, 2017. TIACA is a global body working towards efficiency in the air freight supply chain, working closely with WCO, ICAO, WTO, TSA, UNCTAD. He currently also serves on the Board of TIACA.

Prior to joining DIAL, Sanjiv has worked with British Airways World Cargo (BAWC) for over a decade and has rich Aviation experience with an in-depth understanding of cross cultural working and aviation related requirements of the different segments of the Industry.

He is an accomplished individual with domestic and international experience of over 20 years in Aviation Industry & has won several personal and corporate awards.

Sanjiv is an alumnus of the Oxford Brookes University, UK. On his personal side, he is married and blessed with 02 daughters of 17 years and 13 years.

Mr. S. Ganesh, Director, DAFFPL

Chief General Manager (Finance), Indian Oil Corporation Limited



Mr. S. Ganesh, a Chartered Accountant, joined Indian Oil Corporation Ltd in 1988. He has more than 3 decades of experience and has worked in various assignments covering all 4 regions in Finance and Internal Audit. He has handled Management Accounting, working capital management, Capex, monitoring of customer outstanding, implementation of systems and procedures, internal audit and indirect taxation. At present, he is positioned as Chief General Manager (Finance), Head Office of Indian Oil Corporation Ltd.

Mr. Sameet Pai, Director, DAFFPL

Team Leader (Pricing & Commercial), Bharat Petroleum Corporation Limited



Mr. Sameet Pai is a graduate in Commerce from Narsee Monjee College of Commerce and Economics, University of Mumbai and a qualified Chartered Accountant. He joined BPCL in 2002 and was initially posted in the Management Accounting function where he handled roles like consolidation of accounts, audit, budgeting and MIS. Since then, he has had the opportunity of handling a wide range of challenging assignments across the finance function. As the Head of Treasury, he was responsible for long term fund raising, liquidity management, foreign currency and interest rate risk management, regulatory compliances and investor relations. Mr. Sameet Pai was also a member of the Hedging committee of BPCL for financial risk management. He was instrumental in setting up the US \$ 2 Billion Euro Medium Term Note (EMTN) Programme to facilitate the raising of funds on a regular basis from the international debt capital markets.

Mr. Sameet Pai has also worked in the Chairman's Office where he was actively involved in formulation of business plans, mergers and acquisitions, business valuations, joint venture negotiations, investment appraisals, etc. During his tenure in BPCL, he has been part of several cross functional teams and has been closely involved in bidding for Oil & Gas assets, City Gas Distribution projects, pipelines, etc.

During his stint in the Retail business unit of BPCL, Mr. Sameet Pai was instrumental in the development and launch of a co-branded credit card proposition for retail customers. He was also involved in major developments like implementation of daily pricing of petrol and diesel as well as GST roll out. At present, he is the Team Leader (Pricing and Commercial) of BPCL's Aviation business unit.

Directors' Report

Dear Shareholders,

On behalf of the Board of Directors (the "Board"), it is my privilege to present the achievements and highlights of your Company during the Financial Year ended March 31, 2018 and to present the 9th Annual Report on the business of the Company including Directors' Report and Audited Accounts for the financial year ended March 31, 2018 along with Auditors' Report and comments on the Accounts by the Comptroller & Auditor General (C&AG) of India.

FINANCIAL PERFORMANCE

The Financial Results of your Company for the financial year ended March 31, 2018 are as under:

PARTICULARS	F.Y. Ended as on 31 st March 2018 (in Rs. Crore)	F.Y. Ended as on 31 st March 2017 (in Rs. Crore)
Revenue from Operation	139.95	117.10
Other income	3.69	3.75
Total Revenue	143.64	120.85
Less: Total Expenses	32.10	22.68
Earnings before Interest, Tax, Dividend and Amortization (EBITDA)	111.54	98.17
Less: Depreciation Expense	26.72	27.13
Less: Finance Cost	7.87	10.18
Profit Before Tax & Exceptional Item	76.95	60.86
Less: Provision for Income Tax & Deferred Tax	27.99	22.52
Profit after Tax	48.96	38.34
Add: Other Comprehensive Income (OCI)	0.03	--
Total Comprehensive Income	48.93	38.34
Basic EPS (Equity Share of Rs. 10 each)	2.99	2.34
Dividend per share	2.00	2.00

The financial figures are extracted from the standalone financial statements as per Indian Accounting Standards (Ind AS).

STATE OF COMPANY'S AFFAIRS

On a standalone basis, Company achieved a Revenue of Rs. 139.95 Crores during the financial year 2017-18, as against the revenue of Rs. 117.10 Crores for the preceding financial year 2016-17. The revenue has increased by 19.51% in comparison to earlier year, mainly due to increase in volume. The Profit after Tax (PAT) has also increased by 28% to Rs. 48.96 Crores.

Your Company continued to play a vital role in ensuring uninterrupted flow of aviation turbine fuel at the Indira Gandhi International Airport, New Delhi. Company has undertaken Modernization project with a goal to meet the highest environmental standards and meeting the highest safety and operation standard.

DIVIDEND

The Board in its meeting dated 16th February, 2018, declared an interim dividend of Rs. 1.50/- per equity share of face value of Rs. 10/- each for the financial year ended March 31, 2018 (15% on the amount paid up on the equity capital of the Company) amounting to Rupees Twenty Four Crore Sixty Lakh only (excluding the dividend distribution tax).

Further the Board, in its meeting held on 1st May 2018, has recommended a final dividend of Rs. 0.50/- per equity share (5% on the amount paid up on the equity capital of the Company) amounting to Rupees Eight Crore Twenty Lakh only (excluding the dividend distribution tax) for the financial year ended March 31, 2018, subject to the approval of Shareholders at the ensuing Annual General Meeting. The dividend will be paid in compliance with applicable regulations.

AMOUNT WHICH THE COMPANY PROPOSES TO CARRY TO ANY RESERVES, IF ANY

The Company has not transferred any amount to any reserves in the Balance Sheet during the financial year 2017-18.

CREDIT RATING

The Company's financial discipline and prudence is reflected in the strong credit ratings ascribed by rating agency of the Company, ICRA Limited which has retained the rating to "AA-" (stable) (ICRA double A minus).

EXTRACT OF ANNUAL RETURN

In accordance with Section 134 (3) (a) and Section 92 (3) of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extracts of the Annual Return in prescribed Form MGT-9 as at March 31, 2018 is appended as **Annexure I** to the Board's Report.

BOARD OF DIRECTORS

The Board of Directors comprises of the following 8 Directors as on March 31, 2018:

S.NO.	NAME OF DIRECTOR	DESIGNATION	DATE OF APPOINTMENT OF DIRECTORS	REPRESENTING
1.	Mr. P.S. Nair	Chairman	11.08.2009	DIAL
2.	Mr. Pradeep Panicker	Director	14.09.2009	DIAL
3.	Mr. T. S. Khwaja	Director	28.05.2014	IOCL
4.	Mr. S.K. Agrawal	Director	25.06.2014	BPCL
5.	Mr. N.V.N. Ramsai	Director	29.01.2015	IOCL
6.	Ms. Monica Widhani	Director	07.12.2016	BPCL
7.	Mr. G. Ananthakrishnan	Director	03.10.2017	BPCL
8.	Mr. Kamallesh Tripathi	Director	17.03.2018	IOCL

The following changes have occurred in the Board during the Financial Year 2017-18 and till date:

- Mr. K. Sivakumar who was a Nominee Director of Bharat Petroleum Corporation Limited (BPCL) resigned from the Board of Directors with effect from 31st August, 2017 pursuant to the withdrawal of his nomination by the parent company.

- Mr. Sukhendu Majumdar who was a Nominee Director of Indian Oil Corporation Limited (IOCL) resigned from the Board of Directors with effect from 12th March, 2018 pursuant to the withdrawal of his nomination by the parent company.
- BPCL nominated Mr. G. Ananthakrishnan, CGM (Taxation) as the Director of the Company with effect from 3rd October, 2017 in place of Mr. K. Sivakumar. Again Mr. G. Ananthakrishnan resigned from the Board with effect from 18th June, 2018 pursuant to the withdrawal of his nomination by the parent company.
- DIAL nominated Mr. Sanjiv Edward, Chief Commercial Officer – DIAL as the Director of the Company with effect from 23rd April, 2018 in place of Mr. Pradeep Panicker pursuant to the withdrawal of his nomination by the parent company.
- Mr. S.K. Agrawal has resigned from the Board with effect from 18th June, 2018 pursuant to the withdrawal of his nomination by the parent company.
- Mr. M.A. Khan and Mr. Sameet Pai have been nominated by BPCL in place of Mr. G. Ananthakrishnan and Mr. S.K. Agrawal vide letter dated 20th June, 2018.
- IOCL has nominated Mr. Kamalesh Tripathi, DGM (Corporate Affairs) as the Director of the Company with effect from 17th March, 2018 in place of Mr. Sukhendu Majumdar.
- Mr. Sanjay Sahay and Mr. S. Ganesh have been nominated by IOCL in place of Mr. T.S. Khwaja and Mr. N.V.N. Ramsai vide letter dated 29th June, 2018.

Your Board of Directors places on record its appreciation for the contribution of Mr. K. Sivakumar, Mr. Sukhendu Majumdar, Mr. Pradeep Panicker, Mr. S.K. Agrawal, Mr. G. Ananthakrishnan, Mr. T.S. Khwaja and Mr. N.V.N. Ramsai during their tenure.

None of the Directors are disqualified under Section 164 of the Companies Act, 2013 as on March 31, 2018 and all the Directors have submitted their Declaration in Form DIR-8 pursuant to Section 164(2) of the Companies Act, 2013 and Disclosure of Interest in Form MBP-1 of the Companies Act, 2013 for the financial year 2018-19 disclosing the nature of interests, if any, in any other body corporate with which your Company has entered into any agreement in the financial year under review.

In accordance with the provisions of the Articles of Association of your Company, the Directors shall not be liable to retire by rotation.

COMMITTEES OF THE BOARD

As on March 31, 2018, the Board has two Committees in your Company, namely – Audit Committee and Corporate Social Responsibility Committee for best corporate governance practices and in compliance with the requirements of the relevant provisions of applicable laws and statutes. The work of the other two (02) Board Level Committees' namely - Compensation Committee & Finance Committee are being carried out by the Audit Committee.

The Composition of the Audit Committee as constituted in your Company as on March 31, 2018 is as follows:

S.NO.	NAME OF DIRECTOR	DESIGNATION	REPRESENTING
1.	Mr. N.V.N. Ramsai	Chairman	IOCL
2.	Mr. S.K. Agrawal	Member	BPCL
3.	Mr. Pradeep Panicker	Member	DIAL

ANNUAL REPORT 2018

The Composition of the Corporate Social Responsibility Committee as constituted in your Company as on March 31, 2018 is as follows:

S.NO.	NAME OF DIRECTOR	DESIGNATION	REPRESENTING
1.	Mr. Pradeep Panicker	Chairman	DIAL
2.	Ms. Monica Widhani	Member	BPCL
3.	Mr. Kamalesh Tripathi	Member	IOCL

Apart from the above, the day to day management of the Company is vested with Mr. Rakesh Arora, Chief Executive Officer and Mr. Manish Parikh, Chief Financial Officer, which is subjected to the overall superintendence and control of the Board.

KEY MANAGERIAL PERSONNEL

The Company has appointed Whole Time Company Secretary as per Section 203 of Companies Act, 2013 read with Rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

MEETINGS OF THE BOARD

Four meetings of the Board of Directors were held during the year under review.

Date of Meeting	Serial Number of Meeting	Directors present	Leave of Absence granted
Thursday, 4 th May, 2017	38 th	6	2
Wednesday, 9 th August, 2017	39 th	6	2
Thursday, 30 th November, 2017	40 th	6	2
Friday, 16 th February, 2018	41 st	8	-

DEPOSITS

During the year under review, your Company has not accepted any deposits from the public as defined under Section 73 of the Companies Act, 2013 and rules made there under.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the provision of Section 134 (5) of The Companies Act, 2013, the Board hereby certifies and confirms that:

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- (ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors had prepared the annual accounts on a going concern basis;

- (v) the Directors had laid down internal financial controls, which are adequate and are operating effectively for ensuring the accuracy and completeness of the accounting records;
- (vi) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS' REPORT

The Independent Auditors' Report for fiscal 2018 or Report on Other Legal and Regulatory Requirements under Companies (Auditor's Report) Order, 2016 or Annexures thereto, do not contain any qualification, reservation or adverse remarks which require any clarification / explanation. The Notes to the Financial Statements of your Company are self-explanatory. Notes on Accounts referred in the Auditors' Report are self – explanatory and therefore do not call for any further comments.

