CIASL

COCHIN INTERNATIONAL
AVIATION SERVICES LIMITED

DIRECTORS' REPORT
&
FINANCIAL STATEMENTS

2020-21

COCHIN INTERNATIONAL AVIATION SERVICES LIMITED

Regd. Office:XI / 318 E, Cochin Airport Buildings, Kochi Airport P O, Ernakulam 683 111
Phone 0484 – 2611785, Website: www.ciasl.aero, E-mail:fna@ciasl.aero, CIN: U35303KL2005PLC018632

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the 16th Annual General Meeting of Cochin International Aviation Services Limited will be held on Wednesday, the 01st day of September 2021 at 09.30 am at the registered office of the company to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2021, the Statement of Profit and Loss for the year ended on that date, Cash flow statement, Annexures and Schedules thereto and the report of the Directors and Auditors of the company.

2. To appoint a Director in the place of Sri.E M Babu (DIN: 00788889) who retires by rotation and being eligible, offers himself for re-appointment.

3. To appoint a Director in the place of Sri.Jose Thomas P (DIN: 02905126) who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint M/s.Krishnamoorthy & Krishnamoorthy, Chartered Accountants as Statutory Auditors for the next financial year to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2022 and to authorize the board to fix the remuneration payable to them and to pass the following resolution as an ordinary resolution.

   "RESOLVED THAT pursuant to the provisions of Sections 139 and 142 of the Companies Act 2013 read with Rule 3 of the Companies (Audit and Auditors) Rules 2014 and other applicable provisions of the Companies Act 2013 read with the rules made thereunder(including any statutory modification(s) or re-enactment thereof for the time being in force), M/s Krishnamoorthy & Krishnamoorthy, Chartered Accountants, Ernakulam (Firm Registration No: 001488S) be and is hereby appointed as the Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting until the conclusion of the Annual General Meeting of the Company to be held in the year 2022 at a remuneration to be decided by the Board of Directors plus applicable GST."

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf."

SPECIAL BUSINESS

5. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution for the appointment of Shri. Krishna Narayana Kaimal as Independent Director

   "RESOLVED THAT Shri. Krishna Narayana Kaimal (DIN 00043820), who was appointed as an Additional Director of the Company with effect from 25th September, 2020 pursuant to the provisions of Sections 149,-161 and Schedule IV of the Companies Act 2013 ("Act") and the Companies

(Appointment and Qualification of Directors) Rules 2014 and Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a Member, pursuant to the provisions of Section 160 of the Act, signifying his intention to propose the candidature of Shri. Krishna Narayana Kaimal (DIN 00043820), for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company for a period of 3 years, with effect from the date of this Meeting."

"RESOLVED FURTHER that the Board of Directors be and is hereby authorized to do all such acts, deeds and things as may be necessary, proper and expedient for the purpose of giving effect to this resolution."

6. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution for the appointment of Smt.Athiyarath Kothai Ramani as Independent Director

"RESOLVED THAT Smt.Athiyarath Kothai Ramani(DIN 07188269), who was appointed as an Additional Director of the Company with effect from 19th March 2021 pursuant to the provisions of Sections 149,-161 and Schedule IV of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors)Rules 2014 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a Member, pursuant to the provisions of Section 160 of the Act, signifying his intention to propose the candidature of Smt.Athiyarath Kothai Ramani (DIN 07188269), for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company for a period of 3 years, with effect from the date of this Meeting."

"RESOLVED FURTHER that the Board of Directors be and is hereby authorized to do all such acts, deeds and things as may be necessary, proper and expedient for the purpose of giving effect to this resolution."

7. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution to ratify the appointment of Sri. A.C.K. Nair, as Managing Director of the company and to approve the period of appointment

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force and all applicable guidelines for managerial remuneration issued by the Central Government from time to time consent of the members of the company be and is hereby accorded by way of ratification for the appointment of Shri. Appukuttan Pillai Chandrakumaran Nair (DIN: 01327169), as the Managing Director of Cochin International Aviation Services Limited for a further period of 24 months from 23/12/2020.

"RESOLVED FURTHER to ratify the payment of honorarium to Shri.Appukuttan Pillai Chandrakumaran Nair (DIN: 01327169) at the rate of Rs.1,00,000/- per month for the period 23/12/2020 to 31/05/2021."

"FURTHER RESOLVED THAT the Board of Directors (which term shall always be deemed to include any Committee as constituted or to be constituted by the Board to exercise its powers including the powers conferred under this resolution) be and is hereby authorised to vary the terms of appointment within the provisions of the Companies Act and the rules as stated above."

"RESOLVED FURTHER that the Board of Directors be and is hereby authorized to do all such acts, deeds and things as may be necessary, proper and expedient for the purpose of giving effect to this resolution."

By order of the Board
For **Cochin International Aviation Services Limited**

sd/-
Saji Daniel
(Company Secretary)

Place : Ernakulam
Date : 20th May 2021

Notes:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member.
2. Instrument of Proxies, in order to be effective must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting.
3. Proxies submitted on behalf of the companies must be supported by an appropriate resolution/ authority, as applicable.
4. Admission strictly restricted to members / proxies only and members / proxies are advised to bring the attendance slip, duly filled up and signed, and handover the same at the entrance and collect the entry pass.
5. An Explanatory Statement pursuant to section 102 of the Companies Act 2013 is enclosed and forms a part of the notice.
6. As per section 139(1) every company shall at the first Annual General Meeting since commencement of the Companies Act 2013, appoint an individual or a firm as an auditor who shall hold office from the conclusion of that meeting till the conclusion of its sixth Annual General Meeting and thereafter till the conclusion of every sixth meeting. Accordingly, the appointment of auditors, since the commencement of the Companies Act 2013, in terms of Section 139 (1) was from the conclusion of the AGM held for the financial year ending 31.03.2014 till the AGM held for the financial year ending on 31.03.2019. Further, M/s Krishnamoorthy & Krishnamoorthy, Chartered Accountants, Ernakulam were appointed as statutory auditors from the conclusion of 15th Annual General Meeting held on 04.09.2020 to hold office until the conclusion of the ensuing Annual General Meeting of the Company. Now the Company has to appoint the statutory Auditors for the next financial year from the conclusion of this Annual General Meeting until the conclusion of the Annual General Meeting of the Company to be held in the year 2022, at a remuneration to be decided by the Board of Directors plus applicable GST." Hence the resolution for appointment of the statutory Auditors for the next financial year 2021-22.
7. Since the company has only seven shareholders, physical Annual General Meeting can be held complying with Covid-19 protocol.

Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013

Item 5.

The Board of Directors of the company at their meeting held on 25/09/2020 appointed Sri.Krishna Narayana Kaimal (DIN: 00043820) as Independent Director (Additional Director) of the company and he holds office upto the date of this Annual General Meeting. The company has received notice in writing from a member proposing the candidature of Sri.A N K Kaimal for the office of Director under the provisions of Section 160 of the Companies Act 2013.

The company has received from Shri.A N K Kaimal (i) consent in writing to act as Director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014 (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014 to the effect that he is not disqualified under Sub section (2) of Section 164 of the Companies Act 2013 and (iii) a declaration to the effect that he meets the criteria of independence as provided in Sub section (6) of Section 149 of the Companies Act 2013.

Accordingly, your directors recommend the resolution no:5 for approval of members appointing Shri.A N K Kaimal as an Independent Director of the company, not liable to retire by rotation for a period of three years.

Shri.A N K Kaimal is a Civil Engineer and has served in senior level positions with Air India Limited, Jet Airways Limited etc.

No Directors other than Shri.A N K Kaimal himself or any of the Key Managerial Personnel of the company or any of their relatives, are directly or indirectly, concerned or interested in the said resolution.

There is no other information and facts to disclose that may enable members to understand the meaning, scope and implications of the said item of business and to take decision thereon.

The special business vide item (5) to be transacted at the meeting of the company does not relate to and affect any other company/entity.

Copies of the Memorandum and Articles of Association of the company and other relevant records are available at the Registered Office of the company for inspection of the members during business hours between 10 am and 5 pm on all working days, except Saturdays and shall also be laid before the meeting.

Item 6.

The Board of Directors of the company at their meeting held on 19/03/2021 appointed Smt.Athiyarath Kothai Ramani (DIN: 07188269) as Independent Director (Additional Director) of the company and she holds office upto the date of this Annual General Meeting. The company has received notice in writing from a member proposing the candidature of Smt.A K Ramani for the office of Director under the provisions of Section 160 of the Companies Act, 2013.

The company has received from Smt.Athiyarath Kothai Ramani (i) consent in writing to act as Director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014 (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014 to the effect that she is not disqualified under Sub section (2) of Section 164 of the Companies Act 2013 and (iii) a declaration to the effect that she meets the criteria of independence as provided in Sub section (6) of Section 149 of the Companies Act 2013.

Accordingly, your directors recommend the resolution no:6 for approval of members appointing Smt. Athiyarath Kothai Ramani as an Independent Director of the company, not liable to retire by rotation for a period of three years.

Smt. Athiyarath Kothai Ramani is a Civil Engineer by profession and has served in senior level positions with various departments of Government of Kerala.

No Directors other than Smt. Athiyarath Kothai Ramani herself or any of the Key Managerial Personnel of the company or any of their relatives, are directly or indirectly, concerned or interested in the said resolution.

There is no other information and facts to disclose that may enable members to understand the meaning, scope and implications of the said item of business and to take decision thereon.

The special business vide item (6) to be transacted at the meeting of the company does not relate to and affect any other company/entity.

Copies of the Memorandum and Articles of Association of the company and other relevant records are available at the Registered Office of the company for inspection of the members during business hours between 10 am and 5 pm on all working days, except Saturdays and shall also be laid before the meeting.

Item 7

Shri. Appukuttan Pillai Chandrakumaran Nair (A.C.K Nair - DIN 01327169) is an Electrical Engineer by profession with over 30 years of experience in Aviation Industry. He joined the company as the director on the Board of Directors as per the nomination by the holding company, M/s Cochin International Airport Ltd. pursuant to article 47 of the Articles of Association of the company w.e.f. 23.06.2016.

Shri, A.C.K. Nair is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director.

Shri. A.C.K. Nair has been appointed as Managing Director by the Board of Directors for a further period of two years from 23rd December 2020 to 22nd December 2022, at their meeting held on March 19th 2021, subject to approval of members by a resolution at the next general meeting of the company.

Hence the resolution as set out in the notice vide item no (7). The Directors recommend the resolution for approval by the members, as an ordinary resolution.

Except Shri. A.C.K. Nair, none of the Directors/ Key Managerial personnel of the company/ their relatives are interested whether financial or otherwise, in respect of the resolution as set out in the notice vide item no (7).

There is no other information and facts to disclose that may enable members to understand the meaning, scope and implications of the said item of business and to take decision thereon.

The special business vide item (7) to be transacted at the meeting of the company does not relate to and affect any other company/entity.

Copies of the Memorandum and Articles of Association of the company and other relevant records are available at the Registered Office of the company for inspection of the members during business hours between 10 am and 5 pm on all working days, except Saturdays and shall also be laid before the meeting.

By rder of the Board
For **Cochin International Aviation Services Limited**

sd/-
Saji Daniel
(Company Secretary)

Place : Ernakulam
Date : 20th May 2021

As per the requirement of Secretarial Standard - 2, the following information relating to the directors to be reappointed as contained in item nos: 2 & 3 is furnished below:

Particulars	Information	Information
Name	Sri. E M Babu (DIN:00788889)	Sri. Jose Thomas P (DIN: 02905126)
Age	67 years	60 years
Qualification	Graduation	M.Tech.
Experience	Businessman (40 + years of experience in managing business)	Professional - (35+ years of professional experience in engineering and management)
Terms and Conditions of appointment	Retiring director, being eligible offers himself for reappointment	Retiring director, being eligible offers himself for reappointment
Remuneration last drawn	INR 80,000/- (sitting fees)	Nil
Date of first appointment on Board	23rd June 2011	18th December 2019
Shareholding in Company	Nil	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel	Nil	Nil
Number of Meetings of Board attended	4	4
Other Directorships, Memberships/ Chairmanships of Committees of other Boards	**Director in –** 1. Goldtree Bullion India P.Ltd. 2. Capital Finserve Ltd. 3. Cochin International Airport Ltd. 4. Ostermier Ventures P.Ltd.	**Director in –** 1. Kerala Waterways and Infrastructures Ltd. 2. CIAL Infrastructures Limited

As per the requirement of Secretarial Standard - 2, the following information relating to Independent Directors to be appointed as contained in item nos: 5 & 6 is furnished below:

Particulars	Information	Information
Name	Krishna Narayana Kaimal (DIN:00043820)	Athiyarath Ramani Kothai (DIN: 07188269)
Age	76 years	62 years
Qualification	Professional - (50+ years of experience in engineering and aviation)	Professional - (30+ years of experience in engineering)
Experience	Independent Director - tenure 3 years	Independent Director - tenure 3 years
Terms and Conditions of appointment	Retiring director, being eligible offers himself for reappointment	Retiring director, being eligible offers himself for reappointment
Remuneration last drawn	INR 80,000/- (sitting fees)	Nil
Date of first appointment on Board	25th September 2020	19th March 2021
Shareholding in Company	Nil	Nil

Relationship with other Directors, Manager and other Key Managerial Personnel	Nil	Nil
Number of Meetings of Board attended	2	-
Other Directorships, Memberships/ Chairmanships of Committees of other Boards	**Director in –** 1. Aerobiz International Pvt. Ltd.	**Director in –** 1. Cochin International Airport Ltd. 2. CIAL Infrastructures Ltd.

