



एअरपोर्ट सर्विसेज
AI AIRPORT SERVICES

ANNUAL REPORT
2024-2025





AI AIRPORT SERVICES LIMITED

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VISION:

To be the leader in providing World Class Ground Handling services at all Indian Airports and expand Globally.

MISSION:

Customer

- Provide safe, reliable, and on-time services
- Deliver the highest quality of service at all Indian Airports
- Provide State-of-the-Art Ramp Equipment
- Be the epitome of Indian Hospitality

Processes

- Continuously improve standards of safety and efficiency
- Continuous up-gradation and modernization of ramp equipment

People

- To maintain an energetic, qualified, and highly motivated professional team
- Maintain a high degree of work ethics

CORPORATE INFORMATION

BOARD OF DIRECTORS (AS ON 24TH FEBRUARY 2026)

Shri Amit Kumar Chairman
Shri Padam Lal Negi
Shri Shobhit Gupta
Shri Manoj Kumar
Smt. Nayonika Dutta

Chief Executive Officer

Shri Rambabu Ch.

Chief Financial Officer

Shri Sandeep Malhotra

Company Secretary

Smt. Kusum Varma

Auditors

M/s Bansal & Co LLP.,
Chartered Accountants, Delhi

Bankers

HDFC Bank Limited, Axis Bank and SBI Bank

Registered Office

2nd Floor, GSD Building, Air India Complex, Terminal-2, IGI Airport, New Delhi- 110037

Registrar And Transfer Agent

M/s Link Intime India Pvt Ltd
C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400083.

BOARD OF DIRECTORS



Shri Amit Kumar
Chairman & Nominee Director



Shri Manoj Kumar
Nominee Director



Shri Padam Lal Negi
Nominee Director



Shri Shobhit Gupta
Nominee Director



Smt. Nayonika Dutta
Nominee Director

CHAIRMAN'S SPEECH

Dear Shareholders

It gives me immense pleasure to present the 22nd Annual Report of the Company for the Financial Year 2024-25. AI Airport Services Limited ("The Company") (AIASL) is a leading ground-handling service provider in India.

The financial year 2024–25 marked another year of steady progress and operational resilience for AI Airport Services Limited (AIASL), as the Company continued to play a pivotal role in supporting India's rapidly expanding aviation ecosystem. AIASL remained firmly positioned as a critical enabler of safe, reliable, and efficient airport operations across the country. In FY 2024–25, the Company sustained this positive momentum and recorded a net profit of Rs. 29.38 million, reinforcing its position as a financially stable and operationally dependable organization.

AIASL today operates at approximately 150 airports across India (at 85 Airports, AIASL is fully Operational, and other Airports AIASL is available for handling NSOP flights), making it one of the most widely present ground handling service providers in the country. Our footprint spans some of India's most challenging airport environments, including high-altitude and snow-bound stations such as Leh and Thoise, desert airfields like Jaisalmer, island airports at Agatti and Port Blair, and table-top airports including Kozhikode and Kannur.

Looking ahead, the outlook for Indian civil aviation remains robust, supported by ongoing airport infrastructure development, airline fleet expansion, and sustained growth in passenger traffic. AIASL enters the next financial year with a clear strategic focus on enhancing productivity, modernising equipment, strengthening safety and reducing costs. The Company shall continue to pursue growth opportunities with prudence, ensuring that operational excellence and financial discipline shall be the nucleus of its business strategy.

OVERVIEW- CIVIL AVIATION INDUSTRY

The Indian civil aviation industry continues to chart an impressive growth trajectory, firmly positioning itself among the fastest growing aviation markets in the world. From emerging as one of the largest domestic aviation markets to steadily advancing toward becoming one of the world's leading air passenger markets in the coming decade, the sector reflects the strength of India's economic fundamentals, favorable demographics, and rising aspirations of a growing middle class. Aviation today stands as a critical enabler of national growth, contributing meaningfully to GDP through employment generation, infrastructure creation, and enhanced domestic and global connectivity.

During FY 2024–25, the sector sustained its strong momentum, supported by robust passenger demand, capacity expansion by domestic carriers, and continued network strengthening. Domestic passenger traffic is estimated to have reached approximately 340–360 million, registering a healthy year-on-year growth of about 10–15%, while international passenger traffic crossed nearly 80 million, growing by around 15–20%. These figures underscore the resilience of the industry and its ability to scale operations in line with increasing travel demand, despite a dynamic operating environment.