The review and comments on the Annual Accounts of your Company for the financial year 2017-18 by the Comptroller and Auditor General of India (C&AG) forms part of the Annual Report.

The Comptroller and Auditor General of India has conducted Supplementary Audit under Section 143(6)(a) of the Act of the financial statements of the Company for the year ended March 31, 2018. The C&AG has forwarded its two (2) comments on financial position of the Company and two (2) comments on Statutory Auditors' Report highlighting the significant matters under Section 143 (6)(b) of the Act to the members, and the response of your Directors with respect to it are as follows: -

- A.1. This point is related to IND AS treatment of interest free security deposit paid to DIAL. The Ind AS Transition Facilitation Group (ITFG) guidance came in April 2018 after finalization of accounts and prior to that there was no clarity on the same. The statutory auditors (the present as well as the past) agreed with the treatment. Now based on recommendation of CAG and the ITFG guidance the adjustment would be done in the financial year 2018-19 financials by reclassifying it from Intangible asset to prepaid expenses. There will not be any impact on profitability.
- A.2. As per para 51 of IND AS-16 "The residual value and the useful life of an asset shall be reviewed at least at each financial year end. This was done by the management during the year and has been mentioned in note (ii) under "Note no. 3 Property, Plant & Equipment". However, in view of the C&AG observations, the company is in the process of getting a review done through an independent agency during the current financial year.
- B. The points (B.1. and B.2.) refer to the statutory auditors' report. The Statutory Auditors have agreed to the audit observations and assured that it will be taken care in next year.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Particulars of loans, investments, guarantees and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statement (Please refer to Note 8 and 14 to the standalone financial statement).

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on a yearly basis for transactions which are of repetitive nature

and / or entered in the Ordinary Course of Business and are at Arm's Length. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material related party transactions. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC 2 has been given in Annexure II.

Your Directors draw attention of the members to Note 31 to the financial statement which sets out the details of related party transaction.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As per Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, your Directors are pleased to make the following declaration to its Shareholders:

1. Conservation of Energy:

We have been persistent in our efforts to ensure reuse, recycling and responsible disposal of waste to minimize the amount of waste going to landfill. Your Company continues to pursue the energy conservation efficiency by closely monitoring of the power consumption and maintenance to minimize the wastage, thereby facilitating optimum utilization of energy. Regular maintenance and repair of all equipment and machines are being carried out to ensure optimum efficiency.

2. Technology absorption:

Company endeavours to create superior value by harnessing internal research and development skills and competencies and by innovating in emerging technology domains related to Company's various projects. With a view to meet the environmental emission norms, your Company has adopted most modern technologies in line with the latest developments worldwide and proper maintenance of the equipment from time to time.

3. Foreign Exchange earnings and outgo:

The Company has incurred expenditure in foreign exchange to the extent of Rs. 33.26 Lacs during the year on account of purchase of capital assets. However, there were no foreign exchange earnings during the year under review in your Company.

INTERNAL CONTROL & RISK MANAGEMENT

Your Company has robust systems for internal audit and corporate risk assessment and mitigation. The Company has a Risk Management Committee consisting of Chief Executive Officer, Chief Financial Officer and Chief Executive Officer or Vice President of Indian Oil Skytanking Private Limited (IOSL), Operator. Risk Management Committee meets at least once in every quarter to ascertain the probability & impact of probable risk and the mitigation plan. Management places the report on finding of the Risk Management Committee to the Audit Committee in every quarter.

Further, every quarter, the Audit Committee of the Board is presented with key control issues and actions taken on the issues highlighted in previous report by the Internal Auditor.

Your Company has adequate internal financial controls with reference to the financial statements. During the year under review, such internal financial controls were reviewed and tested and no reportable material weakness in the design or operations were observed.

CORPORATE SOCIAL RESPONSIBILITY

The CSR activities of the Company are regulated by the Corporate Social Responsibility Policy (CSR Policy) formulated by the Corporate Social Responsibility Committee (CSR Committee) and approved by the Board. The CSR Policy may be accessed on the Company's website at www.daffpl.in.

Based on Schedule VII of the Companies Act, 2013, the Company has identified few focus areas of engagement which are as under:

- Promotion of education;
- Promoting sanitation and safe drinking water, promoting health care;
- Construction of toilets in Municipal Corporation of Delhi (MCD) run schools;
- Promoting employment enhancing vocational skills and livelihood enhancement project;
- Contribution to Prime Minister's National Relief Fund;
- Environmental sustainability.

As part of CSR initiative, your Company has undertaken various projects aligned with the Company's CSR policy which is being applauded by stakeholders and the society at large.

Project Shiksha which aims to ensure equality of education among the underprivileged students of Municipal Corporation of Delhi (MCD) run Schools around IGI Airport by meeting their basic needs. Company has provided water coolers and RO system to more than 30 nos. of schools till date benefitting more than 15000 students.

Project Utthan with a focus on empowering the unemployed youths and making them self-reliant is yet another project with salutary effect. Under the scheme, DAFFPL Learning & Skill Development Centre has been established at Mahipal Pur and Palam, New Delhi in collaboration with NIIT Foundation. Career based computer training and welding training are being imparted to youths at Shahbad Mohammad Pur and Computer Literacy Centre has been setup at Mehram Nagar, New Delhi where basic computer course (non-career) is being imparted in collaboration with GMR Varalakshmi Foundation (GMRVF), the CSR arm of GMR Group, the lead partner of DIAL. DAFFPL Tailoring Centre with GMRVF has been established at Rangpuri Pahari with the motive of empowering women. DAFFPL Centre of Excellence has been set up in collaboration with SEED Foundation imparting housekeeping and industrial fitting course. Over 1000 students have already been benefitted from this project in FY 2017-18. Amongst them, more than 760 students have already been placed at different companies, vocation etc.

Project Arogya. With a view to promote health, Company collaborated with Wockhardt Foundation and set up Mobile Medical Van touching 12 localities in and around airport and arranged eye camp for senior citizens, thereby benefitting more than 1200 people.

Project Divyang, is a project helping special needs children by providing cycles for commutation to school and providing hearing aids to needy students in collaboration with GMRVF.

100% of CSR budget for FY 2017-18 (Rs. 108.99 Lacs) has been spent during the fiscal wherein major CSR initiatives on skill development and promotion of health have been implemented successfully. Against the carry forward budget of Rs. 29.80 Lacs, Rs. 10.15 lacs has been spent on various other projects. The balance Rs. 19.65 Lacs has been committed as on date against various ongoing projects and projects under approving stage. Major CSR projects have a project duration of more than one year with milestone based payment spread in different fiscals. Among various projects, one project was setting up of Basti Vikas Kendra (BVK) at Rangpuri Pahari JJ Colony. Despite regular follow up, the allotment of BVK could not happen due to some policy change from Delhi Government and the project was dropped. Another proposed project of Scholarship Scheme under Project Shiksha could not be materialized. Instead new projects on Skill Development were introduced as per the industry requirement. Further, the profit may be decreased in coming years due to the Tarif order of Airport Economic Regulatory Authority (AERA),

thereby decreasing the CSR Fund in coming years. The same would be a threat for sustaining the ongoing flagship projects on skill development which claim the major CSR Fund allocation.

The Company is committed to focus on inclusive growth and improve lives by contributing towards communities around which it operates. The unspent amount of Rs. 19.65 Lakh has been clubbed with the CSR amount to be spent in FY 2018-19. The CSR activities are scalable which coupled with new initiatives that may be considered in future. Moving forward the Company will endeavor to spend on CSR activities in accordance with the prescribed limits.

The Report on CSR activities is annexed herewith marked as Annexure III.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

During the year under review, Company does not have any subsidiary, joint venture or associate company.

CHANGES IN NATURE OF BUSINESS OR ACTIVITIES OF YOUR COMPANY

During the financial year, your Company has not undergone any change in the nature of its business nor has there been any change in the classes of business in which your Company has an interest.

CHANGE IN AUTHORISED AND PAID-UP CAPITAL OF YOUR COMPANY

There is no change in the Authorized or Paid up capital of the Company during the financial year under review.

VIGIL MECHANISM

In accordance with Section 177 of the Companies Act, 2013 and Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, Company has established a Vigil Mechanism for its directors and employees to report their genuine concerns or grievances. The same has also been placed in the website of the Company www.daffpl.in.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made there under, your Company has constituted Internal Complaints Committees (ICC). During the year, no complaint with allegations of sexual harassment has been filed with the Company.

AUDITORS

(i) STATUTORY AUDITOR

The Statutory Auditor of your Company is appointed by the Comptroller & Auditor General of India (C&AG) under Section 139 of the Companies Act, 2013. M/s. Wahi & Gupta, Chartered Accountants, New Delhi was appointed as the Statutory Auditor of your Company for the financial year 2017-18 to hold office up to the conclusion of the ensuing Annual General Meeting.

The remuneration of the Statutory Auditor of your Company for the annual audit assignment was fixed at Rs. 2, 75,000/- (Rupees Two Lakh Seventy Five Thousand only) as consolidated Audit Fees by your Board and ratified by the members of the Company. The above fee is exclusive of

Service Tax and reimbursement of reasonable travelling and out-of-pocket expenses actually incurred.

The Statutory Auditor of your Company for the financial year 2018-19 and onwards will be appointed by the office of the Comptroller & Auditor General of India (C&AG). The remuneration of the Statutory Auditor for F.Y. 2018-19 shall be fixed by the Shareholders in the ensuing Annual General Meeting.

(ii) INTERNAL AUDITOR

As a part of good corporate governance, your company appointed M/s. PKF Sridhar & Santhanam LLP, Chartered Accounts as Internal Auditor for F.Y. 2018-19 which would result in better control and better monitoring, as well as testing the efficacy of the various internal processes, systems and maintaining internal checks and streamlining the activities of the Company towards the desired goal of profitability.

(iii) TAX AUDITOR

The Board of Directors in its meeting held on May 1, 2018, has appointed M/s. Wahi & Gupta, Chartered Accountants, New Delhi, the C&AG appointed Statutory Auditor of the Company as Tax Auditors under Section 44AB of the Income Tax Act, 1961 for the financial year 2017-18.

(iv) COST AUDITOR

The Board appointed M/s. Balaji & Associates, Cost Accountants, as cost auditors for conducting the audit of cost records of the Company for various segments for the financial year 2017-18. Board again appointed Mr. R. Krishnan as Cost Auditor of the Company in place of M/s. Balaji & Associates, Cost Accountants, to fill casual vacancy due to sudden demise of Mr. S.N. Balasubramanian, Cost Accountant, Partner of M/s. Balaji & Associates, Cost Accountants.

SAFETY, HEALTH AND ENVIRONMENT

We have been persistent in our efforts to ensure reuse, recycling and responsible disposal of waste to minimize the amount of waste going to landfill. Your Company is committed to conduct business with a strong environment conscience for sustainable development, safe workplaces and operations aimed at enriching the life of employees, consumers and the community at large. Company under its Corporate Social Responsibility initiatives has developed a green belt under environmental sustainability project. Company has developed another green belt along with its boundary wall of Fuel Farm. Company is also planning to invest in solar energy to achieve the internal electricity requirement.

PARTICULARS OF EMPLOYEES

Information in terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report.

In your Company, there is/are no employee(s) who was in receipt of remuneration in excess of the limits specified under Rules 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Section 197(12) of the Companies Act, 2013 nor there any employee who is a relative of any director or manager in your Company.

OTHER DISCLOSURE

- Airport Economic Regulatory Authority (AERA) vide its order dated 18th December 2017 has determined Fuel Infrastructure Charges (FIC) in respect of Fuel Farm service provided by DAFFPL at Rs. 609/KL (inclusive of Operator's fee) for the second control period up to 31.03.2021 effective from 1st January 2018. Company has filed an appeal before Telecom Disputes Settlement & Appellate Tribunal (TDSAT) against AERA's order for adopting the price cap mechanism and calculating the fueling infrastructure charges at Rs. 609 per KL instead of existing rate of Rs. 755 per KL. After hearing both the parties, the bench passed an ad-interim order stating;
 - a. DAFFPL is at liberty to charge Rs. 755 per KL in view of the categorical submission that none of the users having objected to the aforesaid rate.
 - b. DAFFPL can appropriate only Rs 609 per KL and the balance amount would be deposited in a suspense account with details of account which can show how much money has been paid by which user so that if a case arises for refund, the amount can be used for this purpose as per order of this Tribunal.
- There are no material changes and commitments affecting the financial position of the company which have occurred between 31st March, 2018 and the date of this report.
- Particulars of loans given and investments made along with the purpose for which the loan is proposed to be utilized by the recipient are provided in the Standalone Financial Statements.
- No fraud has been reported by the Statutory Auditors.
- Company is maintaining its cost records as required by the relevant provisions of the Companies Act, 2013.