As per the requirement of Secretarial Standard-2, the following information relating to Managing Director to be appointed as contained in item no: 7 is furnished below:

Particulars	Information
Name	Appukuttan Pillai Chandrakumaran Nair (DIN: 01327169)
Age	59 years
Qualification	Engineering Graduate and Postgraduation in Management
Experience	Professional - 35+ years of experience in engineering, management and aviation
Terms and Conditions of appointment	Managing Director - details mentioned against item no:7 of notice
Remuneration last drawn	INR 12 lakhs (Honorarium)
Date of first appointment on Board	08th April 2016
Shareholding in Company	0.001%
Relationship with other Directors, Manager and other Key Managerial Personnel	Nil
Number of Meetings of Board attended	4
Other Directorships, Memberships/Chairmanships of Committees of other Boards	**Director in –** 1. CIAL Infrastructures Limited 2. Digi Yatra Foundation

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DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Sixteenth Annual Report together with the Audited Accounts for the financial year 2020-21.

(Rupees in lakhs)

FINANCIAL RESULTS	01.04.2020 to 31.03.2021	01.04.2019 to 31.03.2020
Total Income		
Revenue from Operations	1022.97	1877.21
Other Income	189.63	188.29
Total	**1212.60**	2065.50
Less: Expenses		
Employee Cost	554.12	660.45
Administrative & Other Expenses	182.75	238.79
Interest and Finance Charges	2.37	**3.14**
Total	**(739.24)**	**(902.38)**
Profit / (Loss) before depreciation	**473.36**	**1163.12**
Less: Depreciation	(304.41)	(336.85)
Profit / (Loss) before Tax	**168.95**	**826.27**
Provision for Income Tax (Current & Deferred Tax)	**0.00**	**0.00**
Other Comprehensive Income	(10.51)	(36.33)
Total Comprehensive Income for the period	**158.44**	**789.94**
Amount carried to B/S	**158.44**	**789.94**

REVIEW OF OPERATIONS

Consequent to the outbreak of global pandemic COVID-19 and nationwide lockdown imposed by the government, the operations of the company were impacted by shut down of airport and consequent stoppage of aircraft arrivals from March 2020.

Given the very precarious situation through which the global aviation industry is passing for the last one year, and still no light visible at the end of the tunnel, the company has been managing its operations and finances very carefully. As a result, the management has been able to ensure that the company is closing the year with a net profit.

The total revenue for the year was Rs.1212 lakhs as against Rs.2065 lakhs for the previous year. We have been able to retain existing customers for the line maintenance business. The company has registered a profit of Rs.158.44 lakhs for the year under review.

The MRO facility has become operational (through a third party) effective from March 2021.

Impact of COVID-19

Consequent to the outbreak of global pandemic COVID-19 and nationwide lockdown imposed by the government, the operations of the company were impacted by temporary shut down of airport and consequent stoppage of aircraft arrivals from March 2020. As informed last year, the impact on the financial results for the year 2020-21 has been significant and still there is no clarity on the commencement of international scheduled movements.

The impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions.

EXTRACT OF THE ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith.

NUMBER OF MEETINGS OF THE BOARD :

Four meetings of the Board were held during the period under review on 10th July 2020, 25th September 2020, 28th December 2020 and 19th March 2021 respectively.

DIVIDEND

During the period under review, the company has registered a net profit; however, the board of directors have not recommended any dividend for the year.

DIRECTORS

The present Directors of the Company are Sri.V.J. Kurian (Chairman), Sri.E.M. Babu Sri.N.V. George, Sri. A N K Kaimal, Smt.A K Ramani, Sri.Jose Thomas, Sri.Saji K George and Sri.A.C.K. Nair (Managing Director).

Sri.C V Jacob, Director passed away on 31st January 2021. The Board places on record its profound gratitude to the guidance and services rendered by Sri.C V Jacob during his tenure on the Board.

Directors, Sri.E M Babu and Sri.Jose Thomas retire from the Board by rotation at this Annual General Meeting and, being eligible, offer themselves for re-election.

Sri.A N K Kaimal (DIN:00043820) and Smt.A K Ramani (DIN:07188269) were co-opted as Additional Directors (Independent) on 25.09.2020 and 19.03.2021 respectively.

Directors Appointment and remuneration

The policy relating to appointment of Directors, payment of managerial remuneration, directors' qualifications, positive attributes, independence of directors and other related matters is in compliance with Section 178(3) of the Companies Act 2013. The board has constituted Nomination and Remuneration Committee for this purpose.

Particulars of loan, guarantees or Investments made under Section 186 of the Act

There were no loans and guarantees made by the company under Section 186 of the Companies Act 2013 during the year under review.

DEPOSITS

The Company has not accepted any deposit within the meaning of Section 73 of the Companies Act 2013 and the Companies (Acceptance of Deposits) Rules 2014.

PARTICULARS OF EMPLOYEES

There are no employees drawing remuneration in excess of the prescribed limits in terms of Section 197 of the Companies Act 2013.

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

There is no activity relating to conservation of energy and technology absorption since the Company has not commenced its major maintenance operation. During the year the Company earned foreign exchange equivalent to Rs.2,50,07,620/- from its operations and had incurred expenditure in foreign exchange equivalent to Rs.44,89,180/- on account of fees to foreign regulators, foreign travel of personnel, training charges for Aircraft Maintenance Personnel etc.

RISK MANAGEMENT

Business Risk evaluation and management is an ongoing process within the organization. The company has a robust framework to identify, monitor and minimize risks.

AUDIT COMMITTEE

The Audit Committee comprises of three non executive Directors. The Audit Committee provides direction to the audit and risk management function in the Company and monitors the quality of internal audit and management audit. The responsibilities of Audit Committee include reviewing the annual financial statements before submission to the Board, reviewing the adequacy of internal control systems and reviewing the findings of internal investigations etc.

AUDITORS

Statutory Auditors

M/s. Krishnamoorthy & Krishnamoorthy, Chartered Accountants (FRN:001488S), Statutory Auditors of the company hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. They have confirmed that their appointment if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment. The Notes on the financial statements referred to in the Auditor's Report are self explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark or disclaimer. The Auditors have not reported any fraud either on the company or by the company in the period covered under their report.

Internal Auditors

The Board of Directors of your company has appointed M/s. Mohan & Mohan Associates, Chartered Accountants, Ernakulam as Internal Auditors, pursuant to the provisions of Section 138 of the Companies Act,2013 for the financial year 2020-21.

Secretarial Auditors

As required under Section 204 of the Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel Rules 2014), the company is required to appoint a Secretarial Auditor for auditing the secretarial and related records to ensure compliances of various legislations applicable to the company and to provide a report in this regard. The board of directors of your company have appointed Sri.M C Sajumon, Practicing Company Secretary (C.P. No:2385) as Secretarial Auditor of the company and the Secretarial Audit Report in Form MR-3 is attached as Annexure B to this report.

Cost Audit

Cost Audit under Section 148(1) is not applicable to the company.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors wish to state:

a. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures

b. The directors have 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 and loss of the company for that period

c. The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safe-guarding the assets of the company and for preventing and detecting fraud and other irregularities.

d. The directors have prepared the annual accounts on a going concern basis and

e. The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Yours Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

CORPORATE SOCIAL RESPONSIBILITY

The company has constituted Corporate Social Responsibility Committee during the year under review as per the provisions of Section 135 of the Companies Act 2013. CSR Policy encompasses the company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for carrying out socially useful activities / projects and programmes for welfare and sustainability development of community at large. The company since its inception has been responsible to the society and has pioneered in undertaking activities which promote various social and charitable objectives. The CSR policy of the company as approved by the board of directors is available in the company's website www.ciasl.aero.

CHANGES IN THE NATURE OF BUSINESS DURING THE PERIOD UNDER REPORT

There is no change in the nature of business of the company during the period under report.

DETAILS OF SUBSIDIARIES / JOINT VENTURES / ASSOCIATES COMPANIES

The company does not have any subsidiary / joint venture / associate company.

STATEMENT OF DECLARATION BY THE INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149

The independent directors have given the statement of declaration that they meet the criteria of independence as provided in the sub-section (6) of section 149 of the Companies Act 2013.

RELATED PARTY TRANSACTIONS

Related Party Transactions in terms of Accounting Standards - Ind AS 24 are set out in the Notes forming part of the accounts. These transactions are not likely to have a conflict with the interest of the company. Other than transactions with the holding company in the ordinary course of business on an arm's length basis, there is no transaction falling within the purview of Section 188 of the Companies Act 2013.

PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to Companies Act 2013, a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors excluding the director being evaluated. Similarly, the evaluation of all the directors and the Board as a whole has to be conducted based on the criteria and framework adopted by the Board. Such performance evaluation has been carried out and taken on record by the board.

GENERAL

Your directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review.

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the company under any scheme.
4. No significant material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in future.
5. Other than the impact of COVID-19 which has been disclosed separately, there are no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date of the report.

ACKNOWLEDGEMENT

Your Directors are grateful to Government of India, Government of Kerala, Ministry of Civil Aviation, Management and Staff of Cochin International Airport Limited, DGCA, Bankers, Consultants, Contractors and shareholders for the continued co-operation and unstinted support extended to the Company.

The Directors also record their deep appreciation for the loyalty and commitment of the employees at all levels.

for and on behalf of Board of Directors

for **Cochin International Aviation Services Limited**

Place : Ernakulam
Date : 20th May 2021

Sd/-
Chairman

Annexure to Board's Report
FORM NO. MGT 9
Extract of Annual Return as on financial year ended on 31.03.2021

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration)Rules, 2014]

I. REGISTRATION & OTHER DETAILS

1.	CIN	**U35303KL2005PLC018632**
2.	Registration Date	**08/09/2005**
3.	Name of the Company	**Cochin International Aviation Services Limited**
4.	Category/Sub-category of the Company	**Company Limited by shares / Indian Non Government Company**
5.	Address of the Registered office & contact details	**XI/318E, Cochin International Airport Buildings Aluva, Nedumbasserry, Kochi Airport Ernakulam Kerala India683 111**
6.	Whether listed company	**No**
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)

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Aircraft Maintenance	35308	84%
2	Training Services	80904	16%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No	Name and address of the Company	CIN / GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable section
1.	**Cochin International Airport Limited**	U63033KL1994PLC007803	Holding	99.99	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding.

Category of Share holders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	De mat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	6000	6000	0.008	-	6000	6000	0.008	-
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Governments	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	75313400	75313400	99.992	-	75313400	75313400	99.992	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1):-	**-**	**75319400**	**75319400**	**99.992**	**-**	**75319400**	**75319400**	99.992	**-**
(2) Foreign									

a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other…	-	-	-	-	-	-	-	-	-
Sub Total(A)(2):-	-	-	-	-	-	-	-	-	-
Total Shareholding of promoter(A)=(A)(1)+(A)(2)	-	75319400	75319400	100	-	75319400	75319400	100	-
B. Public Shareholding									
a) Mutual Funds/ Banks/ FI	-	-	-	-	-	-	-	-	-
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government	-	-	-	-	-	-	-	-	-
d) Venture Capital Funds	-	-	-	-	-	-	-	-	-
e) Insurance Companies	-	-	-	-	-	-	-	-	-
f) FIIs	-	-	-	-	-	-	-	-	-
g) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
h) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non - Institutions									
a) Bodies Corporate									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)		75319400	75319400	100	-	75319400	75319400	100	-

ii) Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding 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 / encum-bered to total shares	
1	CIAL	75313400	99.992	-	75313400	99.992	-	0.00

2	A Chandrakumaran Nair	1000	0.001	-	1000	0.001	-	-
3	A M Shabeer	1000	0.001	-	1000	0.001	-	-
4	Alex Varghese	1,000	0.001	-	1,000	0.001	-	-
5	V Suresh Babu	1,000	0.001	-	1,000	0.001	-	-
6	R Venkiteswaran	1,000	0.001	-	1,000	0.001	-	-
7	V Sankar	1,000	0.001	-	1,000	0.001	-	-
Total		75319400	100.00	-	75319400	100.00	-	-

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

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	75319400	100%	75319400	100%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus sweat equity etc.)	-	-	-	-
	At the end of the year	75319400	100%	75319400	100%

iv) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs): Not Applicable

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No of Shares	% of total shares of the company	No. of shares	% of Total shares of the company
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					

v) Shareholding of Directors and Key Managerial Personnel

1. A.C.K. Nair, Managing Director					
Sl. No.	**Particulars**	**Shareholding at the beginning of the year**		**Cumulative Shareholding during the year**	
		No. of shares	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
	At the beginning of the year	1,000	0.001	1,000	0.001
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus sweat equity etc.)	-	-	-	-
	At the end of the year	1,000	0.001	1,000	0.001
2. Lenny Sebastian, Chief Financial Officer					
Sl. No.	**Particulars**	**Shareholding at the beginning of the year**		**Cumulative Shareholding during the year**	
		No. of shares	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus sweat equity etc.)	-	-	-	-
	At the end of the year	-	-	-	-
3. Saji Daniel, Company Secretary					
Sl. No.	**Particulars**	**Shareholding at the beginning of the year**		**Cumulative Shareholding during the year**	
		No. of shares	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus sweat equity etc.)	-	-	-	-
	At the end of the year	-	-	-	-