A key pillar of this growth has been the continued expansion and modernization of airport infrastructure across metropolitan hubs as well as tier-II and tier-III cities.

As the sector advances toward higher operational intensity and global prominence, it will continue to act as a powerful catalyst for economic development, national integration, and India's expanding footprint in global aviation.

OVERVIEW- GROUND HANDLING

Financial Year 2025 has been a year of robust growth for India's aviation sector, with domestic passenger traffic reaching 165.7 million, a 7.8% increase over the previous year. Airlines expanded capacity to meet rising demand, and ground handling operations—from baggage management and ramp services to aircraft turnaround and cargo logistics—played a pivotal role in ensuring efficiency, punctuality, and passenger satisfaction across airports nationwide.

The Indian ground handling market, estimated to be valued at USD 1.95 billion in 2025, is projected to grow at a 6–7% CAGR through 2031, supported by airport modernization, digital adoption, and foreign investment. Strategic developments this year, including regulatory changes, underscored the sector's operational and compliance challenges, while also highlighting opportunities for leadership in service excellence and operational resilience. Cargo handling continued to gain momentum, with regional airports reporting significant growth and key hubs, reinforcing the sector's role in trade facilitation.

Regional Connectivity & UDAN

- The UDAN scheme continues to expand connectivity (600+ RCS routes operational), supporting traffic to smaller towns and sectors important for AIASL. Revival and airport utilization initiatives are ongoing for under-used airstrips nationwide.
- Sustaining these regional services remains a challenge due to airline economics and demand variability, impacting ground handlers like AIASL.

Industry Structure (GHA & NSOP)

- **Airlines & Fleet:** ~15 passenger airlines and ~4 cargo airlines operate in India under scheduled services. Airline fleet compositions remain dominated by narrow-body aircraft, with increasing wide-body capacity for international growth.
- **Non-Scheduled Operators (NSOP):** ~116 NSOPs operating ~400+ aircraft. Various business jets, turboprops, and helicopters active in charter segments represent developing business opportunities.
- **Ground Handlers:** ~25+ ground handling companies operate airport services under liberalized handling policies.

Key Takeaways for AIASL

- **Growth Drivers**
 - Sustained year-on-year growth in domestic traffic (~7.6-7.8% in FY25).
 - Strong rebound in international traffic (~14% YoY).
 - Expansion of airports and connectivity schemes supporting dispersed traffic (UDAN, greenfield airports).
- **Challenges & Considerations**
 - Growth moderation compared to high pandemic-recovery years.
 - Operational disruptions, cost pressures on carriers. (e.g., staffing issues highlighted in 2025)
 - Maintaining regional connectivity sustainability is key for handlers.

PERFORMANCE OF THE COMPANY

During FY 2024-25, the total revenue of the Company was Rs. 10,037.05 million as against the total revenue of Rs. 8,759.78 million during FY 2023-24. The total expenses were Rs. 9,996.12 million as against expenses of Rs. 7,988.73 million during FY 2023-24. Profit incurred before tax during the year ended 31st March 2025 was Rs. 40.93 million against the figure of Profit before Tax of Rs. 771.05 million during FY 2023-24. The Net profit after tax earned during the period was Rs. 29.38 million as against the Net Profit after tax of Rs. 404.26 million during FY 2023-24.

Operational Key Achievements

- AIASL has registered its presence at the highest-ever, and record number of Airports across the length and breadth of India, at approximately 150 airports across India (at 85 Airports, AIASL is fully Operational, and other Airports AIASL is available for handling NSOP flights).
- AIASL has the highest (more than optimal) utilization of the available Ground Support Equipment.
- Handled, highest number of flights ever, in the history of AIASL in FY 2024-25 :

| Air India Group | Alliance Air | Third Party Flights | Non-Schedule Flights | Haj Flights | Total |
|-----------------|--------------|---------------------|----------------------|-------------|----------------|
| 1,29,613 | 20,569 | 43,025 | 23,153 | 163 | 216,523 |

Other Achievements (April 2024-March 2025)

- AIASL got approval by BCAS to function as a Regulated Agent at International Cargo Terminal at NS10, Chennai Airport for the first time in the history of AIASL.
- AIASL was adjudged as Outstanding Ground Handling Agency at Chennai Airport by SF Airlines and awarded “The Best Ground Handler” at a function at Chennai Airports.
- CEO-AIASL has been awarded the “CEO with HR Orientation” Award at the World HRD Conference held in Mumbai.
- AIASL, for the very first time, handled the Aero India 2025 (Defence Aircraft Exhibition Show) held at Yelahanka Airport, Bengaluru in the month of February 2025 organized by Ministry of Defence (MoD) – Asia Biggest Defense Air Show.