FUTURE OUTLOOK OF THE BUSINESS OF YOUR COMPANY

The aviation world is focusing on Indian aviation, starting from manufacturers, businessmen, airlines, global businesses, tourism boards to individual travelers and shippers. The common goal among all stakeholders in the aviation sector of India is to grow & fly high together.

Your company continued to play a vital role in ensuring uninterrupted flow of Aviation Turbine Fuel at the Indira Gandhi International Airport, New Delhi. The Company has embarked on a Modernization project with a goal to meet the highest environmental, safety and operational standards. Further, a Techno Economic Feasibility study for extension of Hydrant Refueling System to Terminal 1 is also in progress.

ACKNOWLEDGEMENT

The Board of Directors are highly grateful for all the help, guidance, support & constructive suggestions received from the Comptroller and Auditor General of India (C&AG), Airport Economic Regulatory Authority (AERA), Petroleum & Explosives Safety Organization (PESO) and other Government agencies.

The Directors take this opportunity to thank all shareholders, banks, vendors, auditors for their continued support, co-operation and encouragement.

Your Directors place on record their sincere appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to grow and excel.

**For and on behalf of the Board of
Delhi Aviation Fuel Facility Private Limited
Sd/-
Sanjay Sahay
Chairman**

Date : July 25, 2018
Place : New Delhi

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:		
1	CIN	U74999DL2009PTC193079
2	Registration Date	11.08.2009
3	Name of the Company	Delhi Aviation Fuel Facility Private Limited
4	Category/Sub-category of the Company	Indian Non-Government Company
5	Address of the Registered office & contact details	Aviation Fuelling Station, Shahbad Mohammad Pur, IGI Airport, New Delhi - 110061
6	Whether listed company	Unlisted/Private Company limited by shares
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Fuelling infrastructure		100%
2			
3			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Not Applicable				
2	Not Applicable				
3	Not Applicable				

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Dem at	Physical	Total	% of Total Shares	Dem at	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF			-	0.00			-	0.00	0.00
b) Central Govt			-	0.00			-	0.00	0.00
c) State Govt(s)			-	0.00			-	0.00	0.00%
d) Bodies Corp.		1640,00,000	1640,00,000	100.00		1640,00,000	1640,00,000	100.00	0.00
e) Banks / FI			-	0.00			-	0.00	0.00
f) Any other			-	0.00			-	0.00	0.00
Sub Total (A) (1)	-	1640,00,000	1640,00,000	100.00	-	1640,00,000	1640,00,000	100.00	0.00
(2) Foreign									
a) NRI Individuals			-	0.00			-	0.00	0.00
b) Other Individuals			-	0.00			-	0.00	0.00
c) Bodies Corp.			-	0.00			-	0.00	0.00
d) Any other			-	0.00			-	0.00	0.00
Sub Total (A) (2)	-	-	-	0.00	-	-	-	0.00	0.00
TOTAL (A)	-	1640,00,000	1640,00,000	100.00	-	1640,00,000	1640,00,000	100.00	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds			-	0.00			-	0.00	0.00
b) Banks / FI			-	0.00			-	0.00	0.00
c) Central Govt			-	0.00			-	0.00	0.00
d) State Govt(s)			-	0.00			-	0.00	0.00
e) Venture Capital Funds			-	0.00%			-	0.00%	0.00%

ANNUAL REPORT 2018

f) Insurance Companies			-	0.00			-	0.00	0.00
g) FII's			-	0.00			-	0.00	0.00
h) Foreign Venture Capital Funds			-	0.00			-	0.00	0.00
i) Others (specify)			-	0.00			-	0.00	0.00
Sub-total (B)(1):-	-	-	-	0.00	-	-	-	0.00	0.00
2. Non-Institutions									
a) Bodies Corp.									
i) Indian			-	0.00			-	0.00	0.00
ii) Overseas			-	0.00			-	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh			-	0.00			-	0.00	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh			-	0.00			-	0.00	0.00
c) Others (specify)									
Non Resident Indians			-	0.00			-	0.00	0.00
Overseas Corporate Bodies			-	0.00			-	0.00	0.00
Foreign Nationals			-	0.00			-	0.00	0.00
Clearing Members			-	0.00			-	0.00	0.00
Trusts			-	0.00			-	0.00	0.00
Foreign Bodies - D R			-	0.00			-	0.00	0.00
Sub-total (B)(2):-	-	-	-	0.00	-	-	-	0.00	0.00
Total Public (B)	-	-	-	0.00	-	-	-	0.00	0.00
C. Shares held by Custodian for GDRs & ADRs			-	0.00				0.00	0.00
Grand Total (A+B+C)	-	1640,00,000	1640,00,000	100.00	-	1640,00,000	1640,00,000	100.00	0.00

(ii) Shareholding of Promoter

S N	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Indian Oil Corporation Limited	606,80,000	37.00%		606,80,000	37.00%		0.00%
2	Bharat Petroleum Corporation Limited	606,80,000	37.00%		606,80,000	37.00%		0.00%
3	Delhi International Airport Limited	426,40,000	26.00%		426,40,000	26.00%		0.00%
4			0.00%			0.00%		0.00%

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

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year			No change	0.00%	No change	0.00%
	Changes during the year			No change	0.00%	No change	0.00%
					0.00%		0.00%
					0.00%		0.00%
	At the end of the year			No change	0.00%	No change	0.00%

(iv) Shareholding Pattern of top ten Shareholders
(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name						
	At the beginning of the year			Not Applicable	0.00%	Not Applicable	0.00%
	Changes during the year			Not Applicable	0.00%	Not Applicable	0.00%
	At the end of the year			Not Applicable	0.00%	Not Applicable	0.00%
2	Name						
	At the beginning of the year			Not Applicable	0.00%	Not Applicable	0.00%
	Changes during the year			Not Applicable	0.00%	Not Applicable	0.00%
	At the end of the year			Not Applicable	0.00%	Not Applicable	0.00%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name						
	At the beginning of the year			Not Applicable	0.00%	Not Applicable	0.00%
	Changes during the year			Not Applicable	0.00%	Not Applicable	0.00%
	At the end of the year			Not Applicable	0.00%	Not Applicable	0.00%
2	Name						
	At the beginning of the year			Not Applicable	0.00%	Not Applicable	0.00%
	Changes during the year			Not Applicable	0.00%	Not Applicable	0.00%
	At the end of the year			Not Applicable	0.00%	Not Applicable	0.00%

V. INDEBTEDNESS

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

 (Amt.
Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	9170.36	1883.28	-	11,053.64
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	9170.36	1883.28	-	11,053.64
Change in Indebtedness during the financial year				
* Addition	594.52	18,578.23	-	19,172.75
* Reduction	2380.09	19714.60	-	22,094.69
Net Change	(1785.57)	(1136.37)	-	41,267.43
Indebtedness at the end of the financial year				
i) Principal Amount	7384.79	746.91	-	8131.70
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	7384.79	746.91	-	8131.70

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
	Name			(Rs/Lac)
	Designation			
1	Gross salary		Not Applicable	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			-
2	Stock Option		Not Applicable	-
3	Sweat Equity		Not Applicable	-
	Commission		Not Applicable	-
4	- as % of profit			-
	- others, specify			-
5	Others, please specify		Not Applicable	-

ANNUAL REPORT 2018

	Total (A)	-	-	-
	Ceiling as per the Act			

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount
					(Rs/Lac)
1	Independent Directors			Not Applicable	
	Fee for attending board committee meetings				-
	Commission				-
	Others, please specify				-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors			Not Applicable	-
	Fee for attending board committee meetings				-
	Commission				-
	Others, please specify				-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration				-
	Overall Ceiling as per the Act				

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
		Name			(Rs/Lac)
		Designation	CEO	CFO	CS
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				-
2	Stock Option				-
3	Sweat Equity				-
4	Commission				
	- as % of profit				-
	- others, specify				-
5	Others, please specify				-
	Total	-	-	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty		Not Applicable			
Punishment		Not Applicable			
Compounding		Not Applicable			
B. DIRECTORS					
Penalty		Not Applicable			
Punishment		Not Applicable			
Compounding		Not Applicable			
C. OTHER OFFICERS IN DEFAULT					
Penalty		Not Applicable			
Punishment		Not Applicable			
Compounding		Not Applicable			

FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms-length transaction under third proviso thereto.

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

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	N.A
	Nature of contracts/arrangements/transaction	N.A
3.	Duration of the contracts/arrangements/transaction	N.A
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A
5.	Justification for entering into such contracts or arrangements or transactions'	N.A
6.	Date of approval by the Board	N.A
7.	Amount paid as advances, if any	N.A
8.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	N.A

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
1	Name(s) of the related party & nature of relationship	Delhi International Airport Limited (Parent Company)
2	Nature of contracts/arrangements/transaction	1. Licenses fees
3	Duration of the contracts/arrangements/transaction	As per the Agreement
4	Salient terms of the contracts or arrangements or transaction including the value (annual payout), if any	1. Licenses fees – Expenses Rs. 1852.44 Lacs
5	Date of approval by the Board	01.05.2018
6	Amount paid as advances, if any	N.A.

SL. No.	Particulars	Details
1	Name(s) of the related party & nature of relationship	Indian Oil Corporation Limited (Parent Company)
2	Nature of contracts/arrangements/transaction	1. Rental Income 2. Staff Deputation cost
3	Duration of the contracts/arrangements/transaction	As per the Agreement
4	Salient terms of the contracts or arrangements or transaction including the value (annual payout), if any	1. Rental Income Rs. 1.32 Lacs 2. Staff deputation cost – Expenses Rs. 17.82 Lacs
5	Date of approval by the Board	01.05.2018
6	Amount paid as advances, if any	N.A.

SL. No.	Particulars	Details
1	Name(s) of the related party & nature of relationship	Bharat Petroleum Corporation Limited (Parent Company)
2	Nature of contracts/arrangements/transaction	1. Rental Income 2. Staff deputation cost
3	Duration of the contracts/arrangements/transaction	As per the Agreement
4	Salient terms of the contracts or arrangements or transaction including the value (annual payout), if any	1. Rental Income Rs. 7.65 Lacs 2. Staff deputation cost – Expenses Rs. 41.09 Lacs
5	Date of approval by the Board	01.05.2018
6	Amount paid as advances, if any	N.A.

SL. No.	Particulars	Details
1	Name(s) of the related party & nature of relationship	Indian Oil Skytanking Private Limited (Sister concern)
2	Nature of contracts/arrangements/transaction	1. Rental Income 2. Infrastructure Income 3. CWIP Consultancy
3	Duration of the contracts/arrangements/transaction	As per the Agreement
4	Salient terms of the contracts or arrangements or transaction including the value (annual payout), if any	1. Rental Income Rs. 7.75 Lacs 2. Infrastructure Income Rs. 13,995.61 Lacs 3. CWIP Consultancy Rs. 33.15 Lacs
5	Date of approval by the Board	01.05.2018
6	Amount paid as advances, if any	N.A.

ANNUAL REPORT 2018

SL. No.	Particulars	Details
1	Name(s) of the related party & nature of relationship	Bharat Star Services Private Limited (Sister concern)
2	Nature of contracts/arrangements/transaction	1. Rental Income
3	Duration of the contracts/arrangements/transaction	As per the Agreement
4	Salient terms of the contracts or arrangements or transaction including the value (annual payout), if any	1. Rental Income Rs. 6.32 Lacs
5	Date of approval by the Board	01.05.2018
6	Amount paid as advances, if any	N.A.

Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

- 1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

Delhi Aviation Fuel Facility Private Limited (DAFFPL) is committed to conduct its business in a socially responsible, ethical and environmentally friendly manner and to continuously work towards improving quality of life of the communities in its operational area. In the financial year 2017-18, Company has taken various projects, i.e. **Project Shiksha** which aims to ensure equality of education among the underprivileged students of Municipal Corporation of Delhi (MCD) run Schools around IGI Airport by meeting their basic needs. Company has provided Water Coolers along with RO Systems to more than 30 nos. of schools till date benefitting more than 15000 students. **Project Utthan** with a focus on empowering the unemployed youths and making them self-reliant is yet another project with salutary effect. Under the scheme, DAFFPL Learning & Skill Development Centre has been established at Mahipal Pur and Palam, New Delhi in collaboration with NIIT Foundation Career based computer training and welding training are being imparted to youths at Shahbad Mohammad Pur and Computer Literacy Centre has been setup at Mehram Nagar, New Delhi where basic computer course (non-career) is being imparted in collaboration with GMR Varalakshmi Foundation (GMRVF), the CSR arm of GMR Group, the lead partner of DIAL. DAFFPL Tailoring Centre with GMRVF has been established at Rangpuri Pahari with the motive of empowering women. DAFFPL Centre of Excellence has been set up in collaboration with SEED Foundation imparting housekeeping and industrial fitting course. Over 1000 students have already been benefitted from this project in FY 2017-18. Amongst them, more than 760 students have already been placed at different companies, vocation etc. with GMRVF. **Project Arogya**. With a view to promote health, Company collaborated with Wockhardt Foundation and set up Mobile Medical Van touching 12 localities in and around airport. Eye camps have been arranged for the villagers, senior citizens and students at Shahbad Mohammad Pur, Raj Nagar II & Don Bosco Ashayalam School benefitting more than 1200 people. Project Divyang is yet another scheme successfully executed for providing tricycles, wheel chairs and Hydro Collator Machine for differently abled People and providing hearing aids to needy students at Savda Ghevra in collaboration with GMRVF.