V. INDEBTEDNESS - (Rs. in Lakh)

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebted-ness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**-**	**-**	**-**	**-**
Change in Indebtedness during the financial year	-	-	-	-
Addition	-	-	-	-
Reduction	-	-	-	-
Net change Indebtedness	**-**	**-**	**-**	**-**
At the end of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**-**	**-**	**-**	**-**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Rs. in Lakh)

Sl No.	Particulars of Remuneration	Name of MD A.C.K. Nair	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income - Tax Act 1961	12.00	12.00
	(b) Value of perquisites u/s 17(2) of Income - Tax Act 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of Income - Tax Act 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify…	 - -	 - -
5	Others, please specify	-	-
	Total (A)	**12.00**	**12.00**
	Ceiling as per the Act		

B. Remuneration to other directors: (Amount in Rs.)

Sl. No	Particulars of Remuneration	Name of the Directors								Total Amount
		V. J. Kurian	C. V. Jacob	E. M. Babu	N. V. George	A.N.K Kaimal	A K Ramani	Jose Thomas	Saji K George	
1	Independent Directors Fee for attending board committee meetings	-	-	-	-	75000	-			75000
	Commission	-	-	-	-	-	-			-
	Others, please specify	-	-	-	-	-	-			-
	Total (1)	-	-	-	-	**75000**	-			**75000**
2	Other Non - Executive Directors	-	-	-	-	-	-			-
	Fee for attending board / committee meetings	-	10000	80000	80000	-	-	-	-	170000
	Commission	-	-	-	-	-	-			-
	Others, please specify	-	-	-	-	-	-			-
	Total (2)	-	**10000**	**80000**	**80000**	-	-	-	-	**170000**
	Total (B)=(1+2)	-	**10000**	**80000**	**80000**	**75000**	-	-	-	**245000**
	Total Managerial Remuneration	-	**10000**	**80000**	**80000**	**75000**	-	-	-	**245000**
	Overall Ceiling as per the Act	Not exceeding one lakh rupees per meeting of the Board or Committee thereof per person								

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD

Sl No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		CFO	Company Secretary	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income -Tax Act, 1961	422508	148140	570648
	(b) Value of perquisites u/s 17(2) of Income -Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of Income - Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-

4	Commission - as % of profit - others, specify…	-	-	-
5	Others, please specify	-	-	-
	Total (C)	**422508**	**148140**	**570648**

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	Nil				
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

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 - NIL
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	COCHIN INTERNATIONAL AIRPORT LIMITED – Holding Company
2	Nature of contracts / arrangements / transaction	Providing and receiving of services
3	Duration of the contracts / arrangements / transaction	Ongoing
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Value not exceeding Rupees two hundred lakhs only
5	Date of approval by the Board	10th July 2020
6	Amount paid as advances, if any	Nil
Sl. No.	**Particulars**	**Details**
1	Name (s) of the related party & nature of relationship	CIAL INFRASTRUCTURES LIMITED – Associate company
2	Nature of contracts / arrangements / transaction	Providing of services
3	Duration of the contracts / arrangements / transaction	Ongoing
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Value not exceeding Rupees two hundred lakhs only
5	Date of approval by the Board	10th July 2020
6	Amount paid as advances, if any	Nil

For and on behalf of the Board of Directors of
M/s Cochin International Aviation Services Limited

Sd/-
V J Kurian
Chairman
DIN (0001806859)

Place : Ernakulam
Date : 20.05.2021

Annexure C

Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2020-21.

1.	Brief outline on CSR Policy of the Company	Please read section : Corporate Social Responsibility (CSR) Committee in the Board's Report

2. **The composition and category of the members as on 31st March 2021 are given below:**

Sl. No.	Name of the Member and Designation	Category of Member
a	Sri.E M Babu	Non-Executive Director
b	Sri.A N K Kaimal	Independent Director
c	Sri.Jose Thomas P	Non-Executive Director
d	Sri. A C K Nair	Managing Director

The composition and category of the members as on the date of the Report are given below:

Sl. No.	Name of the Member and Designation	Category of Member
a	Sri.E M Babu	Non-Executive Director
b	Sri.A N K Kaimal	Independent Director
c	Sri.Jose Thomas P	Non-Executive Director
d	Sri.A C K Nair	Managing Director

3.	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.	http://ciasl.aero/contents/viewcorporatecontent.aspx?linkId=55

4.	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social responsibility Policy) Rules 2014, if applicable (attach the report).	Not applicable to the financial year under review.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	2019 - 20	Nil	Nil
2	2018 - 19		
3	2017 - 18		

6.	Average net profit of the company as per section 135(5)	Rs. 3,76,23,500/-

7.	a	Two percent of average net profit of the company as per section 135(5)	Rs.7,52,470/-
	b	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
	c	Amount required to be set off for the financial year, if any	Nil
	d	Total CSR obligation for the financial year (7a+7b- 7c).	Rs. 7,52,470/-

8. (a) CSR amount spent or unspent for the financial year

Total Amount Spent for the Financial Year (Rs. in Thousands)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer.	Name of the Fund	Amount	Date of transfer.
Rs. 7,74,354/-	Not Applicable		Not Applicable		

(b) Details of CSR amount spent against ongoing projects for the financial year

1	2	3	4	5		6	7	8	9	10	11	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes /No)	Location of the project.		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation Direct (Yes /No)	Mode of Implementation through Implementing Agency	
				State	Dis-trict						Name	CSR Registration number
Not Applicable												

(c) Details of CSR amount spent against other than ongoing projects for the financial year

1	2	3	4	5		6	7	8	
Sl. No	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes / No)	Location of the project.		Amount spent for the project (in Rs.)	Mode of implementation Direct (Yes/No).	Mode of implementation Through implementing agency	
				State	District			Name	CSR Registration number
1.	Infrastructure Development	Clause (iv) - Ensuring environmental sustainability	Yes	Kerala	Ernakulam	Rs.7,74,354	Yes	Not Applicable	

d	Amount spent in Administrative Overheads	Nil
e	Amount spent on Impact Assessment, if applicable	Nil
f	Total amount spent for the Financial Year (8b+8c+8d+8e)	Nil

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (Rs. In thousands)
i	Two percent of average net profit of the company as per section 135(5)	Rs. 7,52,470/-
ii	Total amount spent for the Financial Year	Rs. 7,74,354/-
iii	Excess amount spent for the financial year [(ii)-(i)]	Rs. 21,884/-
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
vi	Amount available for set off in succeeding financial years [(iii)-(iv)]	Rs.21,884/-

9. (a) Details of Unspent CSR amount for the preceding three financial years

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
Nil							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s)

1	2	3	4	5	6	7	8	9
Sl. No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

a	Date of creation or acquisition of the capital asset(s).	Nil
b	Amount of CSR spent for creation or acquisition of capital asset.	Nil
c	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc	Not Applicable
d	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	Not Applicable

11	Specify the reason(s), if the Company has failed to spend two percent of the average net profits as per Section 135(5).	Not Applicable

ACK Nair
Managing Director

Jose Thomas P
Member-CSR Committee

M.C. SAJUMON M.Com., ACMA, ACS, ACIS (UK)
PRACTISING COMPANY SECRETARY

68/56,7C, 2nd FLOOR, Kombara Marriott, St. Benedict Road (West End), Kombara
ERNAKULAM NORTH P.O., KOCHI-682 018, PH: 0484-2395867/2396930/9567144644
MOB: 9847112479. E-mail: cfccochin@gmail.com

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
Cochin International Aviation Services Limited
XI/318 Cochin International Airport Buildings,
Aluva, Nedumbassery, Kochi Airport,
Ernakulam,
Kerala- 683111.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Cochin International Aviation Services Limited (CIN: U35303KL2005PLC018632) (hereinafter called the Company) which is incorporated with the object of running and managing Aircraft Maintenance facilities and also, carrying out aircraft certification and allied activities. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. The status of the Company during the period under review has been that of Unlisted Public Company. The company has been subsidiary company of M/s Cochin International Airport Limited (CIAL) (CIN: U63033KL1994PLC007803).

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31.03.2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31.03.2021 according to the provisions of:

I. The Companies Act 2013 (the Act) and the rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under - Not applicable as the company is an unlisted public company;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; every unlisted public company is required to demat its securities w.e.f. 02.10.2018 under Rule 9A of Companies (Prospectus and Allotment of Securities) Rules, 2014 vide MCA notification on 22.01.2019. Being - a public company (unlisted), company was required to demat its securities. The company has not dematerialized its Share Certificates. It was explained that the company is almost a wholly owned subsidiary of M/s Cochin International Airport Limited (99.992% of paid up capital held by CIAL), though a few shares (0.008%) are held by six Individuals who were subscribers to the Memorandum of Association of the company to satisfy minimum number of members in the case of a public limited company, in their individual capacity. No minority interest is recorded in the Books

of Accounts. Further, the Accounts of the company are consolidated with the parent company CIAL. So for all practical purposes the company is considered as a wholly owned subsidiary of M/s Cochin International Airport Limited.

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; Not applicable as there was no Foreign Direct Investment in the company and the company has not made any new Overseas Direct Investment and also had not availed External Commercial Borrowings.

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (LODR) Regulations, 2015- Not applicable as the company is an unlisted public company;

b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- Not applicable as the company is an unlisted public company;

c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015- Not applicable as the company is an unlisted public company;

d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - Not applicable as the company is an unlisted public company;

e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - Not applicable as the company is an unlisted public company and has not offered any Employee Stock Option Scheme and Employee Stock Purchase Scheme during the period under review;

f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - Not applicable as the company is an unlisted public company and has not offered any shares or granted any options pursuant to any Employee Benefit Scheme during the period under review;

g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable as the company is an unlisted public company and has not issued and listed any debt securities during the period under review;

h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 - Not applicable as the company is an unlisted public company and not registered as Registrars to an Issue and Share Transfer Agent;

i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable as the company is an unlisted public company and

j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not applicable as the company is an unlisted public company and has not bought back any securities during the period under review;

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India and Memorandum of Association of the company.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc mentioned above.

As informed to me, the industry/sector specific laws, specifically applicable to the company under Central and/or State legislations, are the Aircraft Act, 1934 and Rules made there under, Environment laws;- Kerala Air (Prevention and Control of Pollution) Rules,1984 and The Environment (Protection) Act & Rules,1986. For the purpose of examining the adequacy of compliances with industry/sector specific laws, reliance has been placed on the Compliance Certificate issued by the Company Secretary of the company and based on that I am of the opinion that the company has generally complied with the specific laws.

I further report that the compliance by the company of the financial laws like direct and indirect tax laws and various labour laws has not been reviewed in this audit, since they do not come under the scope of this audit. However based on the information received and records maintained by the company and on their examination I report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with general laws like labour laws, Competition law, environmental laws, rules, regulations and guidelines.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The company has appointed whole time Key Managerial Personnel viz; Managing Director, Company Secretary and Chief Financial Officer. During the period under report, the directors of the company have filed Web-Form DIR-3 KYC WEB or Form DIR-3-KYC as the case may be with MCA/ROC as it has been made mandatory for the DIN holders to update the DIN Status within the stipulated date by the MCA for updating its register with latest and personal information of DIN holders vide notification dated 5th July 2018. The following changes in the composition of the Board of directors and other KMPs took place during the audit period and were carried out in compliance with the provisions of the Act:

1. Shri.C.V. Jacob (DIN: 00030106) and Shri.N.V. George (DIN: 00278319), Directors who retired by rotation were re-appointed as Directors of the Company at the 15th Annual General Meeting held on 04.09.2020 pursuant to Section 152 of the Companies Act 2013 read with Article 62 of the Articles of Association of the company and as recommended by the Board at the meeting held on 10.07.2020. Shri.C.V.Jacob (DIN: 00030106) passed away on 31.01.2021, thereby ceased to be Director of the Company.
2. Shri.Krishna Narayana Kaimal having DIN:00043820 was appointed as an Additional Director (Non-Executive & Independent) of the Company w.e.f. 25.09.2020, pursuant to Sections 149 and 161 of the Companies Act 2013 read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules 2014. Form DIR-12 was duly filed with the Registrar pursuant to section 170(2) of the Companies Act 2013.
3. Shri.Jose Thomas Periappuram (DIN: 02905126) and Shri. Saji Kodankandath George (DIN: 01581503) who were initially appointed as Additional Directors of the company in the board meeting held on 18.12.2019 were appointed as Directors of the company with the consent of the members at the Annual General Meeting held on 04.09.2020. Form DIR-12 was duly filed with the Registrar pursuant to section 170(2) of the Companies Act 2013.
4. As per the recommendation of the Nomination and Remuneration Committee at the meeting held on 19.03.2021, the Board of Directors approved the reappointment of Shri.A.C.K.Nair (DIN: 01327169) as Managing Director of the Company for a further period of 24 Months from 23rd December 2020 to 22nd December 2022. Form MGT-14 was duly filed with the Registrar as per section 117(3) of the Companies Act 2013.
5. Smt.Athiyarath Ramani Kothai having DIN: 07188269, was appointed as an Additional Director (Non-Executive & Independent) of the Company w.e.f. 19.03.2021, pursuant to Sections 149 and 161

of the Companies Act 2013 read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules 2014. Form DIR-12 was duly filed with the Registrar pursuant to section 170(2) of the Companies Act 2013.