CORPORATE SOCIAL RESPONSIBILITY (CSR) FOR FY 2024-25

The Board has constituted a CSR Committee in compliance with the provisions of the Companies Act, 2013, and laid down the CSR Policy (attached at Annex IV) with the objective of making a positive contribution to society. As per the CSR provisions stipulated in the Companies Act, 2013, AIASL contributed Rs.1,09,71,739.71/- as CSR expenditure in the Prime Minister’s Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) during FY 2024-25.

CORPORATE GOVERNANCE

AI Airport Services Limited is in compliance with the guidelines on Corporate Governance issued by the Department of Public Enterprises (DPE), wherever applicable during the year. The Company, based on self-evaluation, falls under the ‘Excellent’ grade for the compliance of DPE Corporate Governance Guidelines for the FY 2024-2025. The DPE has also awarded ‘Excellent’ grading to AIASL for compliance of DPE Corporate Governance Guidelines during 2021-22 and for the FY 2022-23, 2023-24 & 2024-25 DPE grading is awaited.

ACKNOWLEDGMENTS

I take this opportunity to thank the Ministry of Civil Aviation, the Airports Authority of India, Bureau of Civil Aviation Security, the Director General of Civil Aviation and the Airport Economic Regulatory Authority for the unstinted support. I also acknowledge the support extended by all the State Govt. Authorities and the other stakeholders including all Private Airport Operators in India (GMR, Adani Airports, CIAL, MIAL etc.), Banks, and Regulatory agencies, and assure them that we shall ensure taking AIASL to greater heights. I would like to thank my colleagues on the Board for their valuable contribution and guidance.

I would take this opportunity to thank all employees of AIASL for putting in their exemplary efforts to ensure the performance of the company.

Sd/-
Amit Kumar
Chairman

DIRECTORS' REPORT

The Directors take pleasure in presenting the Twenty Second Annual Report of the Company, together with the Audited Accounts, Auditor's Report, and Comments by the Comptroller and Auditor General of India, for the year ended 31st March 2025.

FINANCIAL PERFORMANCE

(Rupees in Millions)

| Particulars | 2024-25 | 2023-24 |
|--|--------------|---------------|
| Total Revenue | 10,037.05 | 8,759.78 |
| Total Expenses | 9,996.12 | 7,988.73 |
| Profit(Loss) before Exceptional Items and Tax | 40.93 | 771.05 |
| Profit(Loss) before Tax | 40.93 | 771.05 |
| Current Tax | 19.64 | 187.09 |
| Short Provision of Tax | 0 | 0 |
| (Deferred Tax Asset)/Deferred tax liability | (8.09) | 179.70 |
| Net Profit(Loss) after Tax | 29.38 | 404.26 |

OTHER FINANCIAL INFORMATION

Share Capital:

The Authorized Share Capital of the company during the year was Rs.1000,00,00,000/- (Rupees One Thousand Crores).

The Paid-Up Share Capital of the company during the year was Rs.138,42,42,000/- (13,84,24,200 Equity Shares of Rs.10/- each).

During the year under review, there was no change in the share capital of the Company and the entire shareholding is held by AI Assets Holding Limited (AIAHL) along with its nominees.

CHANGES IN SHARE CAPITAL, IF ANY

There was no change in the Authorized and Paid-up Share Capital of the Company.

DETAILS OF REVISION OF FINANCIAL STATEMENTS OR BOARD'S REPORT

The Company has not revised its Financial Statements or Board's Report in respect of any of the three preceding financial years as mentioned in Section 131(1) of the Companies Act, 2013.

DIVIDEND

The directors are not recommending any dividend for the year.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no unpaid/unclaimed dividend for the past years, the provisions of Section 125 of the Companies Act, 2013 did not apply.

AMOUNT TRANSFERRED TO RESERVES

The Board of the company has decided/proposed to carry NIL amounts to its reserves.

DEPOSITS

The Company has not accepted any deposits during the year under review.