Weblink for CSR Policy: <http://www.daffpl.in/images/policy/CSR-Policy-DAFFPL.pdf>

- 2. The Composition of the CSR Committee**

Mr. Pradeep Panicker, Chairman
Ms. Monica Widhani, Member
Mr. Sukhendu Majumdar, Member

- 3. Average net profit of the company for last three financial years (as per Section 198)**

CSR Expenditure	For 2017-18
Profit Before Tax for 3 completed F.Y.	Rs. In Lacs
2014-15	4,051
2015-16	5,854
2016-17	6,443
Average Net Profits	5,449.33

- 4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)**

CSR Expenditure	For 2017-18
Average Net Profits (Rs. In lacs)	5449.33
CSR Amount	108.99

5. Details of CSR spent during the financial year
(a) Total amount to be spent for the financial year;

138.79 Lakhs (Including the carry forward of Rs. 29.80 Lakhs of F.Y. 2016-17)

(b) Amount unspent, if any;

19.65 Lakhs

(c) Manner in which the amount spent during the financial year is detailed below.
(Rs in lakhs)

Sr . no	CSR Projects identified	Sector	State and district of Project coverage	Project wise outlay	Amt spent		Cumulative Exp	Direct Or through agency
					Direct Exp	Overhe ads		
1	Project Shiksha	Promoting education among children, and making available safe drinking water	Local area Shahbad Mohammad Pur, Mahipal Pur, Samalka, Kapashera, New Delhi		14.23		14.23	Direct
2	Project Utthan	Promoting education and employment enhancing vocational skills and livelihood enhancement project	Local area Chawla, Bamnauli, Qutub Vihar, Deendar Pur, Palam Enclave, New Delhi		84.28		98.51	Through GMRVF, NIIT, SEED Foundation
3	Project Arogya & Divyang	Promoting preventive health care	Local area Shahbad Mohammad Pur, Raj Nagar II, Palam Village, New Delhi		17.31		115.82	Through Wockhardt & GMRVF Foundation
4	Administrative expenses					3.32	119.14	Direct
	Total						119.14	

GMR Varalakshmi Foundation is the CSR wing of GMR Group. Its objectives are to develop social infrastructure and enhance the quality of life of communities around the locations that has the group's presence. This non-profit (Section 8) company has its own professional staff selected from top academic and social work institutions, and is governed by Group Chairman, GMR Group.

NIIT Foundation, is a not-for-profit society with registration no. S-50787/2004 formed under The Societies Registration Act, 1860, having more than 3 years of experience in partnering with corporate in various initiatives across the country to impart training to the underprivileged youth for improving their employability on successful completion of the course.

SEED CSR is India's leading integrated CSR implementing agency with experience and expertise of over 10 years in implementing projects on behalf of corporates and PSU's.

Wockhardt Foundation is a national, not-for-profit organization engaged in social service and human welfare activities. Mobile 1000, its flagship programme, aims at operating 1000 Mobile Health Vans in rural India and administering free primary healthcare to 25 million Indians every year. As of date, there are 105 Mobile 1000 Vans operating in 18 states administering free primary healthcare to more than 2 million Indians in rural & remote parts of India.

6. Reasons for not spending two per cent of the average net profit of the last three financial years or any part thereof

100% of CSR budget for FY 2017-18 (Rs. 108.99 Lacs) has been spent during the fiscal wherein major CSR initiatives on skill development and promotion of health have been implemented successfully. Against the carry forward budget of Rs. 29.80 Lacs, Rs. 10.15 lacs has been spent on various other projects. The balance Rs. 19.65 Lacs has been committed as on date against various ongoing projects and projects under approving stage. Major CSR projects have a project duration of more than one year with milestone based payment spread in different fiscals. Among various other projects, one project was setting up of Basti Vikas Kendra (BVK) at Rangpuri Pahari JJ Colony. Despite regular follow up, the allotment of BVK could not happen due to some policy change from Delhi Government and the project was dropped. Another proposed project of Scholarship Scheme under Project Shiksha could not be materialized. Instead new projects on Skill Development were introduced as per the industry requirement. Further, the profit may be decreased in coming years due to the Tarif order of Airport Economic Regulatory Authority (AERA), thereby decreasing the CSR Fund in coming years. The same would be a threat for sustaining the ongoing flagship projects on skill development which claim the major CSR Fund allocation.

The Company is committed to focus on inclusive growth and improve lives by contributing towards communities around which it operates. The unspent amount of Rs. 19.65 Lakh has been clubbed with the CSR amount to be spent in FY 2018-19. The CSR activities are scalable which coupled with new initiatives that may be considered in future. Moving forward the Company will endeavor to spend on CSR activities in accordance with the prescribed limits.

7. A responsibility statement of the CSR Committee is reproduced below:

"The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the company."

Sd/-
Kamalesh Tripathi
Director
DIN: 08088919

Sd/-
Sanjiv Edward
Chairman, CSR Committee
DIN: 05350738



WAHI & GUPTA
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INDEPENDENT AUDITOR'S REPORT

To the Members of Delhi Aviation Fuel Facility Private limited

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying Ind AS Financial Statements of Delhi Aviation Fuel Facility Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the period then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), Profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act., read with [Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standards) Rules, 2015].

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.





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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit(including other comprehensive income), its cash flows and the changes in equity for the period ended on that date

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- 1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2) As required by Section 143(3) of the Act, we report, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;





WAHI & GUPTA
CHARTERED ACCOUNTANTS

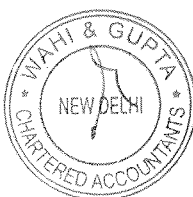
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- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued there under.
- e) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- The Company does not have any pending litigations on its financial position;
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - There were no amounts which were required to be transferred to the Investor Education and Provident Fund by the Company.

Place: New Delhi

Dated: 09/05/2018



For WAHI & GUPTA
Chartered Accountants
FRN: 002263N

(ANUJ GUPTA)
Partner
M.No.076560



WAHI & GUPTA

CHARTERED ACCOUNTANTS

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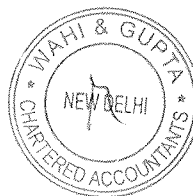
Annexure to Independent Auditors' Report

Annexure A referred to in clause 1 of paragraph of the report on other legal and regulatory requirements of our report of even date on the accounts of Delhi Aviation Fuel Facility Private Limited

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The management is carrying out physical verification of Fixed Assets once in 2 years. In our opinion the frequency of physical verification is reasonable having regard to the size of the company and nature of fixed assets. No material discrepancies were noticed on such verification.

(c) Company do not have any immovable property.
- ii. As per information and explanation given to us, the Company is not dealing or trading in inventories, therefore paragraph 3(ii) of the order is not applicable.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a) to (c) of the Order are not applicable to the Company.
- iv. As per the information and explanation given to us, company has not provided any loan, investment, guarantee or security as per the provisions of Section 185 and 186 of the Companies Act, 2013.
- v. The Company has not accepted any deposits from the public.
- vi. We have broadly reviewed the books of account and records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules 2014 prescribed by the Central Government under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate and complete





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- vii. (a) The Company is regular in depositing with appropriate authorities as applicable undisputed statutory dues including income-tax, service tax, cess and other material statutory dues applicable to it. Accordingly to the information and explanation given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us the company has received demand amounting to Rs.16.90 Lakhs (including penalty) from the Service Tax Authority stating the wrong availment of Cenvat Credit by the company for the period from F.Y. 2010-11 to 2014-15. The Company has submitted an appeal against the order in the Appellate Tribunal for which the Company has also deposited under protest the duty amount of Rs.0.63 lacs. The matter is sub-judicial with the Tribunal.
- viii. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any bank.
- ix. Based on information and explanations given to us, term loans were applied for the purpose for which the loans were obtained. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).
- x. As per the information and explanation to us and based on the Audit procedure performed, there is no fraud by the Company including fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. The provisions of Section 197 read with Schedule V of the Companies Act, 2013 are not applicable to the company.
- xii. The provisions of any special statute applicable to Nidhi Company are not applicable to the Company.
- xiii. As per the information and explanations given to us, the transactions with the related parties are in compliance with the Section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the IND AS Financial Statements as required by the applicable accounting standards.





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- xiv. As per the audit procedures performed, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. During the year the Company has not entered into any non-cash transactions with the directors or persons connected with him.
- xvi. The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **WAHI & GUPTA**,
Chartered Accountants
FRN:02263N

(ANUJ GUPTA)
Partner
M.No. 076560



Place: New Delhi

Date : 09/05/2018



“ANNEXURE B” -Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Delhi Aviation Fuel Facility Private Limited as of March 31, 2018 in conjunction with our audit of the IND AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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





WAHI & GUPTA
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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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

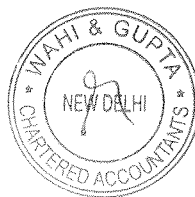
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: NEW DELHI

Dated: 09/05/2018



For WAHI & GUPTA,
Chartered Accountants,
FRN: 002263N

(ANUJ GUPTA)
Partner
M.No. 076560

DELHI AVIATION FUEL FACILITY PRIVATE LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation and presentation

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value as per accounting policy regarding financial instruments.

The financial statements are presented in INR and all values are rounded to the nearest Laacs (INR 00,000), except when otherwise indicated.

1.2 Fixed Assets

1.2.1 Property, Plant and Equipment

- (a) Property Plant & Equipment held for use in the supply of services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation.
- (b) Assets in the course of construction for supply or administrative purposes are carried at cost. Cost includes the purchase price and any attributable cost of bringing the asset to its working condition and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such assets are classified to the appropriate categories when completed and ready for intended use.
- (c) The acquisition of property plant & equipment, directly increasing the future economic benefits of any particular existing item of property plant & equipment, which are necessary for the company to obtain the future economic benefits from its other assets, are recognized as assets.
- (d) An item of property plant & equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of profit or loss.

1.2.2 Intangible Assets

Costs incurred on Software/License etc. purchased/developed resulting in future economic benefits, are capitalized as Intangible Asset.

Portion of deposits and other cost arising due to fair valuation and incurred pursuant to the terms of Concession & Operating Agreement (C&OA) are categorized as intangible assets.



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1.2.3 Depreciation & Amortization

- (a) Depreciation is recognised so as to write off the cost of property plant & equipment (other than assets under construction) over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.
- (b) Property Plant & Equipment is depreciated on straight-line method based on the estimated useful life which is in line with the useful life prescribed in Schedule II to the Companies Act, 2013 on full value of the assets; except building where depreciation is being charged over the period of 25 years considering the tenure of the C&OA.
- (c) Intangible assets such as software/licenses are amortized over a period of three years beginning from the day such software/license is capitalized.

Intangible portion of deposit/fees/other cost incurred pursuant to the terms of C&OA are amortized over the concession period on straight line basis, as the economic benefits from the underlying assets would be available to the company over such period as per the C&OA.

1.2.4 Impairment of Property Plant & Equipment and Intangible Assets

- (a) At the end of each reporting period, the Company reviews the carrying amounts of its Property, Plant & Equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).
- (b) If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit or loss. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised in the statement of profit or loss.

1.3 Leasing

All the leases are classified as operating lease except whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, those are termed as finance lease.

- (a) The Company as lessor

Rental income from operating leases is generally recognised as per the terms of lease agreement. As the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the period in which such benefits accrue.



- (b) The Company as lessee

Rental expense from operating leases termed as license fees is recognised as per the terms of C&OA. As the rentals are structured solely to increase in line with expected general inflation to compensate for the Lessor's expected inflationary cost increases, such increases are recognised as expense in the period in which they are incurred.

1.4 Borrowing costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred except in the cases where borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

1.5 Foreign currency transactions/translation

- (a) The Company's financial statements are presented in INR. Transactions in foreign currency are initially recorded at exchange rates prevailing on the date of transactions.
- (b) Monetary items denominated in foreign currencies (such as cash, receivables, payables etc) outstanding at the end of reporting period, are translated at exchange rates prevailing as at the end of reporting period.
- (c) Non-monetary items denominated in foreign currency, (such as investments, fixed assets etc.) are valued at the exchange rate prevailing on the date of the transaction, other than those measured at fair value.
- (d) Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit & Loss under the head foreign exchange fluctuation.