I further report that the company has held four (4) Board meetings during the period under review respectively on 10.07.2020, 25.09.2020, 28.12.2020 and 19.03.2021. Ministry of Corporate Affairs vide Circular No.11/2020 dated 24.03.2020 had granted relaxation for compliance of section 173(1) of the Companies Act, 2013, in view of disruptions caused by COVID 19 pandemic, thereby the intervening gap for conducting two consecutive Board Meetings was relaxed to 180 days instead of 120 days for the first two Quarters of Financial year 2020-21. Accordingly, the company had conducted the first Meeting of the Board for the financial year 2020-21 on 10.07.2020, which exceeded 120 days but not exceeded 180 days from the previously held Board Meeting dated 05.03.2020. Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance duly complying with the time limits specified and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

In addition to the general business and statutory matters, the Board has in the meeting held on 10.07.2020 considered and approved Related Party Transactions (in the nature of debit for meeting expenses, Lease rent, Energy charges etc and Providing services) between the company (CIASL) and the holding company (CIAL) and the associate/fellow subsidiary company CIAL Infrastructure Ltd, during the financial year ended on 31.03.2019 and 31.03.2020. The Board also accorded omnibus approval for similar transactions with the above related parties for the financial year 2020-21 for an aggregate amount not exceeding Rs.200 lakhs.

Regarding evaluation of the performance of Independent Directors by the Board, in accordance with schedule IV, u/s 149 (8) of the Companies Act 2013, the company submitted that since there is no mention, in the schedule, as to such evaluation on yearly basis and is said to be taken to decide on their reappointment, it has not been taken on yearly basis. However as a matter of abundant caution company will consider this matter in future after taken up it with their Board level.

The Board also took note of the declaration u/s 149(7) of the Act regarding whether independent directors meet the criteria of Independence u/s 149(6) and ensured it and also noted that independent directors are not disqualified to act as such. The Board noted at the meeting held on 10.07.2020, the declaration given by the directors pursuant to section 164(2) of the Act and ensured that none of the directors are disqualified under the provisions of section 164(2) of the Act. Disclosure of interest and shareholding of Directors pursuant to section 184(1) of the Act is also considered and read over in the meeting. The Board in the same meeting also considered and approved the financial statements and Directors report to shareholders as on 31.03.2020 as recommended by the Audit Committee and convening of 15th Annual General Meeting on 04.09.2020, among other general business and statutory matters.

During the period under report, as per the recommendation of the Board of Directors at their meeting held on 10.07.2020, M/s. Krishnamoorthy & Krishnamoorthy, Chartered Accountants, Ernakulam, were appointed as the Statutory Auditors of the Company for the financial year 2020-21 at the 15th AGM held on 04.09.2020. The Company has filed Form ADT- 1 to intimate the Registrar of Companies about the appointment of the Statutory Auditors pursuant to Section 139 of the Companies Act, 2013 and Rule 4(2) of the Companies (Audit and Auditors) Rules, 2014. Board of Directors at their meeting held on 10.07.2020 fixed the Statutory Audit fee for the Financial year 2019-20 as authorised in the 14th Annual General Meeting. At the same Board Meeting M/s Mohan & Mohan Associates, Chartered Accountants were appointed as Internal Auditors of the company for the financial year 2020-21 and also fixed their remuneration. The Board in the meeting held on 25.09.2020, appointed Shri. M.C Sajumon, Practicing Company Secretary as Secretarial Auditor of the

Company for conducting Secretarial Audit for the financial year 2020-21 pursuant to Section 204(1) of the Companies Act 2013 read with rule 9 of the Companies (Appointment and Remuneration personnel) Rules 2014. The Company has filed Form MGT-14 as per the provisions of section 117 read with Section 179 of the Companies Act 2013 and rules made thereunder, for the said appointments, thereby ensuring compliance.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

During the financial year 2020-21, the Committees of the Board consisted of Audit committee, Nomination and Remuneration Committee and CSR Committee.

During the financial year 2020-21, the Audit Committee was reconstituted by the Board of Directors at their meeting held on 28.12.2020. During the reporting period, the Audit Committee has met two times respectively on 10.07.2020 and 28.12.2020 and considered Internal Audit Report of each quarter and evaluated and reviewed all items and appraised and discussed about the comments in the report. The Audit Committee held on 10.07.2020 considered and reviewed the financial statements as at 31.03.2020 and decided to recommend to the Board for their approval. The Audit Committee held on 10.07.2020 also considered appointment of Internal Auditors and Statutory Auditors of the Company. The Audit Committee held on 28.12.2020 took note of the performance of the company for the period ended 30.11.2020. The proceedings of the above committee meetings were duly recorded and signed by the Chairman.

During the financial year 2020-21, the Nomination and Remuneration Committee was also reconstituted by the Board of Directors at their meeting held on 28.12.2020. The meeting of Nomination and Remuneration committee was held for the financial year 2020-21 on 19.03.2021. The proceedings of the above committee meeting was duly recorded and signed by the Chairman

The Independent Directors have after the meeting of Nomination and Remuneration committee held on 19.03.2021 without the attendance of non-independent directors and the members of the management evaluated the performance of non-independent directors and the Board as a whole and reviewed performance of the Chairman of the company for the financial year 2020-21 in order to comply with the requirement as per provisions of section 149(8) and schedule IV (Code of Conduct of Independent Directors-Para VII) and reviewed performance of non-Independent Directors and expressed satisfaction about the performance of the non-independent directors, the Board as a whole and the Chairman.

Further the Nomination and Remuneration Committee considered and unanimously agreed the proposal for the reappointment of Mr.A.C.K.Nair (DIN: 01327169) as Managing Director of the Company for a further period of 24 Months from 23.12.2020 to 22.12.2022 and decided to recommend to the Board. The proceedings of the above committee meetings were duly recorded and signed by the Chairman.

During the reporting period, as the company has come under the ambit of section 135 of the Companies Act 2013 based on the Net profit criteria, CSR committee was constituted with Four (4) members namely, Mr.E.M.Babu as Chairman and Mr. A.N.K Kaimal, ACK Nair and Jose Thomas as other Members. The first meeting of the CSR Committee was held on 19.03.2021 and formulated and recommended to the Board CSR Policy and considered and approved the CSR expenditure for the Financial Year 2020-21. The specified CSR amount to be spent for the financial year 2020-21 was Rs. 7,52,470/- and decided to contribute the said amount to the CSR project of the holding company CIAL by paying the contractor, who is carrying out the work under the CSR project of CIAL, directly against proper bills to be provided to the company to comply with the CSR obligation of the company for financial year 2020-21. The proceedings of the above committee meeting was duly recorded and signed by the Chairman.

The 15th Annual General Meeting of the company for the financial year ending 31.03.2020 was held on 04.09.2020 at the Registered Office of the Company duly complying with Covid-19 protocol and the proceedings were duly recorded and signed by the Chairman.

I further report that based on the information received and records maintained by the company there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the company has no specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc except:

(i) The company has continued related party transactions with Cochin International Airport Limited (CIAL), the holding Company. The company has taken land (31 acres & 50.250 cents) from the holding company for setting up aircraft maintenance hangar, under a lease agreement executed (operating lease) for a term of 30 years commencing from 12th May 2006, for which lease rentals are charged. Further the holding company debits the company for common infrastructure user charges. (ii) The company has continued related party transactions with the associate/fellow subsidiary company CIAL Infrastructure Ltd. The company has sublet a part of the leasehold land (10 acres & 65.693 cents) to CIAL Infrastructure Ltd for setting up solar power plant, under a lease agreement executed for a period of 20 years commencing from 12th May 2016, as permitted by the holding company (in the 98th Board meeting of CIAL held on 26th March 2014) for which lease rentals are charged.

The company has explained that all the related party transactions or arrangements have been made on arm's length basis and in the ordinary course of business and hence Section 188(1) of the Companies Act 2013 does not apply to the Company.

Further the Accounts of the Company is consolidated with the holding Company and is placed before the Shareholders at the General Meeting for Approval.

This report is to be read with our letter of even date which is annexed hereto as Annexure A and forms an integral part of this report.

M.C SAJUMON
Practising Company Secretary
ACS No: 9868, C P. No.: 2385
ICSI Unique Code: I1995KE067800
Peer Review Cert. No. 713/2020
UDIN: A009868C000488731

Place : Cochin-18
Date : 19.06.2021

'Annexure A'

ANNEXURE TO SECRETARIAL AUDIT REPORT

To
The Members
Cochin International Aviation Services Limited
XI/318 Cochin International Airport Buildings,
Aluva, Nedumbassery, Kochi Airport,
Ernakulam,
Kerala- 683111

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial or other statutory records is the responsibility of the management of the company. My responsibility is to express an opinion on these records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the Secretarial records.

3. The verification was done on test basis to ensure that correct facts are reflected in records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

4. I have not verified the correctness and appropriateness of financial records and books of Accounts of the company.

5. Where ever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.

7. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

M.C SAJUMON
Practising Company Secretary
ACS No: 9868, C P. No.: 2385
ICSI Unique Code: I1995KE067800
Peer Review Cert. No. 713/2020
UDIN: A009868C000488731

Place : Cochin-18
Date : 19.06.2021

Krishnamoorthy & Krishnamoorthy
Chartered Accountants

Paliam Road, Kochi – 682016
krishnamoorthyoffice@gmail.com

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF COCHIN INTERNATIONAL AVIATION SERVICES LIMITED

Opinion

We have audited the accompanying standalone Ind AS financial statements of Cochin International Aviation Services Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the 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 31st March 2021 and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis of opinion:

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters:

We draw attention to the following matters disclosed as contingent liability in the Notes forming part of the standalone Ind AS financial statements:

a. Note 4.46 to the financial statements regarding, award passed by the Arbitrator (Refer Note 4.4.2) which has been disputed in appeal amounting to Rs.1339.24 lakhs which is not acknowledged as debt by the Company. Demand for payment of Building tax (Refer Note 4.42) which has been disputed in appeal before the Hon'ble High Court of Kerala amounting to Rs.662.95 Lakhs (net of admitted tax), the ultimate outcome of the above cannot be determined at this stage.

Our opinion is not qualified in respect of these matters.

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 standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in

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India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued there under.

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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the audit of the Financial Statements:

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

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

(a) Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or

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conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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, enclosed herewith, a statement on the matters specified in the paragraph 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the 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.

   e. On the basis of the written representations received from the directors by the Company and taken on record in the meeting of the Board of Directors, none of the Directors is disqualified as on 31st March 2021 from being appointed as a Director in terms of Section 164 (2) of the Act.

   f. We have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31st March, 2021 in conjunction with our audit of the standalone financial statements of the company for year ended on that date and we enclose herewith our report in "Annexure B".

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

i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer Note 4.42 and 4.46 to the financial statements.

ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. - Refer Note 4.45 to the financial statements.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

for **Krishnamoorthy & Krishnamoorthy**
Chartered Accountants (FRN: 001488S)

Sd/-
CA K T Mohanan
Partner (M.No: 201484)
UDIN: 21201484AAAABF1911

Place : Cochin -16
Date : 04.06.2021

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Chartered Accountants

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ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

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

b) We are informed that these fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company is not having any free hold immovable property.

(ii) We are informed that physical verification of inventory, consisting of stores and spares and consumables, has been conducted at reasonable intervals by the management and as informed to us discrepancies noticed on such verification were properly dealt with in the books of accounts.

(iii) 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, paragraphs (iii) (a) (b) and (c) of CARO 2016 are not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has not made any loans and investments and has not provided any guarantees and securities to the parties covered under Section 185 of the Act and hence not commented upon.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year as per the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.

(vi) As per the information and explanation given to us, the Central Government has not prescribed maintenance of cost records under subsection (1) of section 148 of the Companies Act 2013.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The company has been generally regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Service tax, Duty of Customs, Duty of Excise,Goods and Service tax, Customs Duty, cess and other material statutory dues applicable to it to the appropriate authorities during the year. There are no arrears of outstanding undisputed statutory dues as at the last day of the financial year concerned for a period of more than six months from the date, they became payable.

(b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax or Sales Tax or Wealth Tax or Service Tax, Duty of Customs, Duty of Excise or Goods and Service Tax, duty of customs or duty of excise or value added tax or cess, which have not been deposited on account of any dispute as on 31st March, 2021, except for income tax and service tax dues, the particulars of the same are as given below:

Name of the Statute	Nature of Dues	Amount (Rupees)	Period to which it relates	Forum where dispute is pending
The Kerala Building Tax Act 1975	Annual Building Tax	662.95 Lacs	2012-2021	Hon'ble High Court of Kerala

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(viii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, the company not obtained any loans from financial institution, government and debenture holders.

(ix) According to the information and explanations given to us, we report that there is no term loan availed by the Company and has not raised any moneys by way of initial public offer and further public offer (including debt instruments) and hence not commented upon.

(x) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, no fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year, nor have we been informed of any such case by the Management.

(xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the CARO 2016 Order is not applicable to the Company and hence not commented upon.

(xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

(xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its Directors or persons connected with them, and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

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

for **Krishnamoorthy & Krishnamoorthy**
Chartered Accountants (FRN: 001488S)

Sd/-
CA K T Mohanan
Partner (M.No: 201484)
UDIN: 21201484AAAABF1911

Place : Cochin -16
Date : 04.06.2021

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ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 Cochin International Aviation Services Limited ("the Company") as of 31 March, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's 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 ('ICAI'). 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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.