STAFF STRENGTH

Based on the requirements for handling of Air India, Air India Express, Alliance Air Aviation, and other Customer airline flights including Non-Schedule operators flights at various Indian Airports, the number of staff inducted under various categories as on 31st March, 2025 is given below:

| Particulars | Numbers |
|---|---------|
| Chief Executive Officer | 1 |
| GM-GH | 5 |
| Company Secretary | 1 |
| DGM | 6 |
| Chief Financial Officer | 1 |
| Chief Security Officer | 1 |
| Chief of MMD | 1 |
| Dy COF & AGM(O)-Finance | 1 |
| SR. AGM/AGM | 18 |
| Dy. Chief Of IT (O)/ Officiating Manager Company Secretary | 2 |
| Sr. Manager/Manager/DY. Manager | 16 |
| Manager Service Engineer, Sr. Supdt. Service Engineer, Sr. Service Engineer Supt. Service Engineer/ Dy. Service Engineer, Jr. Service Engineer | 56 |
| Terminal Manager/ Dy. Terminal Manager /Sr. Executive- Ground Handling/ Sr. Executive-BOM Terminal/ Executive Commercial/ Executive – Cargo, Executive – Civil/ Executive – Corporate Intelligence/ Executive – Equipment Maintenance/ Executive – IR/ Executive – MMD/ Executive– Ramp/ Executive Airport & Cargo Operations/ Executive – Coordinator, Executive HAL-AIASL-JWG/ Executive – Quality Compliance and Training/ Executive Security/ Executive Service Delivery /Executive Time Office Attendance Management/ Executive, Commerical functions/Trainings/HAJ Flights/VVIP flights/ Executive Cargo Operations/ Executive,- IR, HR & Personnel/Executive – MMD/ Executive, -Ramp, & Maintenance/ Executive – Safety, Executive – Sesf & HAJ Charters/ Asst. Executive Security/ Asst. Executive Finance/ Asst. Executive Vigilance/ Asst. Executive Commercial/ Asst. Executive –HR/ Asst. Executive –Corporate Intelligence/ Sr. Chief Operator/ Sr. Operator/ Ramp Operator/ Regional Security Co-ordinator/ Officiating Regional Security Co-ordinator/ Asst. Regional Security Coordinator/ RA Chief Security Officer, Manager Ramp/ Maintenance/ Dy. Manager – Ramp Maintenance, Duty Manager/ Duty Officer/ Officiating Duty Manager/ Officiating Duty Officer | 286 |
| Sr. Ch. Aircraft Equipment Operator, Ch, Aircraft Equipment Operator, Sr. Aircraft Equipment Operator, Aircraft Equipment Operator, Jr. Aircraft Equipment Operator | 97 |
| Sr. Driver, Apron Supervisor, Sr. Chief Assistant, Sr. Lead Assistant, Lead Assistant Sr. Assistant, Chief Assistant, Asst.I, Asst. II, | 351 |

| | |
|--|--------------|
| Officer HR/Officer Accounts/Officer – HR/IR/Officer –IT/Officer – QMS/Officer –SMS/Officer Security/Officiating Officer Finance | 101 |
| Sr. Financial Analyst, Manager-Finance/ Officiating Finance Manager/ Manager- HR/ Officiating Manager-IT/Manager – QMS /Manager – SMS/Manager Service Assurance/ Manager Technical/ Dy. Manager – Procurement & Stores/Asst. Manager - MMD | 20 |
| Asst. Manager – Technical/Jr. Officer – Technical/Dy. Manager Technical, | 232 |
| Sr. Supervisor Ramp/Maintenance/Supervisor Ramp Maintenance/ Jr. Supervisor Ramp Maintenance/Jr. Executive Ramp/Jr. Executive Pax Handling/Jr. Supervisor IT/Jr. Officer – HR/ Jr. Officer – Security/ Jr. Officer – Customer Services/ Jr. Officer – Cargo/ Jr. Officer – Cabin Service/ Jr. Officer – Accounts | 761 |
| Customer Agent/ Para Medical Agent cum Cabin Services Agent/Asst Accounts/Assistant –HR/Security Executive | 4568 |
| Jr. Customer Agent/Jr. Asst. Accounts | 1430 |
| Sr. Customer Agent/Sr. Asst Accounts/Sr. Assistant HR | 744 |
| RSA/RSA-I/RSA(LG) | 391 |
| Sr. RSA/Sr.RSA-I | 161 |
| Security Agent | 6 |
| Utility Agent | 401 |
| Utility Agent Cum Ramp Driver | 1884 |
| Handy Man/Safai Kamgar/Semi Skilled | 11225 |
| Utility Service Agent | 16 |
| Total | 22783 |

IMPLEMENTATION OF RESERVATION POLICY:

The Reservation Policy has been implemented as per the Presidential Directives issued in the year 1975, along with the revised Directives effective 1991 and 1996.