1.6 Provisions, Contingent liabilities, Contingent assets, & Commitments

- (a) Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.
- (b) The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.
- (c) When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.
- (d) 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 not 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
- (e) Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.
- (f) Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date

1.7 Revenue recognition

(a) Rendering of Services

Revenue is measured at the fair value of the consideration received or receivable. It is recognised to the extent there is a probability 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 with reference to the quantity, operating expense of the operator and the effective infrastructure charges as on date. However, Tax as collected on behalf of the government is excluded from revenue.

(b) Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal and at the effective interest rate applicable.

(c) Rental income

The Company's policy for recognition of revenue from operating leases is described in note 1.3 (a) above.

(d) Scrap sale

Revenue from sale of scrap is recognised on actual realisation basis.

1.8 Taxes on Income

Income tax expense represents the sum of the Current tax and deferred tax.

1.8.1 Current tax

The current tax payable is based on taxable profit for the year as per the provisions of the Income Tax Act, 1961.



Handwritten initials and signatures: "SB", "M", and "H".

1.8.2 Deferred tax

- (a) Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.
- (b) The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.
- (c) Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on applicable tax rates.
- (d) The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

1.8.3 Current and deferred tax for the year

Current and deferred tax are recognised in the Statement profit or loss, except when they relate to items that are recognised in Other Comprehensive Income (OCI) or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

1.9 Employee benefits

- (a) For defined benefit plans including gratuity and leave encashment, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, is reflected in the balance sheet with a charge or credit recognised in OCI in the period in which they occur. Re-measurement recognised in OCI is reflected in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.
- (b) **Short-term and other long-term employee benefits**

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.



83

1.10 Current versus non-current classification

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

1.11 Assets held for sale

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

1.12 Financial instruments

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

1.12.1 Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets in the company are classified in the following categories:

- (i) Financial Assets at amortised cost
- (ii) Financial assets at fair value through profit or loss (FVTPL)

Financial Assets at amortised cost

A financial assets 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,
- 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 Amortization is included in finance income in the profit or loss.



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The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Financial assets at FVTPL:

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

1.12.2 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost i.e., lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

1.12.3 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

1.12.4 Financial liabilities and equity instruments

(a) Classification as debt or equity

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

(c) Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the EIR method. Interest expense that is not capitalised as part of costs of an asset is included in the Finance costs.

(d) Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods.



M 83

18

1.13 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.

1.14 Corporate Social Responsibility ('CSR') expenditure

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

2. Accounting Estimates

2.1 Estimates and assumptions

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed. Accounting estimates could change from period to period. 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 period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.2 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 including the Discounted Cash Flow (DCF) model. 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.

2.3 Useful lives of depreciable assets

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life. The useful lives of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.



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Delhi Aviation Fuel Facility Private Limited
Balance Sheet as at March 31, 2018

Rs. lacs

Particulars			Note No.	As at March 31, 2018	As at March 31, 2017
A		ASSETS			
1		Non-current assets			
		(a) Property, Plant and Equipment	3	15,816.36	17,412.73
		(b) Capital work-in-progress	3	561.60	554.06
		(c) Other Intangible assets	4	11,043.35	11,681.60
		(d) Financial Assets			
		Security Deposit	5	3,524.04	3,218.30
		Other financial assets	6	400.00	-
		Total Non - Current Assets		31,345.35	32,866.71
2		Current assets			
		(a) Financial Assets			
		(i) Investments	8	-	-
		(ii) Trade receivables	9	354.25	397.59
		(iii) Cash and cash equivalents	10	2.62	39.44
		(iv) Other financial assets	6	5.77	0.80
		(b) Current Tax Assets (Net)	11	-	101.87
		(c) Other current assets	7	18.57	44.97
		Total Current Assets		381.20	584.68
		Total Assets		31,726.55	33,451.39
B		EQUITY AND LIABILITIES			
1		Equity			
		(a) Equity Share capital	12	16,400.00	16,400.00
		(b) Other Equity	13	4,098.68	3,153.02
		Total equity		20,498.68	19,553.02
		LIABILITIES			
2		Non-current liabilities			
		(a) Financial Liabilities			
		(i) Borrowings	14	5,593.94	7,382.14
		(b) Provisions	15	383.48	13.43
		(c) Deferred tax liabilities (Net)	16	2,075.40	2,595.23
		Total Non - Current Liabilities		8,052.82	9,990.80
3		Current liabilities			
		(a) Financial Liabilities			
		(i) Short term Borrowings	14	746.91	1,883.28
		(ii) Other financial liabilities	17	2,019.64	2,008.84
		(b) Other current liabilities	18	227.41	9.14
		(d) Current Tax Liabilities (Net)	11	172.19	-
		(c) Provisions	15	8.89	6.30
		Total Current Liabilities		3,175.04	3,907.56
		Total Equity and Liabilities		31,726.55	33,451.39
		Significant accounting policies and Accounting Estimates	1-2		
		Other Notes to accounts	26-37		

For and on behalf of the Board of Directors

Director

Director

Company
Secretary

Chief Financial
Officer

As per our report of even date attached
For Wahi & Gupta
Chartered Accountants
FRN: 02263N

Anuj Gupta
Partner
Membership No. 76560

Place: New Delhi

Date: 09/05/18



Delhi Aviation Fuel Facility Private Limited
Statement of Profit and Loss for the year ended March 31, 2018

Rs. lacs

Particulars	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
Continuing Operations			
I Revenue from operations	19	13,995.61	11,709.37
II Other Income	20	368.79	375.17
IV Total Revenue (I + II + III)		14,364.40	12,084.53
V EXPENSES			
(a) License Fees		1,852.44	1,723.14
(b) Employee benefit expense	21	117.66	113.57
(c) Finance costs	22	787.07	1,017.55
(d) Depreciation and amortisation expense	3 & 4	2,671.71	2,713.46
(e) Other expenses	23	350.02	421.49
(f) Provisions	24	889.72	9.53
Total Expenses		6,668.62	5,998.74
VI Profit before tax (IV - V)		7,695.78	6,085.79
VII Tax Expense			
(1) Current tax		3,325.29	2,448.93
(2) Income tax of earlier years		(7.40)	-
(3) Deferred tax		(518.33)	(197.35)
Total tax expense		2,799.56	2,251.58
VIII Profit after tax from continuing operations (VI - VII)		4,896.22	3,834.21
IX Other comprehensive income (OCI)	25	(2.83)	(0.49)
X Total comprehensive income for the period (VIII + IX)		4,893.39	3,833.72
XI Total comprehensive income for the period attributable to:			
Shareholders of the Company		4,893.39	3,833.72
Non controlling interests		-	-
XII Earnings per equity share (for continuing operation):			
Basic earning per share		2.99	2.34
Diluted earning per share		2.99	2.34
Significant accounting policies and assumptions	1-2		
Other Notes to accounts	26-37		

For and on behalf of the Board of Directors

Director

Director

Company
Secretary

Chief Financial
Officer

As per our report of even date attached

For Wahi & Gupta
Chartered Accountants

FRN: 02263N

Anuj Gupta

Partner

Membership No. 76560

Place: New Delhi

Date: 09/05/18

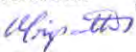


Delhi Aviation Fuel Facility Private Limited				
Cash Flow Statement for the year ended 31st March, 2018				
Particulars	For the year ended 31st March, 2018		For the year ended 31st March, 2017	
	(Rs. in Lacs)		(Rs. in Lacs)	
A. Cash flows from operating activities				
Profit before tax and extraordinary items		7,695.78		6,085.79
Adjustments for:				
Depreciation and amortization expense	2,671.71		2,713.46	
Interest income	(2.46)		(3.08)	
Income from debt fund	(26.02)		(52.01)	
Notional Interest on Security Deposit	(305.74)		(278.86)	
Interest expense	782.54		1,017.55	
Acutrial gain/loss on Gratuity and leave encashment	(4.33)		(0.75)	
Profit on sale of fixed assets	(0.27)		-	
Loss on fixed asset	96.91	3,212.34	241.56	3,637.88
		10,908.12		9,723.67
(Increase)/ decrease in trade receivables	(461.00)		(34.00)	
(Increase)/ decrease in short term loans and advances	26.44		(15.43)	
(Increase)/ decrease in long term loans and advances	(400.00)		(1,063.56)	
(Increase)/decrease in other non-current assets	-		30.00	
(Increase)/decrease in other current assets	(5.15)		1,635.10	
Increase/ (decrease) in long term provisions	874.39		3.85	
Increase/ (decrease) in short term provisions	2.60		5.68	
Increase/ (decrease) in other current liabilities	226.44	263.71	145.20	706.85
		11,171.84		10,430.52
Add: Income Tax Refund received		49.74		14.23
Less: Income taxes paid		3,093.57		2,553.53
Net cash from operating activities		8,128.01		7,891.22
Adjustment for extraordinary items		-		-
Net cash from operating activities after extraordinary items		8,128.01		7,891.22
B. Cash flows from investing activities				
Purchase of fixed assets	(546.01)		(497.13)	
Interest received	2.64		8.78	
Sale/Disposal of fixed assets	4.72		-	
Income received from debt fund	26.02		75.80	
Net cash from investing activities		(512.63)		(412.55)
C. Cash flows from financing activities				
Proceeds from long term borrowings	590.20		367.97	
Repayment of long term borrowings	(2,375.77)		(2,156.48)	
Interest paid	(782.54)		(1,017.55)	
Dividend paid	(3,280.00)		(5,412.00)	
Tax on dividend paid	(667.73)		(1,101.75)	
Net cash from financing activities		(6,515.84)		(9,319.82)
Net increase/(decrease) in cash and cash equivalents		1,099.55		(1,841.15)
Cash and cash equivalents at the beginning of year		(1,843.84)		(2.69)
Cash and cash equivalents at the end of year		<u>(744.29)</u>		<u>(1,843.84)</u>
Cash & Cash equivalents:				
Bank balances		(744.29)		(1,843.84)
Cash and cash equivalents as reported		<u>(744.29)</u>		<u>(1,843.84)</u>

Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities

Particulars	Balance as at 31.03.2017	Cash Flows	Non Cash Changes		Balance as at 31.03.2018
			Fair value changes	Others	
Proceeds from long term borrowings	9,170.35	(1,785.57)	-	-	7,384.78

For and on behalf of the Board of Directors


Director


Director


Company Secretary


Chief Financial Officer

As per our report of even date attached

For **Wahi & Gupta**
Chartered Accountants
FRN: 02269N

Anuj Gupta
Partner
Membership No. 76560

Place: New Delhi
Date: 09/05/18



Delhi Aviation Fuel Facility Pvt. Ltd.
Statement of changes in equity for the year ended March 31, 2018

a. Equity share capital

Particulars	Rs. lacs
Amount	
Balance at 1st April, 2017	16,400
Changes in equity share capital during the year	-
Balance at March 31, 2018	16,400

b. Other Equity

Particulars	Reserves and Surplus				Rs. lacs
	General reserve		Retained earnings		
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	
Balance at the beginning of the period	850.83	850.83	2,302.20	4,982.23	
Add: Total comprehensive income	-	-	4,893.39	3,833.72	
Less: Dividends paid (Including dividend distribution tax thereon)	-	-	(3,947.73)	(6,513.75)	
Balance at the end of the period	850.83	850.83	3,247.85	2,302.20	

For and on behalf of the Board of Directors

[Signature]

Director

[Signature]

Director

[Signature]

Company
Secretary

Chief Financial Officer



As per our report of even date attached

For Wahi & Gupta
Chartered Accountants
FRN: 02263N

[Signature]

Anuj Gupta
Partner
Membership No. 76560



Place: New Delhi
Date: 09/05/18

Delhi Aviation Fuel Facility Private Limited
Notes to the financial statements for the year ended March 31, 2018

3. Property, plant and equipment

Description of Assets	Buildings	Plant and Equipment	Computers and Data Processing Unit	Furniture and Fixtures	Vehicles	Total
Gross Block						
Balance as at 1st April, 2017	662.75	27,471.77	906.36	12.29	20.26	29,073.43
Additions	490.47	45.17	0.64	2.20	-	538.47
Disposals	(99.57)	(53.78)	(2.37)	-	-	(155.72)
Balance as at 31 March, 2018	1,053.65	27,463.16	904.63	14.48	20.26	29,456.19
Accumulated depreciation and impairment						
Balance as at 1st April, 2017	(177.97)	(10,567.01)	(904.58)	(5.02)	(6.11)	(11,660.69)
Depreciation / amortisation expense for the year	(35.03)	(1,993.05)	(1.38)	(1.35)	(2.63)	(2,033.45)
Eliminated on disposal of assets	29.24	22.71	2.37	-	-	54.32
Balance as at 31 March, 2017	(183.77)	(12,537.34)	(903.59)	(6.38)	(8.75)	(13,639.82)
Carrying Amounts						
Balance as at 31 March, 2017	484.78	16,904.76	1.78	7.26	14.15	17,412.73
Balance as at 31 March, 2018	869.88	14,925.82	1.04	8.10	11.51	15,816.36

Capital Works in Progress

Particulars	As at March 31, 2018	As at March 31, 2017
Construction works-in-progress - Civil	36.84	118.50
Plant & Machinery and other equipments	524.76	435.57
Total	561.60	554.06

Note:

(i) Buildings having the carrying amount of Rs. 869.88 lacs (31st March, 2018 : Rs. 484.78 lacs) is situated at the leasehold land taken from DIAL.