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

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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, to the best of our information and according to the explanations given to us, 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 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **Krishnamoorthy & Krishnamoorthy**
Chartered Accountants (FRN: 001488S)

Sd/-
CA K T Mohanan
Partner (M.No: 201484)
UDIN: 21201484AAAABF1911

Place : Cochin -16
Date : 04.06.2021

PART I : BALANCE SHEET
COCHIN INTERNATIONAL AVIATION SERVICES LIMITED
BALANCE SHEET AS AT 31st MARCH 2021

(Rupees in '000)

	Particulars	Note No:	As at 31st March 2021	As at 31st March 2020
	ASSETS			
1	**Non Current Assets**			
a	Property, Plant and Equipment	4.1	314658.36	315836.85
b	Right of Use Assets (ROU)	4.1	1700.53	1813.90
c	Intangible assets	4.1	0.00	0.00
d	Financial assets			
	(i) Other financial assets	4.2	119.27	119.27
e	Income tax assets (Net)	4.3	7389.31	15381.02
f	Other non-current assets	4.4	834.42	834.42
2	**Current Assets**			
a	Inventories	4.5	1695.38	2042.87
b	Financial assets			
	(i) Trade Receivables	4.6	36381.55	48446.09
	(ii) Cash & Cash equivalents	4.7	82280.94	47569.05
	(iii) Bank Balances Other than above	4.8	161927.61	160207.22
	(iv) Other Financial Assets	4.9	9116.32	8974.28
c	Income tax assets (net)	4.10	0.00	12757.78
d	Other current assets	4.11	4774.48	6221.98
	Total Assets		**620878.17**	**620204.73**
	EQUITY & LIABILITIES			
	Equity			
a	Equity Share Capital	4.12	753194.00	753194.00
b	Other Equity	4.13	-153919.45	-169763.46
	Liabilities			
1	**Non Current Liabilities**			
a	Financial Liabilities			
	(i) Borrowings	4.14	2530.61	2623.91
	(ii) Other financial liabilities	4.15	3735.63	0.00
b	Provisions	4.16	7789.72	5501.12
c	Deferred tax liabilities (Net)	4.17	0.00	0.00
d	Other non current liabilities	4.18	1004.62	0.00
2	**Current Liabilities**			
a	Financial Liabilities			
	(i) Borrrowings	4.19	93.30	86.03
	(ii) Trade Payables	4.20	1379.01	2574.52
	(iii) Other financial liabilities	4.21	5.00	18245.12
b	Other current liabilities (Net)	4.22	4358.47	6340.00
c	Provisions	4.23	707.26	1403.49
	Total Equity and Liabilities		**620878.17**	**620204.73**

Significant accounting policies and notes forming part of financial statements

For and on behalf of the Board of Directors

sd/-
V.J. Kurian
Chairman

sd/-
A C K Nair
Managing Director

sd/-
Lenny Sebastian
Chief Financial Officer

sd/-
Saji Daniel
Company Secretary

Place : Kochi
Date : 20.05.2021

As per our report of even date attached

For **Krishnamoorthy & Krishnamoorthy**
Chartered Accountants (FRN: 001488S)

sd/-
CA K T Mohanan
Partner (M.No: 201484)
UDIN: 21201484AAAABF1911

Part II : STATEMENT OF PROFIT & LOSS

COCHIN INTERNATIONAL AVIATION SERVICES LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2021

(Rupees in '000)

	Particulars	Note No:	For the year ended 31.03.2021	For the year ended 31.03.2020
	Income:			
I.	Revenue from Operations	4.24	102296.74	187721.06
II.	Other Income	4.25	18963.51	18829.68
III.	**Total Income**		**121260.25**	**206550.74**
IV.	**Expenses:**			
	Employee Benefits expenses	4.26	55412.51	66045.71
	Finance Costs	4.27	237.12	313.91
	Depreciation and amortisation expenses	4.1	30440.91	33685.27
	Other Expenses	4.28	18274.81	23879.24
	Total Expenses		**104365.35**	**123924.13**
	Profit before exceptional items and tax (III-IV)		**16894.90**	**82626.61**
VI.	Exceptional Items		**0.00**	**0.00**
V.	**Profit/(Loss) before Tax**		**16894.90**	**82626.61**
VI.	**Tax expense:**			
	a. Current tax (Refer Note 4.44)		**0.00**	**0.00**
VII.	**Profit/(Loss) for the period (V-VI)**		**16894.90**	**82626.61**
VIII.	**Other comprehensive income**			
	(i) Items that will not be reclassified to profit or loss			
	(a) Remeasurement of defined employee benefit plan		-1050.90	-3632.75
	(ii) Income tax relating to items that will not be reclassified to profit or loss		0.00	0.00
	Total other comprehensive income/(loss) (net of tax)		**-1050.90**	**-3632.75**
IX.	**Total comprehensive income for the period**		**15844.01**	**78993.86**
	(Profit/(loss) + other comprehensive income)			
X	**Earnings per equity share (for continuing operations)**			
	a) Basic	4.29	0.22	1.10
	b) Diluted		0.22	1.10

Significant accounting policies and notes forming part of financial statements

For and on behalf of the Board of Directors

sd/-
V.J. Kurian
Chairman

sd/-
A C K Nair
Managing Director

sd/-
Lenny Sebastian
Chief Financial Officer

sd/-
Saji Daniel
Company Secretary

Place : Kochi
Date : 20.05.2021

As per our report of even date attached

For **Krishnamoorthy & Krishnamoorthy**
Chartered Accountants (FRN: 001488S)

sd/-
CA K T Mohanan
Partner (M.No: 201484)
UDIN: 21201484AAAABF1911

COCHIN INTERNATIONAL AVIATION SERVICES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2021

(Rupees in '000)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before taxation and extra-ordinary items	**16,894.90**	**82,626.61**
Adjustments for:		
Depreciation	30,440.91	33,685.27
Interest income	(18,530.37)	(16,548.49)
Interest Expense	237.12	313.91
Profit on sale of Fixed asset	-	(1.26)
Unrealised foreign exchange Gain	12.31	(165.22)
Transitional effect of Ind AS	-	(862.01)
Remeasurement of defined benefit plans	(1,050.90)	(3,632.75)
Operating profit before working capital changes	**28,003.97**	**95,416.06**
Adjustments for:		
(Increase)/decrease in Inventories	347.49	(24.92)
(Increase)/decrease in Trade receivables	12,052.24	(12,705.42)
(Increase)/decrease in Other Assets	1,305.46	19,910.67
Increase/(decrease) in Provisions	1,592.37	2,794.86
Increase/(decrease) in Trade Payables	(1,195.50)	1,469.76
Increase/(decrease) in Current Liabilities	(15,567.43)	(2,455.86)
Cash generated from operations	**26,538.59**	**104,405.16**
Direct Tax (payments)/refunds (Net)	**20,749.49**	**(4,108.51)**
Net Cash Flow from Operating Activities	**47,288.08**	**100,296.65**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(29,149.06)	(2,267.92)
Interest received	18,530.37	16,548.49
Disposal of Property, Plant and Equipment	-	1.26
Net Cash Flow from Investing Activities	**(10,618.68)**	**14,281.82**
CASH FLOW FROM FINANCING ACTIVITIES		
Lease Liability repaid		
Interest paid	(237.12)	(313.91)
Proceeds from Long-Term Borrowing		2,709.95
Net Cash Flow from Financing Activities	**(237.12)**	**2,396.04**
Net increase/(decrease) in cash and cash equivalents	**36,432.28**	**116,974.51**
Cash and cash equivalents at the beginning of the period	**207,776.27**	**90,801.76**
Cash and cash equivalents at the end of the period	**244,208.55**	**207,776.26**
Cash and Cash Equivalents as per above comprises of the following:		
Cash on hand		
Balances with Banks on Current Accounts and Fixed Deposit Account	**244,208.55**	**207,776.27**
Balances as per Statement of Cash Flow Statement	**244,208.55**	**207,776.27**

Significant accounting policies and notes forming part of financial statements

For and on behalf of the Board of Directors

sd/-
V.J. Kurian
Chairman

sd/-
A C K Nair
Managing Director

sd/-
Lenny Sebastian
Chief Financial Officer

sd/-
Saji Daniel
Company Secretary

Place : Kochi
Date : 20.05.2021

As per our report of even date attached

For **Krishnamoorthy & Krishnamoorthy**
Chartered Accountants (FRN: 001488S)

sd/-
CA K T Mohanan
Partner (M.No: 201484)
UDIN: 21201484AAAABF1911

STATEMENT OF CHANGES IN EQUITY

COCHIN INTERNATIONAL AVIATION SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31st MARCH 2021

(Rupees in '000)

A **Note No 4.12 :**

4.12.1 Equity Share Capital

Particulars	Notes	Amount
Balance at April 1, 2019		**753,194.00**
Changes in equity share capital during the year		-
Balance at March 31, 2020		**753,194.00**
Changes in equity share capital during the year		-
Balance at March 31, 2021	**4.12**	**753,194.00**

B **4.12.2 Other Equity**

Other Equity	Reserves & Surplus		
	Retained Earnings	Other Comprehensive Income	Total
Balance as on 01.04.2019	**(247,895.31)**	**-**	**(247,895.31)**
Ind As Transitional Adjustment (Ind AS 116) (Refer Note No.4.31)	(862.01)	-	(862.01)
Profit/(Loss) for the year	82,626.61	-	82,626.61
Other Comprehensive Income for the year		(3,632.75)	
Balance at the end of the reporting period	**(166,130.71)**	**(3,632.75)**	**(169,763.46)**
Balance as on 31.03.2020	**(166,130.71)**	**(3,632.75)**	**(169,763.46)**
Total Comprehensive Income for the year		(1,050.90)	(1,050.90)
Profit/(Loss) for the year	16,894.90	-	16,894.90
Balance at the end of the reporting period	**(149,235.81)**	**(4,683.64)**	**(153,919.45)**

For and on behalf of the Board of Directors

sd/-
V.J. Kurian
Chairman

sd/-
A C K Nair
Managing Director

sd/-
Lenny Sebastian
Chief Financial Officer

sd/-
Saji Daniel
Company Secretary

Place : Kochi
Date : 20.05.2021

As per our report of even date attached

For **Krishnamoorthy & Krishnamoorthy**
Chartered Accountants (FRN: 001488S)

sd/-
CA K T Mohanan
Partner (M.No: 201484)
UDIN: 21201484AAAABF1911

COCHIN INTERNATIONAL AVIATION SERVICES LIMITED

Regd. Office:XI / 318 E, Cochin Airport Buildings, Kochi Airport P O, Ernakulam 683 111
Phone 0484 – 2611785, Website: www.ciasl.aero, E-mail:fna@ciasl.aero, CIN: U35303KL2005PLC018632

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021:

1. CORPORATE INFORMATION

Cochin International Aviation Services Limited ("the Company") is a public limited Company incorporated and domiciled in India. It is a subsidiary of Cochin International Airport Limited. The address of its registered office is XI/318E, Cochin International Airport Buildings, Kochi Airport P.O., Ernakulam District, Pin-683111 and the principal place of business is located in Nedumbassery, Kochi-683111.

The Company is incorporated with the object of running and managing Aircraft Maintenance facilities and also, carrying out aircraft certification and allied activities.

During the year, the MRO hangar facilities were leased out on a fixed rent basis. The income generated by the Company includes rentals from letting out of premises and also, equipments.

The financial statements were approved for issue by the Company's Board of Directors on 20.05.2021.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation and presentation

a) Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (Act) read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

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

b) Application of New Accounting Pronouncements

The Company has applied the following relevant Ind AS pronouncements pursuant to the issuance of the Companies (Indian Accounting Standards) Amendment Rules 2020 in the preparations of financial statements for the year under consideration:

(i) Amendment to Ind AS 116 - Leases

Due to the pandemic COVID- 19 related rent concessions, as a practical expedient, a lessee may elect not to assess whether a rent concession that meets the conditions in paragraph 46B is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the rent concession the same way it would account for the change applying this Standard if the change were not a lease modification. The amendment to Ind AS 116 does not have any material impact on the standalone financial statements of the Company.

(ii) Amendment to Ind AS 1-Presentation of Financial Statements and Ind AS 8-Accounting Policies, Changes in Accounting Estimates and Error:

The definition of the term —Material has been refined to include examples of circumstances that may result in material information being obscured. The adoption of amendment to Ind

AS 1 and Ind AS 8 does not have any material impact on the standalone financial statements of the Company.

(iii) Amendment to Ind AS 109, Financial Instruments:

Modification to specific hedge accounting requirements to provide relief to the potential effects of uncertainty caused by the interest rate benchmark reform. The amendment to Ind AS 109 does not have any material impact on the standalone financial statements of the Company.

c) Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value except for financial instruments if any, which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

d) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (not exceeding twelve months) and other criteria set out in the Schedule III to the Act.

e) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousands as per the requirement of Schedule III, unless otherwise stated.

2.2 Use of Estimates and judgment

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosure of contingent assets and liabilities at the date of financial statements and reported amounts of revenue and expenses. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

1. Discount rate used to determine the carrying amount of the Company`s defined benefit obligation.
2. Useful live of Property plant and equipment
3. Estimated useful life of intangible assets
4. Contingences and commitments
5. Allowance for doubtful debts
6. Impairment of investments
7. Fair value measurement of financial instruments.
8. Provision for Income Tax and Deferred Tax

2.3 Property, plant and equipment

On adoption of Ind AS, the Company retained the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind ASs, measured

as per the previous GAAP and used that as its deemed cost as permitted by Ind AS 101 'First-time Adoption of Indian Accounting Standards'.

PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates. The cost of PPE includes interest on borrowings (borrowing cost) directly attributable to acquisition, construction or production of qualifying assets subsequent to initial recognition, PPE are stated at cost less accumulated depreciation (other than freehold land, which are stated at cost) and impairment losses, if any.