SC/ST/OBC – Number of employees as on 31st March, 2025

| Total No. of employees | Total No. of SC employees | % of SC employees | Total No. of ST employees | % of ST employees | Total No. of OBC employees | % of OBC employees |
|------------------------|---------------------------|-------------------|---------------------------|-------------------|----------------------------|--------------------|
| 22783 | 5466 | 23.99 | 1299 | 5.07 | 5794 | 25.43 |

ACTIVITIES OF AI AIRPORT SERVICES LIMITED

AIASL provides Comprehensive Ground Handling services to AI Group (Air India & Air India Express Limited), Alliance Air Aviation Limited (Group Company), and many Domestic & Foreign Airlines, Cargo charter operators, and Non-Schedule Operators at various airports in India. AIASL also operates cargo warehouses one each at BOM & MAA.

AIASL is a leading ground-handling service provider in India and offers ground-handling services, more than at about 150 airports (including civil airports and civil enclaves) in India. AIASL presently has a presence at 85 airports and arranges the ground handling services at the remaining airports on request. Besides, AIASL also offers Ground Handling services at Defence Enclaves (Airports) for all defence aircraft.

The services can be majorly identified as:

- Passenger Handling / Ramp Handling / Cargo Handling / Cabin Services / Station Management
- Cargo warehouse handling at BOM & MAA as at present and any other airports in the future.
- Ground Handling Services to Subsidiary Companies – Alliance Air Aviation Ltd & AI Engineering Services Ltd.
- Non-scheduled flights Handling of Domestic & International Private Charter flights - PAN India basis.
- Special Extra Section Flights (SESF) of Indian Air Force (IAF) – Domestic & International.
- Non-SESF Domestic Handling of Govt. Agencies (Indian Air Force, Indian Navy, Border Security Forces, NSG Charter) etc.
- Ground Handling Services at IGI T3 Terminal for Aeroflot, Mahan Air & Belavia Airlines.
- Security Services at Chennai & Mumbai Cargo Warehouse and also IGI T3 Terminal for Aeroflot.
- HAL – AIASL Joint Working Group at Bengaluru, HAL Airport.
- There is NIL outsourcing of manpower as of date in AIASL.

As per MoCA's direction, AIASL provided comprehensive Ground Handling Services at Indira Gandhi International Airport, Delhi Terminal 3, for Aeroflot, Mahan Air, and Belavia Airlines. In addition, Security Services were rendered exclusively for Aeroflot at the same terminal, ensuring seamless operations and adherence to the highest standards.

IMPLEMENTATION OF OFFICIAL LANGUAGE

The Company is taking steps for the implementation of the provisions of the Official Language Act and Rules framed under the Act.

DISCLOSURE UNDER THE PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 have been implemented in the company and necessary actions are being taken in line with guidelines received from time to time to prevent Sexual Harassment of Women at the workplace.

An internal complaints committee has been put in place as per Section 4 of the Act. In terms of Section 22 of the Act, the details of sexual harassment cases filed, if any, in the company during the financial year, are as under:

- *Number of complaints of sexual harassment received in the year; - 5*
- *Number of complaints disposed of during the year; - 5*
- *Number of cases pending for more than ninety days; - NIL*
- *Number of workshops or awareness programs carried out in connection with sexual harassment; Training on POSH organized by NAHRD was provided to most of the senior staff deployed at various station in phased manner. Beside this, the Company also organized HR Conclave on PAN India basis, covering all the employees engaged in administration & HR related profile, wherein "PoSH Awareness" subject was one of the integral part of the Conclave. Further, General awareness programs through internal circulars are being implemented across all offices of AIASL.*
- *Remedial measures taken by the company: Female Security Staff Deployed at workplaces and Time to Time Counseling are done.*

COMPLIANCE WITH THE RTI ACT, 2005

AIASL has successfully ensured compliance with the provisions of the Right to Information Act for

providing information to the citizens.