(ii) Company has charged depreciation as per life given in Schedule II of the Companies Act, 2013. During the year 2010-11, company acquired various assets from BPCL on which depreciation was already been charged either fully or partially by BPCL. The company is charging depreciation on these assets at acquisition cost as per useful life given in Schedule II of the Companies Act, 2013 starting from the date of commencement of operations by DAFFPL based on the view taken by the management considering future economic life/benefit from the assets.



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Delhi Aviation Fuel Facility Private Limited
Notes to the financial statements for the year ended March 31, 2018

4. Other Intangible Assests

			Rs. lacs
Description of Assets	Computer Software	Intangible portion of Security Deposit	Total
Gross Block			
Balance as at 1st April, 2017	3.98	14,882.19	14,886.16
Additions during the period	-	-	-
Disposals	-	-	-
Balance as at 31 March, 2018	3.98	14,882.19	14,886.16
Accumulated depreciation and impairment			
Balance as at 1st April, 2017	(3.98)	(3,200.58)	(3,204.56)
Amortisation expense	-	(638.26)	(638.26)
Disposal or classified as held for sale			
Balance as at 31 March, 2018	(3.98)	(3,838.84)	(3,842.82)
Carrying Amount			
Balance as at 31 March, 2017	0.00	11,681.60	11,681.60
Balance as at 31 March, 2018	0.00	11,043.35	11,043.35

Security deposit has been valued at fair value at initial recognition and will be measured at amortised cost considering Effective Interest Rate (EIR) method. With respect to the impact of fair valuation at the time of Initial Recognition, the company has treated the same as intangible asset and has amortised the same on the straight-line basis for remaining period of concession & operating agreement.



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5. Security Deposit

		Rs. lacs	
Particulars	As at March 31, 2018	As at March 31, 2017	
Non -Current			
Security Deposits*			
- To related party	3,524.03	3,218.29	
- To others	-	-	
Telephone Security	0.01	0.01	
TOTAL	3,524.04	3,218.30	
Current			
Security Deposits	-	-	
TOTAL	-	-	

*Security deposit has been valued at fair value at initial recognition and is measured at amortised cost considering Effective interest rate (EIR) method @9.5% p.a. Accordingly, interest income accrued during the year which will have incremental impact on the interest income and security deposits.

6. Other financial assets

		Rs. lacs	
Particulars	As at March 31, 2018	As at March 31, 2017	
Non -Current			
Fixed deposits with bank*	400.00	-	
TOTAL	400.00	-	
Current			
Interest accrued on fixed deposits	0.46	0.64	
Other receivables	5.31	0.16	
TOTAL	5.77	0.80	

*See note 37

7. Other assets

		Rs. lacs	
Particulars	As at March 31, 2018	As at March 31, 2017	
Non Current			
Pre-payments	-	-	
TOTAL	-	-	
Current			
Balances with government authorities			
(i) CENVAT credit receivable	-	19.42	
(ii) Service Tax/GST credit receivable	1.22	11.28	
(iii) Advance with service tax authority	0.63	-	
Others			
(i) Prepaid Expenses	10.16	11.57	
(ii) Advances to vendors	6.52	2.70	
(iii) Asset held for sale	0.03	-	
TOTAL	18.57	44.97	



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Delhi Aviation Fuel Facility Private Limited
Notes to the financial statements for the year ended March 31, 2018

8. Investment

Current

Rs. lacs

Particulars	As at March 31, 2018		As at March 31, 2017	
	QTY	Amounts	QTY	Amounts
Others				
I. Quoted Investments (all fully paid)				
Investments in Mutual Funds	-	-	-	-
Total Aggregate Quoted Investments	-	-	-	-
Total Current Investments (I+II)	-	-	-	-
Aggregate book value of quoted investments		-		-
Aggregate market value of quoted investments		-		-
Aggregate carrying value of quoted investments		-		-
Aggregate amount of impairment in value of investments		-		-

Category-wise other investments

Rs. lacs

Particulars	As at March 31, 2018	As at March 31, 2017
Financial assets carried at fair value through profit or loss (FVTPL)		
Measured at FVTPL (Quoted mutual funds)		-
Total		-



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Delhi Aviation Fuel Facility Pvt Ltd

Notes to the financial statements for the year ended March 31, 2018

9. Trade receivables

Particulars	Rs. lacs	
	As at March 31, 2018	As at March 31, 2017
Current		
Trade receivables		
(a) Secured, considered good	-	-
(b) Unsecured, considered good	354.25	397.59
(c) Doubtful	504.34	-
Less: Provision for doubtful debts*	(504.34)	-
TOTAL	354.25	397.59

-The trade receivables balance as at March 31, 2018 of 858.59 lacs (as at March 31, 2017 Rs 397.59 lacs) is due from IndianOil Skytanking (P) Ltd which is a related party to DAFFPL. The amount is outstanding for the period of less than six months. There are no amount due to directors or officers of the company.

-There are no other customers who represent more than 5% of the total balance of trade receivables.

*See Note 37



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Delhi Aviation Fuel Facility Private Limited

Notes to the financial statements for the year ended March 31, 2018

10. Cash and Cash equivalents

Particulars	Rs. lacs	
	As at March 31, 2018	As at March 31, 2017
Balances with Banks		
- In current accounts	2.62	1.26
- In deposits	-	38.18
Cash and cash equivalents as per balance sheet	2.62	39.44
Bank overdrafts	(746.91)	(1,883.28)
Cash and cash equivalents as per statements of cash flows	(744.29)	(1,843.84)

11. Current Tax assets/(liabilities) (net)

Particulars	Rs. lacs	
	As at March 31, 2018	As at March 31, 2017
Current tax assets		
Income Tax paid	7,707.90	6,491.56
	7,707.90	6,491.56
Current tax liabilities		
Provision for Income tax	7,880.09	6,389.69
	7,880.09	6,389.69
Current tax assets/(liabilities) (net)	(172.19)	101.87



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12. Equity Share Capital

Particulars	Rs. lacs	
	As at March 31, 2018	As at March 31, 2017
Equity Share Capital	16,400.00	16,400.00
	<u>16,400.00</u>	<u>16,400.00</u>
Authorised Share Capital		
170,000,000 fully paid equity shares of Rs. 10/- each	17,000.00	17,000.00
Issued, Subscribed and fully paid up		
164,000,000 fully paid equity shares of Rs. 10/- each (as at March 31, 2016: 164,000,000; as at April 1, 2015: 164,000,000)	16,400.00	16,400.00
	<u>16,400.00</u>	<u>16,400.00</u>

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

Equity Shares of Rs. 10/- each

At the beginning of the year	16,400.00	16,400.00
Issued during the year	-	-
At the end of the year	<u>16,400.00</u>	<u>16,400.00</u>

The Company has one class of equity shares having par value of Rs 10 per share. Each shareholder is entitled to one vote per share with a right to receive dividend declared by the Company. In the event of liquidation, the equity shareholders are entitled to receive remaining assets of the Company (after distribution of all preferential amounts if any) in the proportion of equity shares held by the shareholders.

(ii) Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Fully paid equity shares				
(a) Indian Oil Corporation Limited	60,680,000	37%	60,680,000	37%
(b) Bharat Petroleum Corporation Limited	60,680,000	37%	60,680,000	37%
(c) Delhi International Airport Pvt. Ltd.	42,640,000	26%	42,640,000	26%
Total	<u>164,000,000</u>	<u>100%</u>	<u>164,000,000</u>	<u>100%</u>



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Delhi Aviation Fuel Facility Private Limited

Notes to the financial statements for the year ended March 31, 2018

13. Other Equity

Particulars	Rs. lacs	
	As at March 31, 2018	As at March 31, 2017
General Reserve	850.83	850.83
Retained Earnings	3,247.85	2,302.20
	4,098.68	3,153.02

General Reserves

Particulars	Rs. lacs	
	Year ended March 31, 2018	Year ended March 31, 2017
Balance at beginning of year	850.83	850.83
Movement	-	-
Closing balance	850.83	850.83

Retained earnings

Particulars	Rs. lacs	
	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Balance at beginning of year	2,302.20	4,982.23
Profit attributable to shareholders	4,896.22	3,834.21
Other comprehensive income	(2.83)	(0.49)
Payment of dividend	(3,280.00)	(5,412.00)
Dividend distribution tax	(667.73)	(1,101.75)
	3,247.85	2,302.20

In respect of the year ended March 31, 2018, the board of directors proposed a dividend of Rs. 0.5 per share amounting to Rs. 820 lacs for the year ended March, 2018. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as liability in these financial statements.

During the FY 2017-18, an interim dividend of Rs. 1.50/share (total dividend Rs. 2,460 lacs) was paid to holders of fully paid equity shares.

During the FY 2017-18, a final dividend for the FY 2016-17 of Rs. 0.50/share (total dividend Rs. 820 lacs) was paid to holders of fully paid equity shares.



Delhi Aviation Fuel Facility Private Limited
Notes to the financial statements for the year ended March 31, 2018

14. Borrowings

Particulars	Rs. lacs	
	As at March 31, 2018	As at March 31, 2017
Non-Current borrowings		
Secured		
Term Loans (TL-I & TL-II)		
- From Banks (Refer note 1 and 2 below)	7,384.79	9,170.36
Less: Current maturities of long-term debt	(1,790.84)	(1,788.21)
Total non-current borrowings	5,593.94	7,382.14
Current borrowings		
Loans repayable on demand		
- From Banks		
Secured		
Working Capital loan (Refer note 3 below)	746.91	1,883.28
Total current borrowings	746.91	1,883.28

Notes:

a. Details of security

1. Secured by way of charge on receivables/ cash flows/ revenue under escrow account (present & future) after statutory dues and license fees to DIAL.

2. The terms of repayment of term loans are stated below:

As at March 31, 2018

Particulars	Amount outstanding (Rs. Lacs)	Terms of repayment	Rate of Interest
Term Loan I	7,384.77	Repayable by quarterly installment amounting to Rs 447.05 lacs	8.35%
Term Loan II	0.02	Repayable in 20 quarterly installments, calculated based on actual disbursements.	8.35%

As at March 31, 2017

Particulars	Amount outstanding (Rs. Lacs)	Terms of repayment	Rate of Interest
Term Loan I	9,170.36	Repayable by quarterly installment amounting to Rs 447.05 lacs	8.60%
Term Loan II	0.00	Repayable in 20 quarterly installments, calculated based on actual disbursements.	8.60%

3. Other terms:- Working capital loan from Indian Bank, carrying Interest rate of 8.35% p.a. as on balance sheet date. Secured by way of charge on receivables/ cash flows/ revenue under escrow account (present & future) after statutory dues and license fees to DIAL.