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

Depreciation is recognised so as to write off the cost of assets (other than capital work in progress) less their residual values over the useful lives using the straight- line method ("SLM"). Depreciation on Property, plant and equipment has been provided on Straight Line Method (SLM), by adopting the useful lives prescribed as per Part C of Schedule II to the Companies Act, 2013.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and 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 disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Fully depreciated assets still in use are retained in financial statements.

The Right to Use assets being the lease hold right to use land is capitalised and disclosed as part of fixed assets.

2.4 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line over their estimated useful life of 5 years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on prospective basis.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the Statement of Profit and Loss when the asset is derecognised.

2.5 Financial instruments

a) Initial recognition

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially

measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition, Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

b) Subsequent measurement

(i) Financial assets carried at amortized cost- A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income - A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

(iii) Financial assets at fair value through profit or loss - A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Impairment of financial assets

Trade Receivables - The Company assesses at each Balance Sheet date whether a financial asset or a group of financial asset is impaired. Ind AS 109 requires expected credit loss to be measured through a loss allowance. The Company recognises lifetime expected credit losses for all trade receivables that do not constitute a financing transaction. Impairment loss allowance is based on a simplified approach as permitted by Ind AS 109. As a practical expedient, the Company uses a provision matrix to determine the impairment loss on the portfolio of its trade receivables.

(v) Derecognition of Financial assets - The Company de-recognizes 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.

(vi) Financial liabilities - Financial liabilities are measured at amortized cost using the effective interest method or at FVTPL.

The Company derecognizes Financial liabilities only when Company's obligations are discharged, cancelled or have expired. A substantial modification of the terms an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in the Statement of Profit and Loss.

2.6 Inventories

Inventories are valued at lower of cost or net realisable value. Cost of inventories comprises of purchase cost and cost of procurement net of on a weighted average basis. However, stores and spare items held for use in providing the services are not written down below cost if the services are expected to be provided at or above cost. Cost of inventories comprises of purchase cost and cost of procurement net of on a weighted average basis.

2.7 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. These are reviewed at each Separate balance sheet date and adjusted to reflect the correct management estimates.

Contingent Liabilities are disclosed when the Company has a possible obligation or a present obligation and it is probable that a cash flow will not be required to settle the obligation.

Contingent assets are disclosed in the accounts, where an inflow of economic benefits is probable.

2.8 Leases

Company as a Lessee

The company has adopted Ind AS 116 Leases with effect from 1st April 2019 and applied the standard to lease arrangements existing as on the date of initial application using modified retrospective approach, with the lease liability recognised as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the Right Of Use asset (ROU) as the carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application. (Refer Note 4.31)

The Right to Use recognised as per the lease agreement is classified under the respective asset class and the corresponding lease liabilities under Borrowings as required by the standard.

Company as a Lessor

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other-leases are classified as operating leases. Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease in accordance with Ind AS 116. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income.

2.9 Cash Flow Statement

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

2.10 Revenue Recognition

a) Rendering of services

The Company derives its revenue primarily from Aircraft Maintenance facilities and also, carrying out aircraft certification and allied activities.

As per Ind AS 115, Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services. The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money. Revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (based on fixed rate contracts) allocated to that performance obligation. This consideration is estimated based on the expected value of outflow. Revenue is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

b) Interest income

Interest income from a financial asset is recognized 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 a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that assets net carrying amount on initial recognition.

Other incomes are recognized on accrual basis except when there are significant uncertainties.

c) Rental income

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease in accordance with Ind AS 116.

2.11 Employee benefits

a) Short Term Employee Benefits - All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and recognized in the period in which the employee renders the related service.

b) Defined Contribution Plans - The Company makes contributions to Provident Fund, which is a defined contribution plan for employees. The contributions paid/payable under the scheme during the year are charged to the Statement of Profit and Loss for the year.

c) Defined Benefit Plans - Defined benefit plan covers the obligation of the Company towards the gratuity benefits. For defined benefit plans, the cost of providing benefits is determined using projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Re-measurement, comprising actuarial gains and losses, any change in the effect of the asset ceiling(excluding interest) and the return on plan assets (excluding net interest), is reflected immediately - with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the Statement of Profit and Loss. Past service cost is recognized in the Statement of Profit and 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 (asset). Defined benefit costs categorized as follows.

(i) Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

(ii) Net interest expense or income; and

(iii) Re-measurement.

The Company presents the first two components of defined benefit costs in the Statement of Profit and Loss in the line 'Employee benefits expense'. Curtailment gains and losses are accounted as past service costs. The retirement benefit obligation recognised in the separate balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation limited to the lower of the surplus in the defined benefit plan and the asset ceiling.

d) Long term employee benefits - The Company has a policy on compensated absence which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absence is determined by Actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absence is recognised in the period in which the absences occur.

Long Term Employee Benefits is categorised as follows:

(i) Service Cost

(ii) Net Interest on the net defined benefit liability (asset)

(iii) Re-measurements of the net defined benefit liability (asset)

The Company presents the first two components of defined benefit costs in the Statement of Profit and Loss in the line 'Employee benefits expense'. Re-measurements of the net defined benefit liability (asset) is charged or credited to Other Comprehensive Income or statement of Profit & Loss.

2.12 Borrowing costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use are capitalized as part of cost of the respective asset. All other borrowing costs are recognized as expenditure for the period in which they are incurred.

2.13 Foreign Exchange Translation

The functional currency of the Company is Indian rupee.

On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognized in the Statement of Profit and Loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

2.14 Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognized in Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount

of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and laws) enacted or substantively enacted by the reporting date.

Deferred Tax

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax assets is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax credit is recognized as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.15 Earnings per share

The earnings considered in ascertaining the Company's Earnings per share comprise of the net profit after tax. The number of shares used in computing the basic earnings per share is the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted Earnings per share comprises the weighted average shares considered for deriving the basic earnings per share and also the weighted average number of shares, of any shares, which would have been issued on the conversion of all dilutive potential equity shares.

3. RECENT ACCOUNTING PRONOUNCEMENTS

There are no new standards issued but not yet made effective as on the date of approving the financial statements.

4.1 Property, Plant and Equipment

4.1.1 Tangible Assets (Owned Assets)

(In Rupees)

Name of the Asset	Gross Block				Depreciation/ Amortisation				Net Block	
Particulars	Gross Carrying Value as on 01.04.2020	Addition during the Year	Deletion during the Year	Gross Carrying value as on 31.03.2021	As at 01.04.2020	Depreciation for the year	Deletion during the Year	As at 31.03.2021	Carrying value As at 31.03.2021	Carrying value As at 31.03.2020
Building	328,731	-	-	328,731	182,053.42	19,378	-	201,432	127,299	146,677.26
Building - Hangar	215,160	27,611	-	242,771	71,809.37	6,279	-	78,089	164,683	143,350.87
Fire Fighting Equipment	8,500	1,026	-	9,526	4,858.35	909	-	5,767	3,759	3,641.98
Electrical Fittings	11,741	-	-	11,741	6,729.07	1,117	-	7,846	3,895	5,012.01
Plant & Machinery	35,355	498	-	35,853	22,806.93	1,421	-	24,228	11,626	12,548.19
Computer and Peripherals	3,179	14	-	3,193	2,774.73	166		2,941	252	403.84
Motor Car	641	-	-	641	382.99	51	-	434	207	257.76
Office Equipment	235	-	-	235	166.96	5	-	172	63	68.40
Furniture & fittings	19,663	-	-	19,663	16,404.99	830	-	17,235	2,428	3,258.29
Tools and Equipments	2,683	-	-	2,683	2,064.97	171	-	2,236	447	618.26
Books	468	-	-	468	468.12	-	-	468	0	0.00
Total	**626,357**	**29,149**	**-**	**655,506**	**310,520**	**30,328**	**-**	**340,847**	**314,658**	**315,837**
Previous Year	**626,120**	**341**	**104**	**626,357**	**277,052**	**33,572**	**104**	**310,520**	**315,837**	**349,068**

4.1.2 : Tangible Assets(Leased Assets)

Name of the Asset	Gross Block				Depreciation/ Amortisation				Net Block	
Particulars	Gross Carrying Value as on 01.04.2020	Addition during the Year	Deletion during the Year	Gross Carrying value as on 31.03.2021	As at 01.04.2020	Depreciation for the year	Deletion during the Year	As at 31.03.2021	Carrying value As at 31.03.2021	Carrying value As at 31.03.2020
Leasehold Land	1,927	-	-	1,927	113	113	-	227	1,701	1,814
Total	**1,927**	**-**	**-**	**1,927**	**113**	**113**	**-**	**227**	**1,701**	**1,814**
Previous Year	**-**	**1,927**	**-**	**1,927**	**-**	**113**	**-**	**113**	**1,814**	**167,651**

4.1.3 : Intangible assets

Name of the Asset	Gross Block				Depreciation/ Amortisation				Net Block	
Particulars	Gross Carrying Value as on 01.04.2020	Addition during the Year	Deletion during the Year	Gross Carrying value as on 31.03.2021	As at 01.04.2020	Depreciation for the year	Deletion during the Year	As at 31.03.2021	Carrying value As at 31.03.2021	Carrying value As at 31.03.2020
Software	163	-	-	163	163	-	-	163	-	-
Total	**163**	**-**	**-**	**163**	**163**	**-**	**-**	**163**	**-**	**-**
Previous Year	**163**	**-**	**-**	**163**	**163**	**-**	**-**	**163**	**-**	**-**

4.2 Other Financial Assets **(Amount in '000)**

Particulars	As at 31.03.2021	As at 31.03.2020
a. Others		
Bank Deposits with Maturity More than 12 months	0.00	0.00
Bank Deposits with Maturity More than 12 months held under lien with Commercial tax authorities	119.27	119.27
	119.27	**119.27**

4.3 Income Tax assets (Net) (Non-Current) **(Amount in '000)**

Particulars	As at 31.03.2021	As at 31.03.2020
Income Tax Assets (Net of provision)	7,389.31	15,381.02
	7,389.31	**15,381.02**

4.4 Other Non Current Assets **(Amount in '000)**

Particulars	As at 31.03.2021	As at 31.03.2020
Advances other than Capital Advances		
Unsecured, considered good		
a. Security Deposits	834.42	834.42
Unsecured, considered doubtful		
a. Others	8,045.19	8,045.19
Less: Allowance on doubtful assets	(8,045.19)	(8,045.19)
	834.42	**834.42**

4.4.1 Security Deposit includes Rs.801.93 (Rs.801.93) being the disputed building tax paid to the Municipality, the proceedings against the same is in process. (Refer Note No. 4.42)

4.4.2 During the financial year 2008-09, the Company entered into an agreement with M/s. Kairali Aviation Aeronautical Engineering Private Limited (KAAEPL) for the operation and management of AME Institute. Though M/s. KAAEPL started the course during August 2010, they could not continue running the institute as they failed to obtain the necessary approval from Director General of Civil Aviation. Consequent to this, during 2011-12 CIASL invoked a Bank Guarantee for Rupees One Crore submitted by M/s. Kairali Aviation Aeronautical Engineering Private Limited (KAAEPL) for non performance and to recover expenses incurred on their behalf and other receivables due from KAAEPL. The amount received from Bank on invocation of Bank Guarantee and the amount determined as receivable from M/s. KAAEPL have been netted off and the balance receivable is shown under non-current receivables. KAAEPL has disputed the claim in arbitration. The arbitration proceedings were completed and award was passed on 21/03/2016. As per the award, the claimants (KAPL & KAAEPL) have been allowed to recover from the respondents (CIASL) an amount of Rs.13,39,24,004/- with future interest at the rate of 9% per annum from the date of award till realisation, if paid within 3 months from the date of the Award. If the awarded amount is not paid within 3 months from the date of Award, interest shall be paid on the said amount at the rate of 14% per annum till realisation. The Company sought a legal opinion on the maintainability of the award and as per the opinion received, the Company has challenged the award before the appellate authority. Pending final disposal of the case, no provision has been made in the accounts for the award amount.

4.4.3 During the year 2011 -12, the Company received a letter from Corporation Bank directing it not to remove the assets and equipments of M/s. Kairali Aviation Aeronautical Engineering Pvt. Ltd. (KAAEPL) from the space that the Company had leased out to KAAEPL, on the grounds that these assets and equipments were hypothecated to Corporation Bank. The Company in turn had raised a demand for Rs.2,022,480/- on Corporation Bank towards rent for the space occupied by the assets and equipments of KAAEPL till 30 September, 2012. Corporation Bank has rejected the Company's claim for rent vide letter No. OR:1049:2012 dated 01.10.2012. No rental income has been recognized considering the above dispute, w.e.f. 01.10.2012. Further provision has been created in the accounts for the entire amount of rent during earlier years itself.

4.5 Inventories: (at lower of Cost or Net Realisable Value) **(Rupees in '000)**

Particulars	As at 31.03.2021	As at 31.03.2020
Stores & Spares	1,695.38	2,042.87
	1,695.38	**2,042.87**

4.5.1 Inventory write downs, if any, are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value and are recognised as expense in the Statement of Profit and Loss.

4.6 Trade Receivables **(Rupees in '000)**

Particulars	As at 31.03.2021	As at 31.03.2020
Trade Receivables considered good- Secured	27,944.89	27,552.76
Trade Receivables considered good- Unsecured	8,315.13	20,778.23
Trade Receivables due from Related Parties (Refer Note 4.36)	121.53	115.10
Trade Receivables which have a significant increase in credit risk	0.00	0.00
Trade Receivables - Credit impaired	0.00	0.00
Credit impaired written off/provided for	-	-
	36,381.55	48,446.09
Less: Allowance for Expected credit loss	0.00	0.00
	36,381.55	**48,446.09**

4.6.1 The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. No allowance for Expected credit loss is required based on the provision matrix as on the Balance Sheet date.