AIASL has decentralized its structure to deal with the applications/appeals received under the RTI Act with effect from 18 February 2014, 05 Public Information Officers (PIOs), 05 Assistant Public Information Officers (APIOs), 01 Nodal Officer and an Appellate Authority have been appointed for speedy disposal of applications/appeals.

During 2024-25, 60 RTI Requests and 34 Appeals were received and all have been disposed of.

CHANGE IN NATURE OF BUSINESS

There is no change in the nature of business of the Company.

MSE COMPLIANCE

It always has been the endeavor of AIASL to support Micro and Small Enterprises (MSEs) and local suppliers. AIASL has taken a number of steps including implementing the Public Procurement Policy of the Government of India to procure the items specified from MSEs. The actual procurement from MSEs during the financial year 2024-25 was Rs.1269.67 million.

INFORMATION ABOUT SUBSIDIARY / JOINT VENTURE / ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint Venture, or Associate Company.

MATERIAL CHANGES AND COMMITMENTS

No material changes have occurred between 31st March 2025, and the date of the Board's Report affecting the financial position of the Company.

MANAGEMENT

DIRECTORS

During the Financial Year 2024-25, the following changes have occurred in the constitution of Directors and KMP of the Company:

| Sr. No | Name | Designation | Date of Appointment | Date of Cessation | Mode of Cessation |
|---------------|--------------------------|---|----------------------------|--------------------------|--|
| 1. | Shri Padam Lal Negi | Director | 18-01-2023 | - | - |
| 2. | *Shri Rahul Jain | Director | 12-12-2023 | 14-05-2024 | Nomination withdrawn by the Appointing Authority |
| 3. | ***Shri Asangba Chuba Ao | Director (Elected as Chairman w.e.f. 01-01-2024) | 01-01-2024 | 11-03-2025 | Nomination withdrawn by the Appointing Authority |
| 4. | Smt. Nayonika Dutta | Woman Director | 12-02-2024 | - | - |
| 5. | *Dr. Alok Pande | Director | 16-05-2024 | 25-02-2025 | Nomination withdrawn by the Appointing Authority |
| 6. | *Shri Shobhit Gupta | Director | 25-05-2024 | - | - |
| 7. | **Shri Manoj Kumar | Director | 28-02-2025 | - | - |
| 8. | ***Shri Amit Kumar | Chairman & Nominee Director | 13-03-2025 | - | - |

*In pursuance of the Office Memorandum (OM) issued by the Ministry of Civil Aviation (MoCA) vide file No. 17046/56/2019-AI dated 14-05-2024 read with OM dated 08-02-2024 and order dated 26-02-2024 issued by MoCA, the following changes took place on the Board of AIASL:

Shri Rahul Jain ceased as Nominee Director from the Board of AIASL w.e.f. 14-05-2024. Further, AIASL Board vide its Resolution by circulation having Ref. No. App.61 dated 30-05-2024 had appointed Shri Shobhit Gupta w.e.f. 25-05-2024 and Dr. Alok Pande w.e.f. 16-05-2024 as the Nominee Director(s) on the Board of AIASL (i.e. from the dates they have obtained their respective Director Identification Number) and passed the requisite resolution on 30-05-2024. Also, Shri Asangba Chuba Ao, being CMD-AIAHL (as per the OM dated 14-05-2024 read with OM dated 26-02-2024), holds only one position as Nominee Director on the Board of AIASL w.e.f. 14-05-2024 and continued to be the Chairman, in his ex-officio capacity, on the Board of the Company, for Board and General Meetings till any further communication from MoCA/AIAHL.

**Further in pursuance of the Office Memorandum (OM) issued by the Ministry of Civil Aviation (MoCA) vide file No. AV.17046/56/2019-AI dated 25-02-2025 read with OM dated 08-02-2024, the following changes took place on the Board of AIASL:

Dr. Alok Pande, ceased as nominee Director from the Board of AIASL w.e.f. 25-02-2025. Further, AIASL Board vide its Resolution by circulation having Ref. No. App.62 dated 04-03-2025 had appointed Shri Manoj Kumar, as the Nominee Director on the Board of AIASL w.e.f. 28-02-2025 i.e. from the date he obtained his Director Identification Number and passed the requisite resolution on 04-03-2025.