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Delhi Aviation Fuel Facility Private Limited
Notes to the financial statements for the year ended March 31, 2018

15. Provisions

Particulars	Rs. lacs	
	As at March 31, 2018	As at March 31, 2017
Non Current		
Provision against FD*	378.99	-
Employee benefits		
- Gratuity	2.29	6.07
- Leave Encashment	2.19	7.36
	383.48	13.43
Current		
Employee benefits		
- Gratuity	0.10	0.33
- Leave Encashment	0.15	0.47
Provision for bonus	4.13	5.50
Provision for interest on Income tax	4.52	-
	8.89	6.30

*See note 37



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Delhi Aviation Fuel Facility Private Limited

Notes to the financial statements for the year ended March 31, 2018

16. Deferred tax liabilities (Net)

		Rs. lacs
Particulars	As at March 31, 2018	As at March 31, 2017
Deferred tax liability		
Difference between book and tax depreciation	2,384.17	2,600.15
	2,384.17	2,600.15
Deferred tax asset		
Expenses deductible on payment basis	308.77	4.92
	308.77	4.92
	2,075.40	2,595.23

Break up of Expenses deductible on payment basis

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for doubtful debts	174.54	-
Provision against FD	131.16	-
Provision for employee benefits	1.64	4.92
Provision for Bonus	1.43	1.90
Less : Bonus paid in FY 2017-18	-	(1.90)
Total	308.77	4.92



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14

Delhi Aviation Fuel Facility Private Limited
Notes to the financial statements for the year ended March 31, 2018

16. Deferred tax liabilities (Net) Contd.

(i) Movement of Deferred Tax

Rs. lacs

For the Year ended March 31, 2018				
Particulars	Opening Balance	Recognised in profit and Loss	Recognised in Other comprehensive income	Closing Balance
<u>Tax effect of items constituting deferred tax liabilities</u>				
Property, Plant and Equipment and intangible assets	2,600.15	(215.99)	-	2,384.17
<u>Tax effect of items constituting deferred tax assets</u>				
Employee Benefits	4.92	302.35	1.50	308.77
Net Tax Asset (Liabilities)	2,595.23	(518.33)	1.50	2,075.39

Rs. lacs

For the Year ended March 31, 2017				
Particulars	Opening Balance	Recognised in profit and Loss	Recognised in Other comprehensive income	Closing Balance
<u>Tax effect of items constituting deferred tax liabilities</u>				
Property, Plant and Equipment and intangible assets	2,799.98	(199.82)	-	2,600.15
<u>Tax effect of items constituting deferred tax assets</u>				
Employee Benefits	7.14	(2.48)	0.26	4.92
Net Tax Asset (Liabilities)	2,792.84	(197.35)	(0.26)	2,595.23



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14

Delhi Aviation Fuel Facility Private Limited
Notes to the financial statements for the year ended March 31, 2018

17. Other financial liabilities

Particulars	Rs. lacs	
	As at March 31, 2018	As at March 31, 2017
Current		
Current maturities of long term debts (Refer note 16)	1,790.84	1,788.21
Payable for capital assets		
- Total outstanding dues of MSME	42.69	41.72
- Total outstanding dues of others	125.62	154.47
Expenses payable	60.48	24.44
	2,019.64	2,008.84

18. Other Liabilities

Particulars	Rs. lacs	
	As at March 31, 2018	As at March 31, 2017
Current		
- Lease Incentives		
- Employee Recoveries and Employer Contributions		
- Statutory Dues	227.41	9.14
- Other credit balances		
Total Other Liabilities	227.41	9.14



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17

Delhi Aviation Fuel Facility Private Limited
Notes to the financial statements for the year ended March 31, 2018

19. Revenue from Operations

Particulars	Rs. lacs	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue from rendering of services Infrastructure Charges	13,995.61	11,709.37
Total Revenue from Operations	13,995.61	11,709.37

20. Other Income

Particulars	Rs. lacs	
	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Interest income		
-Interest income from banks	2.46	3.08
-Interest on financial assets carried at amortised cost	305.74	278.86
(b) Other gains and losses		
-Rental Income	26.64	24.61
-Net gain on foreign exchange fluctuations	-	-
-Income from Mutual Fund	26.02	52.01
-Profit on sale of Fixed asset	0.27	-
-Provisions/expenses written back	0.75	0.58
-Sale of scrap	6.23	15.96
-Other Income	0.68	0.07
Total Other Income	368.79	375.17



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Delhi Aviation Fuel Facility Private Limited

Notes to the financial statements for the year ended March 31, 2018

21. Employee Benefits Expense

Rs. lacs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Salaries and wages, including bonus	114.83	111.70
(b) Staff welfare expenses	2.82	1.86
Total Employee Benefit Expense	117.66	113.56

22. Finance Cost

Rs. lacs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest expense		
-to banks	782.53	1,017.51
-to others	4.54	0.05
Total finance costs	787.07	1,017.55



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18

Delhi Aviation Fuel Facility Private Limited

Notes to the financial statements for the year ended March 31, 2018

23. Other Expenses

Particulars	Rs. lacs	
	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Advertising Charges	5.15	1.50
(b) Bank Charges	0.27	1.21
(c) Communication costs	1.56	1.61
(d) Conveyance	7.37	6.66
(e) CSR Expenses	119.15	66.34
(f) Insurance	36.08	37.89
(g) Consultancy & Professional Fees	40.32	30.70
(h) Loss on discard of fixed assets	110.09	241.56
(i) Meeting Expenses	1.82	1.98
(j) Membership Fees	0.10	0.25
(k) Miscellaneous expenses	11.59	16.40
(l) Office Expenses	2.64	2.42
(m) Auditors remuneration and out-of-pocket expenses		
(i) As Auditors	2.75	2.75
(ii) For Taxation matters	0.86	0.80
(v) For Other services	2.83	0.32
(vi) Auditors out-of-pocket expenses	-	0.38
(n) Rates and Taxes	6.19	6.19
(o) Rent	-	-
(p) Tour & Travel expenses	0.53	1.58
(q) Training & Capacity building	0.73	0.97
Total Other Expenses	350.02	421.49



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Delhi Aviation Fuel Facility Private Limited
Notes to the financial statements for the year ended March 31, 2018

24. Provisions

Rs. lacs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Provision for doubtful debts	504.34	-
(b) Provision against FD	378.99	-
(c) Provision for employee benefits	2.26	4.03
(d) Provision for bonus	4.13	5.50
Total Provisions	889.72	9.53

25. Other Comprehensive Income

Rs. lacs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(i) Items that will not be reclassified to profit or loss	-	-
(a) Remeasurements of the defined benefit liabilities / (asset)	(4.33)	(0.75)
(ii) Income tax relating to items that will not be reclassified to profit or loss on above	1.50	0.26
Other Comprehensive Income	(2.83)	(0.49)



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Delhi Aviation Fuel Facility Pvt. Ltd.
Notes to the financial statements for the year ended March 31, 2018

26. Capital and other commitments

a. Capital commitment

Estimated amount of contracts remaining to be executed on capital account and not provided for as on March 31, 2018 Rs 220.06 lacs (Previous year Rs. 553.18 lacs).

b. Other commitments

i. In accordance with the concession agreement, the company is required to pay annual license fee to DIAL, an amount of Rs 1852.44 lacs has been accounted for in respect of current year. The license fee is to be increased by 7.5% per annum during the term of the lease.

27. Pending Litigations :-

(a) The company has received demand order amounting to Rs. 16.90 lacs (including penalty) from the Commissioner Service tax stating the wrong avilment of Cenvat Credit by the company for the period F.Y. 2010-11 to F.Y. 2014-15. The company has submitted an appeal against the order in the appellate tribunal for which the company has also deposited under protest the duty amount of Rs. 0.63 lacs. The matter is sub-judice with the Tribunal.

28. Earnings per share

Particulars	Rs. lacs	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Basic/diluted earnings per share (in Rs.)	2.99	2.34
Profit for the year, per statement of profit and loss (Rs. in lacs)	4,896.22	3,834.21
Weighted average number of equity shares for the purposes of basic/diluted earnings per share (in Nos.)	164,000,000	164,000,000



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29. Employee Benefit Plans

The details of various employee benefits provided to employees are as under:

A. Defined Contribution Plans

Particulars	Rs. lacs	
	For the year ended March 31, 2018	For the year ended March 31, 2017
a) Provident fund		
b) Other funds		

B. Defined benefit plans:

The Defined benefit plan of the Company includes entitlement of gratuity and leave encashment for each year of service until the retirement age.

These plans typically expose the Company to actuarial risks such as: investment risk, inherent rate risk, longevity risk and salary risk

Investment Risk	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Currently for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
Interest Risk	A decrease in the bond interest rate will increase the plan liability.
Longevity Risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary growth Risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The principal assumptions used for the purposes of the actuarial valuations were as follows :-

Principal assumptions:

	Gratuity and Leave Encashment	
	As at March 31, 2018	As at March 31, 2017
Discount rate	7.75%	7.50%
Future salary increase	6.25%	6.25%
Retirement age	60.00	60.00
Rate of withdrawal	5%	5%
In service mortality	IALM 2006-08 ultimate	IALM 2006-08 ultimate

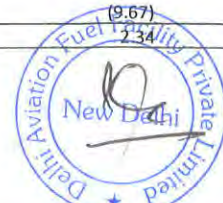
Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows :-

Particulars	Rs. lacs			
	Gratuity		Leave Encashment	
	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017
Service cost:				
Current service cost	0.54	1.14	0.62	1.39
Past service cost and (gain)/loss from settlements	-	-	-	-
Interest expense	0.50	0.34	0.61	0.43
Components of defined benefit costs recognised in profit or loss	1.04	1.48	1.22	1.81
Remeasurement on the net defined benefit liability:				
Actuarial (gains)/ losses arising from changes in financial assumptions	(0.07)	0.30	(0.07)	0.36
Actuarial (gains)/ losses arising from experience adjustments	1.45	0.10	3.03	(0.02)
Components of defined benefit costs recognised in other comprehensive income	1.38	0.40	2.96	0.34
Total	2.42	1.88	4.18	2.15

The current service cost and the net interest expense for the year are included in the 'Employment benefits expense' line item in the statement of profit and loss. The Remeasurement of the net defined liability is included in other comprehensive income.

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

	Rs. lacs			
	Gratuity		Leave Encashment	
	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017
Opening defined obligation	6.40	4.52	7.83	5.67
Current service cost	0.54	1.14	0.62	1.39
Interest cost	0.50	0.34	0.61	0.43
Remeasurement (gains)/losses:				
Actuarial (gains)/ losses arising from changes in financial assumptions	(0.07)	0.30	(0.07)	0.36
Actuarial (gains)/ losses arising from experience adjustments	1.45	0.10	3.03	(0.02)
Benefits paid	(6.42)	-	(9.67)	-
Closing defined benefit obligation	2.40	6.40	2.34	7.83



Delhi Aviation Fuel Facility Pvt. Ltd.

Notes to the financial statements for the year ended March 31, 2018

Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

- If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by Rs. 0.26 lacs (increase by Rs. 0.32 lacs) (as at March 31, 2017: Decrease by Rs. 0.65 lacs (increase by Rs. 0.76 lacs))
- If the expected salary growth increases (decreases) by 1%, the defined benefit obligation would increase by Rs. 0.32 lacs (decrease by Rs. 0.27 lacs) (as at March 31, 2017: increase by Rs. 0.76 lacs (decrease by Rs. 0.66 lacs))
- If the withdrawal rate increases (decreases) by 1%, the defined benefit obligation would increase by Rs. 0.02 lacs (decrease by Rs. 0.03 lacs) (as at March 31, 2016: Increase by Rs. 0.06 lacs (decrease by Rs. 0.07))

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.



30. Segment reporting

The Company is primarily engaged in a single segment i.e. providing infrastructure for receipt, storage & distribution of ATF, which is a mineral oil, at Airport. The risk and returns of the Company are predominantly determined by its principal activity and the Company's activities fall within a single business and geographical segment. Accordingly, the disclosure requirements of Ind AS- 108 "Segment Reporting" specified under Section 133 of the Companies Act, 2013 are not applicable.

31. Related party disclosures

a. Name of related parties and their relationship:

Name of related party

Delhi International Airport Private Limited (DIAL)
Indian Oil Corporation Limited (IOCL)
Bharat Petroleum Corporation Limited (BPCL)
Indian Oil SkyTanking Private Limited (IOSL)
Bharat Star Services Private Limited

Nature of Relationship

Parent Company
Parent Company
Parent Company
Sister Concern
Sister Concern

Transactions with the above during the year:

Name of the related party	Nature of transaction	For the year ended March 31, 2018	For the year ended March 31, 2017
Delhi International Airport Private Limited (DIAL)	License fees paid Rent and Other charges	1,852.44 -	1,723.14 -
Indian Oil Corporation Limited (IOCL)	Rental income Staff deputation cost	1.32 17.82	1.23 -
Bharat Petroleum Corporation Limited (BPCL)	Rental income Staff deputation cost	7.65 41.09	7.11 43.29
Indian Oil SkyTanking Private Limited (IOSL)	Infrastructure Income CWIP Consultancy Rental Income	13,995.61 33.15 7.75	11,709.37 9.37 7.21
Bharat Star Services Private Limited (BSSPL)	Rental income	6.32	5.88

Balance outstanding as at the year end

Name of the related party	Nature of transaction	As at March 31, 2018	As at March 31, 2017
Delhi International Airport Private Limited	Receivable :- Security deposit*	3,524.03	3,218.29
	Payable	15.12	15.12
Indian Oil Corporation Limited	Payable	20.77	-
Bharat Petroleum Corporation Limited	Payable	24.94	15.67
Indian Oil SkyTanking Private Limited	Receivable	858.59	397.59
	Payable	-	9.79

*at Fair Value. However, historical cost of the Security Deposit for the FY 2017-18 is Rs. 16,929.27 lacs (Rs. 16,929.27 lacs for the FY 2016-17).

