



**DELHI** INDIRA GANDHI  
INTERNATIONAL AIRPORT

Delhi International Airport (P) Limited  
Ref. : DIAL/CEO-Office/2012-13/1692  
Dated: November 30, 2012



Registered Office: New Udaan Bhawan,  
Opp. Terminal 3, IGI Airport,  
New Delhi 110037, India  
T +91 11 47197000  
F +91 11 47197181  
W www.newdelhairport.in

To

**Capt. Kapil Chaudhary**  
**Secretary,**  
Airports Economic Regulatory Authority of India,  
AERA Building, Administrative Complex,  
Safdarjung Airport,  
New Delhi - 110 003.

**Sub.: Grant of Development Fee in respect of Delhi Airport - reg.**

Dear Madam,

This is with reference to the Authority's letter number "AERA/20010/MYTP/MIAL/2011-12-III dated November 15<sup>th</sup> 2012" vide which DIAL has been requested to inform the Authority on the quantum of infusion of additional equity by other shareholders as well as expected additional resources to fund the project through debt, etc.

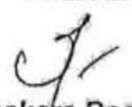
Pursuant to the above direction, we wish to appraise the Authority as under:

DIAL had initiated discussions with the lenders for the possibility of raising further debt. Based on the feedback from the discussions, lenders have expressed their reluctance in lending further loan to DIAL as it will affect debt servicing capability of the company adversely and there would be stress in achieving the financial covenants. **Letter received from ICICI bank in this regard is enclosed.**

DIAL also convened a meeting of its Board of Directors on November 30<sup>th</sup> 2012 to discuss the infusion of additional equity. After detailed deliberations board was of the opinion that infusion of additional equity is not feasible.

Thanking you,

Yours faithfully,  
**For Delhi International Airport Private Limited**

  
**I. Prabhakara Rao**  
Chief Executive Officer

Encl.: As Above

Originated by : MD/GRK



November 27, 2012

Mr. G. Radhakrishna Babu  
Chief Financial Officer  
Delhi International Airport Private Limited  
New Udaan Bhawan, Opp Terminal 3,  
New Delhi 110037

**Subject: Projected Shortfall in the means of finance**

**Ref: Your letter dated November 20, 2012 and ICICI Bank letter dated January 13, 2011**

Dear Sir,

This refers to your request for exploring additional funding to meet the gap in the means of finance to cover the shortfall of ₹ 14.30 billion which may arise in the eventuality of withdrawal of ADF allowed to fund the overall means of finance for the first phase of modernizing and upgrading Indra Gandhi International Airport at New Delhi (the "Project").

We request you to please refer to our letter dated October 01, 2008, April 29, 2010, January 13, 2011 (copy attached), wherein we had indicated that at that point of time, we were not in a position to ascertain any additional debt that can be loaded without affecting the serviceability of existing debt. Any additional debt into the project would require a separate revenue stream, outside the purview of target revenue computation.

We are of the view that the tariff hike of 382% given by AERA, for the 1<sup>st</sup> Regulatory Period (FY2009-FY2014) vide its order dated April 20, 2012 implemented from May 15, 2012, will just take care of debt servicing requirements over this period. Further, owing to drop in air traffic, uncertainty associated with tariff determination for the next regulatory period and the fact that monetization of land affiliated to company may get delayed in current economic environment, we are of the view that it may not be possible to consider any additional debt in the company as it will affect the debt servicing capability of the company adversely.

Thanking you,

Yours faithfully

Arun Kumar Sharma  
Joint General Manager

ICICI Bank Limited  
ICICI Bank Towers  
Bandra-Kurla Complex  
Mumbai 400 051, India.

Tel. (91-22) 2653 1414  
Fax. (91-22) 2653 1122  
Website www.icicibank.com

Regd. Office : "Landmark",  
Race Course Circle,  
Vadodra 390007, India.

भारतीय विमानपत्तन प्राधिकरण  
AIRPORTS AUTHORITY OF INDIA

No. AAI/JVC/DIAL/Equity/2012-13

December 5, 2012

The Secretary  
Airport Economic Regulatory Authority of India  
AERA Building, Administrative Complex  
Safdarjung Airport  
New Delhi - 110 003

**SUB: GRANT OF DEVELOPMENT FEE (DF) IN RESPECT OF IGI  
AIRPORT - reg.**

Madam,

This has reference to your letter No. AERA/20010/MYTP/IAL/2011-12-III dated 15/11/2012 on the subject stated above.

As per our records, against total DF sanctioned of Rs. 3415 crores, the amount collected under this account works out to Rs. 2340 crores (approx.) as on 31/12/2012.

AAI Board has, in principle, approved to infuse equity of Rs. 93 crores in DIAL as and when cash call is made by the Company.

This issues with the approval of Competent Authority.

Yours faithfully,

(S. SURESH)  
Member (Finance)