Movement in expected credit loss allowance **(Rupees in '000)**

Particulars	As at 31.03.2021	As at 31.03.2020
- Balance at beginning of the year	-	-
- Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	-	-
Balance at the end of the year	**-**	**-**

4.6.2 Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

4.7 Cash & Cash Equivalents **(Rupees in '000)**

Particulars	As at 31.03.2021	As at 31.03.2020
a. Balance with Banks		
In Current Accounts	19,622.88	1,254.54
In Deposit Accounts (maturity less than 3 months)	62,658.06	46,292.33
b. Cash on hand	0.00	22.18
	82,280.94	**47,569.05**

4.8 Bank Balances- Others **(Rupees in '000)**

Particulars	As at 31.03.2021	As at 31.03.2020
a. Balance with Banks:		
In Deposit Accounts:		
(i) Maturity 3 to 12 months	161,927.61	124,691.82
(ii) Maturity more than 12 months	0.00	35,515.40
	161,927.61	**160,207.22**

4.9 Other Financial Assets (current) **(Rupees in '000)**

Particulars	As at 31.03.2021	As at 31.03.2020
a. Interest Accrued on fixed deposits	9,116.32	8,974.28
	9,116.32	**8,974.28**

4.10 Income Tax assets (Net) (Current) **(Rupees in '000)**

Particulars	As at 31.03.2021	As at 31.03.2020
Income Tax Assets (Net of provision)	0.00	12,757.78
	0.00	**12,757.78**

4.11 Other Current Assets **(Rupees in '000)**

Particulars	As at 31.03.2021	As at 31.03.2020
Advances other than Capital Advances :		
(i) Advances recoverable in cash or in kind or for value to be received.	1,580.08	3,506.33
(ii) Prepaid Expenses	3194.40	2715.65
	4,774.48	**6,221.98**

Notes to Accounts

4.12 Share Capital **(Rupees in '000)**

Particulars	As at 31.03.2021	As at 31.03.2020
Authorised:		
100,000,000 (100,000,000) Equity Shares of Par Value Rs.10/- each	1,000,000.00	1,000,000.00
Issued and Subscribed and fully paid:		
75,319,400 (7,53,19,400) Equity shares of Par Value Rs.10/- each, fully paid up	753,194.00	753,194.00
	753,194.00	**753,194.00**

Reconciliation of shares at the beginning and at the end of the financial year **(Rupees in '000)**

Particulars	As at 31.03.2021		As at 31.03.2020	
	No. of shares	Rupees	No. of shares	Rupees
No. of shares as at the beginning of the financial year	75,319.40	75,319.40	75,319.40	75,319.40
Add: Shares issued during the year	-	-	-	-
No. of shares as at the end of the financial year	**75,319.40**	**75,319.40**	**75,319.40**	**75,319.40**

Rights, preferences and restrictions attached to Shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share and carry a right to dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Particulars of Shareholders holding more than 5% share in the Company

Particulars	As at 31.03.2021		As at 31.03.2020	
	%	No. of shares	%	No. of shares
Cochin International Airport Limited	99.99	75313400	99.99	75313400

4.13 Other Equity

Other Equity Consist of the following **(Rupees in '000)**

Particulars	As at 31.03.2021	As at 31.03.2020
Retained Earnings		
(i) Balance at the beginning of the year	(169,763.46)	(247,895.31)
(ii) Profit/(Loss) for the year	15,844.01	78,993.86
(iii) Ind As Transitional Adjustment (Ind AS 116)		(862.01)
Balance at the end of the year	**(153,919.45)**	**(169,763.46)**

Nature of Reserves

(a) General Reserve

The General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity

to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to the Statement of Profit and Loss.

4.14 Borrowings (Non Current) **(Rupees in '000)**

Particulars	As at 31.03.2021	As at 31.03.2021
Unsecured:		
a. Long Term Maturities of Lease obligations	2,530.61	2,623.91
	2,530.61	**2,623.91**

4.14.1 Long term Maturities of lease obligations represents the computation of lease liability in accordance with Ind As 116 for the lease rent payable for the land taken on lease from the holding company (Cochin International Airport Limited) for providing aviation services by setting up aircraft maintenance hangar. As per the lease agreement, the annual lease rent payable is Rs.3,15,025/- and the period of lease is 30 years, commencing from May 2006. Refer Note 4.30 & 4.31.

4.15 Other Financial Liabilities (Non Current) **(Rupees in '000)**

Particulars	As at 31.03.2021	As at 31.03.2020
Security deposits	3,735.63	0.00
	3,735.63	**0.00**

4.15.1 Security Deposits include the fair value of rent deposit of Rs, 3737.55 (Nil) for Hangar I and II, based on agreement for a period of 5 years from 1st April 2020

4.16 Provision (Non Current) **(Rupees in '000)**

Particulars	As at 31.03.2021	As at 31.03.2020
Provision for Employee Benefits		
Provision for leave benefits	1,996.45	1,363.00
Provision for Gratuity	5,793.27	4,138.12
	7,789.72	**5,501.12**

DISCLOSURE IN ACCORDANCE WITH IND AS 19 ON EMPLOYEE BENEFITS

a) Defined Contribution Plans Employee benefit schemes recognised in the financial statements as per Actuarial Valuation as on 31st March, 2021 and 31st March, 2020 are as follows		
Particulars	**As at 31.03.2021**	**As at 31.03.2020**
Employers contribution to Provident Fund	4,082.22	4,380.89
b) Defined Benefit Plan - Gratuity : Unfunded Obligation		
i) Actuarial Assumptions		
Discount Rate	6.80%	6.59%
Compensation Escalation Rate	3.00%	3.00%
Attrition Rate	5.00%	5.00%
ii) Reconciliation of present value obligation		
Present Value of Obligations at the Beginning of the year	4,284.75	793.49
Current Service Cost	622.37	458.18

Interest Cost	286.18	31.49
Benefits paid	(152.31)	(631.16)
Actuarial (gain) / loss	1,050.90	3,632.75
Present Value of Obligations at the End of the year	**6,091.89**	**4,284.75**
iii) Net (Asset) / Liability recognized in the Balance Sheet as at year end		
Present Value of Obligations at the End of the year	6,091.89	4,284.75
Fair Value of Plan Assets at the end of the year	-	-
Net present value of unfunded obligation recognized as (asset) /liability in the Balance Sheet	**6,091.89**	**4,284.75**
iv) Expenses recognized in the Statement of Profit and Loss		
Current Service Cost	622.37	458.18
Past Service Cost	-	-
Interest Cost	286.18	31.49
Expected return on Plan Assets	-	-
Expenses recognized in the statement of Profit & Loss	**908.56**	**489.67**
v) Amount disclosed under Other Comprehensive Income (OCI)		
Opening amount disclosed under OCI		
Actuarial Gain / Loss on obligation side during the period	(1,050.90)	(3,632.75)
Actuarial Gain / Loss on asset side during the period	-	-
Return on assets other than those included in net interest	-	-
Any other impact from asset value assumption	-	-
Any other impact from liability value assumption	-	-
Closing amount disclosed under OCI	**(1,050.90)**	**(3,632.75)**
c) Long Term Employee Benefits - Compensated absences : Unfunded Obligation		
i) Actuarial Assumptions		
Discount Rate	6.56%	6.56%
Compensation Escalation Rate	3.00%	3.00%
Attrition Rate	5.00%	5.00%
ii) Reconciliation of present value obligation		
Present Value of Obligations at the Beginning of the year	2,619.86	3,316.26
Current Service Cost	728.42	1,081.39
Interest Cost	165.61	117.11
Benefits paid	(190.66)	(3,061.99)
Actuarial (gain) / loss	(918.15)	1,167.08
Present Value of Obligations at the End of the year	**2,405.08**	**2,619.86**
iii) Net (Asset) / Liability recognized in the Balance Sheet as at year end		
Present Value of Obligations at the End of the year	2,405.08	2,619.86
Fair Value of Plan Assets at the end of the year	-	-

Net present value of unfunded obligation recongnized as (asset) / liability in the Balance Sheet	**2,405.08**	**2,619.86**
iv) Expenses recognized in the Statement of Profit and Loss		
Current Service Cost	728.42	1,081.39
Past Service Cost	-	-
Interest Cost	165.61	117.11
Expected return on Plan Assets		-
Immediate recognition of (gain)/losses- Other long term benefits	(918.15)	1,167.08
Expenses recognized in the statement of Profit & Loss	**(24.12)**	**2,365.59**
v) Amount disclosed under Other Comprehensive Income (OCI)		
Opening amount disclosed under OCI	-	-
Actuarial Gain / Loss on obligation side during the period	-	-
Actuarial Gain / Loss on asset side during the period	-	-
Return on assets other than those included in net interest	-	-
Any other impact from asset value assumption	-	-
Any other impact from liability value assumption	-	-
Closing amount disclosed under OCI	**-**	**-**
NOTE: Actuarial valuation is taken to ascertain the liability. The liability as on the Balance Sheet date is booked as per the actuarial valuation and the net increase/decrease in adjusted in the current year final accounts.		

4.17 Deferred Tax Liabilities (Net) **(Rupees in '000)**

Particulars	**As at 31.03.2021**	**As at 31.03.2020**
A. Deferred Tax Liability	37,654.37	43,046.76
B. Deferred Tax Asset		
On Provisions and Brought forwards business loss and depreciation allowance	80,965.69	95,545.11
Total deferred tax asset (Net)	43,311.32	52,498.35
Deferred Tax Liabilities (Net) A-B	**0.00**	**0.00**

The computation of deferred tax results in deferred tax asset and no effect is given for the deferred tax asset since there is no certainty that there will be sufficient future profit to absorb the deferred tax asset.

4.18 Other non current liabilities **(Rupees in '000)**

Particulars	**As at 31.03.2021**	**As at 31.03.2020**
Deferred Revenue arising from Security deposit	1,004.62	-
	1,004.62	**-**

4.19 Borrowings **(Rupees in '000)**

Particulars	As at 31.03.2021	As at 31.03.2020
Unsecured Loans:		
Short Term Maturities of Lease obligations	93.30	86.03
Overdraft from Banks	-	-
	93.30	**86.03**

4.19.1 Overdraft facility from Bank is secured by first exclusive charge by way of hypothecation of entire current assets of the Company and is secured against the EM of lease hold right of 31.50 acres of land (leased to the Company by Cochin International Airport (Holding Company) and hypothecation of entire fixed assets of the Company (both present and future). The sanctioned limit of the overdraft is Rs.5 Crore and carries an interest of 7.50% p.a. (8.45% p.a.)

4.20 Trade Payables **(Rupees in '000)**

Particulars	As at 31.03.2021	As at 31.03.2020
Due to MSME	0.00	0.00
Total outstanding dues of creditors other than MSME	1,379.01	2,574.52
Includes Dues to related parties(refer note no.4.36)		
	1,379.01	**2,574.52**

4.20.1. There is no defined credit period. The dues are settled based on the credit policy extended by the vendors. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms. Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of vendors, there are no amounts overdue to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

4.21 Other Financial Liabilities (Current) **(Rupees in '000)**

Particulars	As at 31.03.2021	As at 31.03.2020
Security Deposits including Retention	5.00	18,245.12
	5.00	**18,245.12**

4.22 Other Current Liabilities **(Rupees in '000)**

Particulars	As at 31.03.2021	As at 31.03.2020
a) Revenue received in advance		
Advance from Customers	35.00	0.72
Deferred Fair Value Gain arising from security deposits	289.08	0.00
b) Others		
Statutory Dues	3,246.94	5,057.03

Expenses Payable	787.44	1,183.49
Others	0.00	98.77
	4,358.47	**6,340.00**

4.23 Short-term provisions **(Rupees in '000)**

Particulars	As at 31.03.2021	As at 31.03.2020
Provision for employee benefits		
Provision for leave benefits	408.63	1,256.87
Provision for Gratuity	298.62	146.62
	707.26	**1,403.49**

4.24 Revenue from Operations **(Amount in '000)**

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
a) Sale of services		
i) Maintenance Repair & Overhaul (MRO)		
Aircraft Certification	14,256.93	65,693.86
Headset Services	8,580.75	23,208.00
Rentals for MRO Hangar / Ground support services	50,324.86	42,540.00
Aircraft Parking	13,248.23	28,116.28
ii) Academy		
Diploma Courses	-	-
Application and Registration Fees for workshops	1,819.80	11,399.11
b) Other Operating Income		
Rent & Services	14,066.18	16,763.81
	102,296.74	**187,721.06**

4.25 Other Income

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Interest Income	18,530.37	16,548.49
Foreign Exchange Rate Variance (Net)	355.25	529.16
Other Non-Operating Income	77.88	1,752.03
	18,963.51	**18,829.68**

4.26 Employee Benefits

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Salaries & Wages	48,945.51	58,485.75
Contribution to Provident and Other Funds	4,082.22	4,380.89
Workmen and Staff Welfare Expenses	2,384.78	3,179.07
	55,412.51	**66,045.71**

4.27 Finance Costs

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Interest		
Bank	8.13	78.22
Other Borrowing Cost:		
(i) Unwinding of discount on security deposits	-	-
ii) Finance cost on Lease Rentals (Refer Note 4.30 & 4.31)	228.99	235.69
	237.12	**313.91**

4.28 Other Expenses

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Auditor's Remuneration (Refer Note:4.39)	125.00	150.00
Consumption of Stores, Spares & Consumables	455.74	288.68
Corporate Social Responsibility Expenses (Refer Note No: 4.47)	774.35	-
Housekeeping Expenses	1,058.24	1,207.50
Insurance	870.11	603.52
Power, Water & Fuel Charges	616.38	839.23
Professional & Consultancy charges	2,654.54	6,130.15
Rates & Taxes:		
- Building Tax (Refer Note:4.42)	1,024.76	1,024.76
- Others	98.51	64.72
Renewal and Registration Charges	3,965.05	3,112.46
Rent	-	86.09
Repairs to Plant, Equipment & others	2,968.99	1,849.80
Security Charges	1,938.78	1,890.48
Travelling & Conveyance	571.63	4,510.85
Other administrative expenses	907.72	1,981.02
Sitting Fee - Directors (Refer Note No.4.36)	245.00	140.00
	18,274.81	**23,879.24**

4.28 Earnings Per Share

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Basic:		
Profit/(loss) after taxation for the Year (Rs.)	16,895	82,627

Weighted Average Number of Equity Shares of Rs. 10/- each (fully paid-up)	75,319	75,319
Basic Earnings per Share (In Rupees)	**0.22**	**1.10**
Diluted:		
Profit/(loss) after taxation for the Year (Rs.)	16,895	82,627
Weighted Average Number of Equity Shares of Rs. 10/- each (fully paid-up)	75,319	75,319
Diluted Earnings per Share	**0.22**	**1.10**

4.30 The Company has taken 31 acres & 50.250 cents of land from Cochin International Airport Limited (Holding Company) for setting up aircraft maintenance hangar, under a lease agreement executed for a period of 30 years commencing from 12th May, 2006. Of this leasehold land, 10 acres & 65.693 cents is given on sub-lease (as permitted in 98th Board Meeting of CIAL held on 26th March 2014) to CIAL Infrastructures Ltd for setting up solar power plant, under a lease agreement executed for a period of 20 years commencing from 12th May 2016.