License fees has been paid to DIAL in accordance with the terms of the "Concessionaire and Operating agreement". The rate charged by DIAL is equal to/lower than comparable uncontrolled price and the transaction is at arms length.

Staff deputation cost paid to BPCL and IOCL is the salary cost being reimbursed to BPCL and IOCL on actual cost to cost basis for the deputation of officers in the company.

Infrastructure Income from IOSL is the revenue generated from providing fuelling infrastructure facility. Consultancy charges payable to IOSL are the charges towards CWIP consultancy for the ongoing projects.

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expenses has been recognised in the current or prior years for bad or doubtful debts in respect of the amounts owed by related parties.



Delhi Aviation Fuel Facility Pvt. Ltd.

Notes to the financial statements for the year ended March 31, 2018

32. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Rs. lacs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(i) Principal amount due to suppliers and remaining unpaid as at the year end.	Nil	Nil
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting period/year.	Nil	Nil
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the	Nil	Nil
(iv) The amount of interest due and payable for the year.	Nil	Nil
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year.	Nil	Nil
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the	Nil	Nil



Delhi Aviation Fuel Facility Pvt. Ltd.**Notes to the financial statements for the year ended March 31, 2018****33. Financial instruments**

The fair values of the financial assets and liabilities are 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 assumptions were used to estimate the fair values :-

Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities and other financial instruments approximate their carrying amounts largely due to the short-term maturities of these instruments.

Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

	Carrying amount As at March 31, 2017	Level 1	Fair value Level 2	Level 3 Rs. lacs
Financial assets at amortised cost				
Non-current				
Security Deposit	16,929.27	-	-	3218.30
Other financial assets	-	-	-	-
Current				
Trade receivables	397.59	-	-	-
Cash and bank balances	39.44	-	-	-
Other financial assets	0.80	-	-	-
Total	17,367.10	-	-	3,218.30
Financial liabilities at amortised cost				
Borrowings	9,170.36	-	-	-
Trade payables	-	-	-	-
Other financial liabilities	220.63	-	-	-
Total	9,390.98	-	-	-

	Carrying amount As at March 31, 2018	Level 1	Fair value Level 2	Level 3 Rs. lacs
Financial assets at amortised cost				
Non-current				
Security Deposit	16,929.27	-	-	3524.03
Other financial assets	-	-	-	-
Current				
Trade receivables	858.59	-	-	-
Cash and bank balances	2.62	-	-	-
Other financial assets	5.77	-	-	-
Total	17,796.25	-	-	3,524.03
Financial liabilities at amortised cost				
Borrowings	7,384.79	-	-	-
Trade payables	-	-	-	-
Other financial liabilities	60.48	-	-	-
Total	7,445.27	-	-	-



Delhi Aviation Fuel Facility Pvt. Ltd.
Notes to the financial statements for the year ended March 31, 2018

34. Financial risk management

The company is exposed to limited financial risk in terms of fluctuation of interest rate, with a periodical review and analysis of the risk attached with this. The company plans its strategy and execute the same accordingly.

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. In order to optimize the company's position with regard to interest income and interest expenses and to manage the interest rate risk, the Company regularly review and makes the mitigation plan to overcome the risk arising out of it.

Exposure to Interest rate risk

	As at March 31, 2018	Rs. lacs As at March 31, 2017
Floating rate borrowings	7,384.79	9,170.36

Interest rate sensitivity

A change of 50 basis points in interest rates would have following impact on profit before tax.

	As at March 31, 2018	Rs. lacs As at March 31, 2017
50 bp increase - Decrease in profit	42.09	53.82
50 bp decrease - Increase in profit	42.09	53.82

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity profile of financial liabilities:

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date.

	Less than 1 year	1 to 5 years	>5 Years	Rs. lacs Total
As at March 31, 2018				
Borrowings	1,790.84	5,593.94	-	7,384.79
Trade payables				
Other financial liabilities	60.48	-	-	60.48
As at March 31, 2017				
Borrowings	1,788.20	7,152.80	229.36	9,170.36
Trade payables				
Other financial liabilities	220.63	-	-	220.63

Capital Management

The Company manages its capital to ensure that it will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Capital structure of the Company consists of debt (refer note 16) and total equity provided by the shareholders.

The Company reviews the capital structure of the Company on regular basis. As part of this review, the Company considers the cost of capital and the risks associated with each class of capital.

The debt equity ratio at end of reporting period was as follows

Total Debt
Total equity
Net debt to equity ratio

As at March 31, 2018	As at March 31, 2017
7,384.79	9,170.36
16,400.00	16,400.00
45%	56%



Delhi Aviation Fuel Facility Pvt. Ltd.

Notes to the financial statements for the year ended March 31, 2018

35. Disclosure in respect of operating leases:

(a) Operating lease :- As a lessee

Lease rent, termed as License Fees in Concession & Operating Agreement (C&OA) is being paid at the predetermined rate to DIAL in respect of land taken on lease for 25 years with an escalation clause of 7.5% every year during the term of lease.

	Rs. lacs	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Lease payments for the year	1,852.44	1,723.14
	<u>1,852.44</u>	<u>1,723.14</u>
	As at March 31, 2018	As at March 31, 2017
Not later than one year	1,981.47	1852.44
Later than one year and not later than five years	9,527.66	8862.94
Later than five years	54,667.51	57313.69
	<u>66,176.63</u>	<u>68,029.07</u>

(b) Operating lease :- As a lessor

The company has entered into cancellable lease agreement with the occupiers of its administrative building. The lease rental is recognised as income in the statement of profit and loss as per the respective agreements.

	Rs. lacs	
Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Lease rentals recognised as income during the year	26.64	24.61
Category of Asset (Admin Building)		
- Gross Carrying Amount	156.77	156.77
- Accumulated Depreciation	42.10	35.83
- Depreciation recognised in the Statement of profit and loss	8.29	6.09

	As at March 31, 2018	As at March 31, 2017
Not later than one year	28.47	26.64
Later than one year and not later than five years	136.90	128.10
Later than five years	785.47	828.38
	<u>950.84</u>	<u>983.12</u>



36. Value of Import (on CIF Basis)

	For the year ended March 31, 2018	For the year ended March 31, 2017
Capital Goods	33.26	-
	33.26	-

37. Status on AERA and Tribunal order

DAFFPL charges Fuel Infrastructure Charges (FIC) from its customers which was at Rs. 755 per KL till 31st December 2017. Airport Economic Regulatory Authority (AERA) had passed an order dated 18.12.2017 reducing the FIC charges to Rs. 609 per KL with effect from 01st January 2018. The company had filed an appeal against the said order with Telecom Disputes Settlement & Appellate Tribunal (TDSAT). TDSAT has admitted the appeal and passed an interim stay order against the AERA order and has allowed DAFFPL to continue to charge Rs. 755 per KL. However as per the stay order TDSAT has allowed appropriation of Rs. 609 per KL only and balance Rs. 146 per KL to be kept in a separate account pending final order.

From 01st January to 31st March, 2018, invoice has been raised for differential amount of Rs. 146 amounting to total of Rs. 883.33 lacs, out of which Rs. 378.99 lacs has been received and Rs 504.34 lacs incl GST has not been received. A provision has been created against the FD for Rs. 378.99 lacs, the amount received from the debtors and provision has been created against the debtors for Rs. 504.34 lacs, the amount which has not been received.

As per the requirement of TDSAT order the differential amount received has been kept separately in Fixed Deposit amounting to Rs. 400 Lacs.

For and on behalf of the Board of Directors


Director


Director

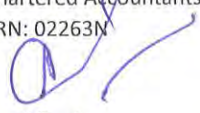

Company Secretary




Chief Financial Officer

As per our report of even date attached

For Wahi & Gupta
Chartered Accountants
FRN: 02263M


Anuj Gupta
Partner
Membership No. 76560





गोपनीय

संख्या / नमू.एवी-II/IOCL/DAFFPL/80-07/2018-19/91

भारतीय लेखा तथा लेखापरीक्षा विभाग
कार्यालय महानिदेशक वाणिज्यिक लेखापरीक्षा
एवं पदेन सदस्य, लेखापरीक्षा बोर्ड-II,
नई दिल्ली

INDIAN AUDIT & ACCOUNTS DEPARTMENT
OFFICE OF THE DIRECTOR GENERAL OF
COMMERCIAL AUDIT & EX-OFFICIO MEMBER,
AUDIT BOARD - II, NEW DELHI

दिनांक / DATE 11/7/2018

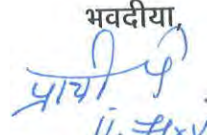
सेवा में,

निदेशक,
दिल्ली एविऐशन फ्यूल फेसिलिटी प्राइवेट लिमिटेड,
एविऐशन फ्यूलिन्ग स्टेशन,
शाहबाद मोहम्मद पुर, नियर द्वारका सेक्टर-8, मेट्रो स्टेशन
आई.जी.आई. एयरपोर्ट,
नई दिल्ली -110061

विषय:- कम्पनी अधिनियम 2013 की धारा 143 (6) (b) के अधीन 31 मार्च 2018 को समाप्त वर्ष के लिए दिल्ली एविऐशन फ्यूल फेसिलिटी प्राइवेट लिमिटेड, के वार्षिक लेखों पर भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

मैं कम्पनी अधिनियम 2013 की धारा 143 (6) (b) के अधीन 31 मार्च 2018 को समाप्त हुए वर्ष के लिए दिल्ली एविऐशन फ्यूल फेसिलिटी प्राइवेट लिमिटेड, के वार्षिक लेखों पर भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ अग्रेषित करती हूँ। इन टिप्पणियों को कम्पनी की वार्षिक रिपोर्ट में प्रकाशित किया जाए।

भवदीया,

11.7.18
(प्राची पाण्डेय)

प्रधान निदेशक वाणिज्यिक लेखा परीक्षा
एवं पदेन सदस्य, लेखा परीक्षा बोर्ड-II
नई दिल्ली

संलग्नक: यथोपरि

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE
FINANCIAL STATEMENTS OF DELHI AVIATION FUEL FACILITY PRIVATE
LIMITED FOR THE YEAR ENDED 31 MARCH 2018.**

The preparation of financial statements of Delhi Aviation Fuel Facility Private Limited for the year ended 31 March 2018 in accordance with the financial reporting framework prescribed under the companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 09 May 2018.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6) (a) of Act of the financial statements of Delhi Aviation Fuel Facility Private Limited for the year ended 31 March 2018. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act, which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report:

A. Comments on Financial Position

A.1 Balance Sheet

Assets

Non-Current Assets

Other Intangible Assets (Note No. 4) ₹ 110.43 crore

Interest free reimbursable security deposit of ₹ 169.29 crore was deposited by the Company with DIAL till April 2016 (to be reviewed after every two years) under the terms of Concession and Operating Agreement (C&OA) valid till July 2035. As per the provisions of IND AS, the fair value of this security deposit was recognised at ₹ 20.48 crore in April 2016.

As per the clarification of Ind AS Transition Facilitation Group (ITFG), the difference between the security deposit paid and its fair value is to be shown as prepaid expenses over the period of the agreement. However, the difference between the fair value and security

deposit i.e. ₹ 148.82 crore has been wrongly booked as intangible asset in April 2016 and amortised ₹ 38.39 crore till March 2018.

Incorrect booking of prepaid expenses as intangible assets has resulted in overstatement of intangible asset and understatement of prepaid expenses by ₹ 110.43 crore (₹ 148.82 crore – ₹ 38.39 crore).

A.2 Balance Sheet

Property, Plant and Equipment (Note No-3): ₹ 158.16 crore

The Company has not carried out any review of the residual value and useful life of the assets at the end of financial year as required under Para 51 of Ind AS 16 and Accounting policy No. 1.2.3 (a) of the Company. In the absence of such review, the correctness of the carrying amount of the assets cannot be ensured.

B. Comments on Statutory Auditor's Report

B.1 Statutory Auditor has not complied with the provisions of Para 5 of the Guidance Note on the Companies (Auditor's Report) Order 2016 which states that response of the Statutory Auditor to the directions issued by the Comptroller and Auditor General of India under Section 143 (5) of the Companies Act 2013 will form part of the auditor's report.

B.2 Statutory Auditor incorrectly reported in para i (c) of Annexure A to Independent Auditor's Report that the Company does not have any immovable property, though the company is having Property, Plant and Equipment valuing ₹ 158.16 crore as on 31 March 2018, which includes immovable properties also.

**For and on behalf of the
Comptroller & Auditor General of India**

Prachi Pandey
11.7/2018

(Prachi Pandey)

**Principal Director of Commercial Audit &
Ex-officio Member, Audit Board-II
New Delhi**

Place: New Delhi

Date: 11.07.2018



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