4.31 Transitional Provision Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 Leases, and other interpretations. In transition with Ind AS 116, company has applied modified retrospective approach and right of use asset at its carrying amount but discounted using the lessee's incremental borrowing rate at the date of initial application.

Under this approach, a lessee applies Ind AS 116 from the beginning of the current period. Additionally under this approach, the lessee does not restate its prior period financial information.

Additionally, the right to use (RTU) asset is measured at its carrying amount as if Ind AS 116 has been applied since the commencement date, but discounted using the lessee's incremental borrowing rate at the date of initial application.

In this case, the entity would calculate the difference, as at the date of initial application of Ind AS 116 (i.e 1st April 2019), between the following:

i) The amount at which right to use asset is measured and capitalised

ii) The amount at which lease liability is measured

iii)The difference recognised in the retained earning(or other component of equity, as appropriate)

The effect of adoption of Ind AS 116 is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The incremental borrowing rate applied to lease liabilities as at 1st April, 2019 is 8.45%.

4.32 Disclosure under Ind AS 116

Particulars	Amount in Rs.
a) Depreciation charged for Right-of-Use assets	113

b) Interest expense on lease liability	236
c) Income from subleasing Right-of-Use assets	107
d) Total cash outflow for leases	315
e) Addition to Right-of-Use assets	Nil
f) Carrying amount of Right-of-Use Assets as at the end of reporting period by class of underlying asset	1,701

The table below includes contractual maturities of lease liabilities as of 31st March, 2021 on an undiscounted basis:

Particulars	**Year ended 31.03.2021**	**Year ended 31.03.2020**
Not later than one year	315	315
Later than one year and not later than five years	1,260	1,260
Later than five years	3,465	3,780

4.33 The net present value of the obligation for gratuity benefits as determined on independent actuarial valuation conducted annually using the projected unit credit method, as adjusted for unrecognised past service costs, if any, is recognised in the books of account. Re-measurement, comprising actuarial gains and losses, any change in the effect of the asset ceiling(excluding interest) and the return on plan assets (excluding net interest), is reflected immediately - with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the Statement of Profit and Loss. Past service cost is recognized in the Statement of Profit and Loss in the period of a plan amendment. . In case of contract employees, provision for Gratuity is made, for those who are in employment for more than five years and the provision for Leave Encashment is made for the leave due during the period of contract employment.

4.34 The Company has executed a Memorandum of Undertaking (MOU) dated 12th day of May, 2006 with Cochin International Airport Limited (CIAL). As per the terms of the MOU, the Company has to pay a Royalty @ 3% on the Gross Turnover. During the Financial year 2011-12, Company had provided a sum of Rs.28,53,553/- towards royalty payable in the books of account. However during the year 2012-13, the Company was informed by CIAL of their decision not to charge royalty till the Company commences its main operation viz. maintenance using the MRO Hangar facility. No provision for royalty for the current year has been considered.

4.35 In the opinion of the Directors, short term loans and advances and other current Assets, have the value at which they are stated in the Balance Sheet, if realised in the ordinary course of business.

4.36 Disclosure of transactions with related parties as required by IND AS 24 on Related Party Disclosures as prescribed by Companies (Accounting standards) Rules, 2006.

A. Related parties and nature of relationship

a) Holding Company

Cochin International Airport Limited (CIAL)

Fellow Subsidiaries

CIAL Infrastructures Limited

Kerala Waterways and Infrastructures Limited

Air Kerala International Services Limited

CIAL Duty Free and Retail Services Limited

b) Key Management Personnel (KMP) in accordance with Companies Act, 2013

i) Mr. V.J. Kurian, Chairman

ii) Mr. A Chandrakumaran Nair, Managing Director

iii) Mr Lenny Sebastian, Chief Financial Officer

iv) Mr. Saji Daniel , Company Secretary

c) Key Management Personnel (KMP) of Holding Company)

i) Mr. V.J. Kurian, Chairman

ii) Mr. Saji Daniel , Chief Financial Officer

iii) Mr. Saji K George, Company Secretary

B. Description of Transactions with Related Parties:

a) Transactions with Holding Company

Nature of Transaction	Holding Company		TOTAL	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Debit for meeting expenses	**483,131**	**415,278**	**483,131**	**415,278**
Receipt of services				
a) Lease Rent paid	371,730	371,730	371,730	371,730
b) Energy charges	595,751	697,274	595,751	697,274
Providing of services				
Rental income	1,345,554	5,654,704	1,345,554	5,654,704
Training fee	-	872,020	-	872,020
Outstanding as on Balance sheet date				
Receivable / (Payable)	121,527	(1,785,473)	121,527	(1,785,473)

Note: All amounts in current year are inclusive of GST @ 18%.

b) Transactions with Fellow subsidiaries

a) CIAL Infrastructures Limited

Nature of Transaction	CIAL Infrastructures Ltd		TOTAL	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Providing of services				
Rental income	125,752	106,569	125,752	106,569
Outstanding as on Balance sheet date				
Receivable / (Payable)	-	115,095	-	115,095

Note: All amounts in current year are inclusive of GST @ 18%.

c) Details of transactions with key managerial personnel

Nature of Transaction	31st March 2021	31st March 2020
i) Remuneration to Managing Director	1,200,000	Nil
ii) Sitting Fees paid to Directors:		
C V Jacob	10,000	40,000
N V George	80,000	30,000
E M Babu	80,000	30,000
A N K Kaimal	75,000	
Jose Pottokaran	-	20,000
A Ramalingam	-	20,000
sub-total	245,000	140,000
	1,445,000	**140,000**

4.37 Expenditure in foreign currency on account of **(Rupees in '000)**

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
A) CIF Value of Imports		
Capital Goods	470.39	-
B) Others	4,018.79	5,538.04
	4,489.18	**5,538.04**

4.38 Earnings in Foreign Exchange **(Rupees in '000)**

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Aircraft Certification, Headset services, rentals and others	25,008	24,376
	25,008	**24,376**

4.39 Provision and/or payments in respect of Auditor's Remuneration **(Rupees in '000)**

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
a. Statutory Audit Fees	75.00	100.00
Taxation Matters (Including Tax Audit)	50.00	50.00
	125.00	**150.00**

4.40 Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2021 by contract-type. The Company believes that this disaggregation best depicts the nature, amount, timing and uncertainty of our revenues and cash flows that are affected by industry, market and other economic factors.

(Rupees in '000)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Revenues by contract type:		
Fixed Price:		
a) Maintenance Repair & Overhaul (MRO) charges (Including MRO Rentals)	86,410,761	170,726,004
b) Income from training programmes	1,819,798	11,399,106
c) Income from sub-lease	106,569	106,569
d) Other Rental Incomes	13,959,615	5,489,381
Total revenue from operations	**102,296,742**	**187,721,060**

4.41 Adoption of new rate of taxation

The Company decided to exercise the option available under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Law (Amendment) Act, 2019. Accordingly the Company has remeasured the deferred tax asset/liability on the basis of the rate prescribed under the said section. Since there will be no Minimum Alternate Tax (MAT) upon opting to pay tax in accordance with section 115BAA, no provision has been made in the financial statements for MAT.

4.42 Disputed demand for Building tax:

Local Municipal authorities had raised demand for payment of building tax (including penalty) amounting to Rs.508.68 lakhs on 2nd February 2019, considering the Aviation building and the two bay hangars as unauthorised constructions, though the constructions were carried out based on Govt Order GO(Rt)No 595/01/LSGD dt 17.02.2011, which states that the Kerala Municipality Building Rules do not apply to constructions carried out in the land owned by Cochin International Airport Ltd. Against the demand, the Company filed appeal before the Hon'ble Court of Kerala and got stay for recovery. Further based on the direction of the Hon'ble High Court, Rs.90.00 lakhs had been remitted on 25th February 2019 towards the admitted tax on an estimate. The Management has worked out the possible building tax liability Rs. 81.98 lakhs and the same has been charged to Statement of Profit and Loss during the year 2018-19 and balance of Rs. 8,02 lakhs is shown as deposit with Local Authority. Subsequently, demands amounting to Rs. 127.17 Lakhs has been raised for payment of property tax for the period 2019 - 2020 and 2020-2021. Further penal interest has been raised for the entire demand. Company has remitted Rs. 10.25 lakhs each towards property tax for the period 2019 - 2020 and 2020-21 on estimate basis. The balance amount of Rs. 662.95 lakhs is treated as contingent liability.

4.43 Impact of COVID-19

Consequent to the outbreak of global pandemic COVID-19 and nationwide lockdown imposed by the government, the operations of the company were impacted by temporary shut down of airport and subsequent non arrival of aircrafts for maintenance from March 2020. The company has resumed its operations from May 2020.

The Company has evaluated impact of this pandemic on its business operations and financial position and based on its review of current indicators of future economic conditions, though there is impact on its financial statements as at 31st March, 2021, due to resultant reduction in gross revenue and it is expected that the 2nd wave of Covid 19 will have a marginal impact on the operations of the company for the year coming year.. However, the impact assessment of COVID-19 is a continuing

process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions.

4.44 Litigation: The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations.

4.45 The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

4.46 **Contingent Liabilities not provided for :**

i) Award passed by the Arbitrator which has been disputed in appeal Rs. 22,87,49,537/- (21,00,00,177/-)

ii) Disputed demand for payment of Building tax (Refer Para 4.42), which has been disputed in appeal before the Hon'ble High Court of Kerala Rs. 662.95 lakhs (Rs.472.02 lakhs) [net of payment].

4.47 Corporate Social Responsibility (CSR): As per section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The utilisation of CSR funds are by way of contribution to construction of retaining wall for road protection at Thuravumkara Village by direct spending as per the recommendation of the CSR Committee. The details of amount required to be spend and the amount utilised are given below:

(Rupees in '000)

Particulars	**For the year ended 31.03.2021**	**For the year ended 31.03.2020**
a) Gross Amount required to be spent by the Company during the year : -		
i) Annual CSR allocation for the year	752.47	-
Total	**752.47**	**-**
b) Amount spent during the year:		
i) as by direct contribution	774.35	-
Total	**774.35**	**-**

4.48 **Disclosures under Ind AS 108 - Operating Segments**

Products and services from which reportable segments derive their revenues

Information reported to the chief operating decision maker (CODM) for the purpose of resource allocation and assessment of segment performance focuses on the type of goods or services delivered or provided. No operating segments have been aggregated in arriving at the reportable segments of the company.

4.49 Estimated amounts of contracts remaining to be executed on capital accounts and not provided for - Nil (Nil).

4.50 Disclosure requirements in accordance with amendment to schedule III vide notification dated 24th March 2021 have not been incorporated, as the same is made applicable from 1st April 2021. However the said disclosures will be incorporated in the subsequent financial statements, incorporating the same for the previous year also.

4.51 Figures have been rounded off to the nearest rupee. Previous year figures, unless otherwise stated are given within brackets and have been re-grouped and recast wherever necessary to be in conformity with current year's layout.

Signatures to Note 1 to 4.51 forms integral part of accounts.

For and on behalf of the Board of Directors

sd/-
V.J. Kurian
Chairman

sd/-
A C K Nair
Managing Director

sd/-
Lenny Sebastian
Chief Financial Officer

sd/-
Saji Daniel
Company Secretary

Place : Kochi
Date : 20.05.2021

As per our report of even date attached

For **Krishnamoorthy & Krishnamoorthy**
Chartered Accountants (FRN: 001488S)

sd/-
CA K T Mohanan
Partner (M.No: 201484)
UDIN: 21201484AAAABF1911