***Further, in terms of Office Memorandum (OM) issued by the Ministry of Civil Aviation (MoCA) vide File no. A.V. 17015/02/2015-AI dated 11th March, 2025, Shri Amit Kumar has been appointed as Chairman and Managing Director of the AI Assets Holding Limited w.e.f. the date of his assumption of charge of the post till the date of his superannuation i.e., 30-06-2027 or until further order, whichever is earlier, the following changes took place on the Board of AIASL:

Shri Asangba Chuba Ao ceased from the Board of the Company w.e.f. 11-03-2025. Further AIASL Board vide its Resolution by circulation having Ref. No. App.63 dated 18-03-2025 had appointed Shri Amit Kumar, CMD-AIAHL, as Nominee Director and Chairman, in his ex-officio capacity, on the Board of AI Airport Services Limited w.e.f. 13-03-2025 i.e. from the date he obtained his Director Identification Number and passed the requisite resolution on 18-03-2025.

The Board placed on record its appreciation for the valuable services rendered by Shri Asangba Chuba Ao as Chairman, Shri Rahul Jain and Dr. Alok Pande as Nominee Directors on the Board and Board Level Committees of the Company during their tenure.

KEY MANAGERIAL PERSONNEL (KMP)

| Sr. No | Name | Designation | Date of Appointment | Date of Cessation |
|---------------|-----------------------|--------------------|----------------------------|--------------------------|
| 1 | Shri Rambabu Ch. | CEO | 31-07-2021 | - |
| 2 | Shri Sandeep Malhotra | CFO | 09-02-2023 | - |
| 3 | Smt. Shashi Bhadooia | CS | 11-06-2020 | 01-12-2025 |
| 4 | Smt. Kusum Varma | CS | 24-02-2026 | - |

MEETINGS OF THE BOARD OF DIRECTORS

As required under Section 173 of the Companies Act, 2013, five Board Meetings were held through video-conferencing. Further, the provisions of the Companies Act, 2013 were adhered to while considering the time gap between the two Meetings. The details of the meetings held during the F.Y 2024-25 are as under:

| Sr. No. | Date of Meeting | Board Strength | No. of Directors Present |
|---------|---------------------------------|----------------|--------------------------|
| 1 | 19 th June, 2024 | 5 | 3 |
| 2 | 6 th September, 2024 | 5 | 2 |
| 3 | 4 th December, 2024 | 5 | 5 |
| 4 | 03 rd January, 2025 | 5 | 3 |
| 5 | 26 th March, 2025 | 5 | 4 |

BOARD COMMITTEES

The Company has the following Committees of the Board:

1. Audit Committee
2. Corporate Social Responsibility (CSR) Committee

1. AUDIT COMMITTEE

As part of the Corporate Governance and in compliance with the provisions of the Companies Act, 2013 and DPE Guidelines, the Company initially constituted the Audit Committee of the Board in November 2014 and reconstituted the same on 13th December 2017. Further, post disinvestment of Air India Limited (the then Holding Company), the Board of AIASL was reconstituted by the Ministry of Civil Aviation (MoCA) vide its several OM's issued from time to time and consequentially the Board had reconstituted the Board Committees inter-alia Audit Committee from time to time in compliance with the applicable provisions.

As on 31st March, 2025, the following were the Members of the Audit Committee, in ex officio capacity:

| Sr. No. | Particulars of the Director | Position Held in the Committee |
|---------|--|--------------------------------|
| 1 | Shri Padam Lal Negi Jt. Secretary & Financial Advisor, MoCA | Chairman |
| 2 | Shri Amit Kumar Chairman & Managing Director-AIAHL & Chairman AIASL | Member |
| 3 | Shri Shobhit Gupta, Jt. Secretary, MoCA | Member |
| 4 | Shri Manoj Kumar, Jt. Secretary, DIPAM | Member |

The Board considers the recommendations of the Committee to take further decisions on recommendations.

2. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

In compliance with the requirements of the Companies Act 2013, the Board initially constituted a CSR Committee on 23rd May 2016. Further, post disinvestment of Air India Limited (the then holding company), the Board of AIASL was reconstituted by the Ministry of Civil Aviation (MoCA) vide its several OM's issued from time to time and consequentially the Board had reconstituted the Board Committees inter-alia CSR Committee from time to time in compliance with the applicable provisions.

As of 31st March 2025, the CSR Committee comprises of:

| Sr. No. | Particulars of Director | Position Held in the Committee |
|---------|--|--------------------------------|
| 1 | Shri Amit Kumar Chairman & Managing Director-AIAHL & Chairman AIASL | Chairman |
| 2 | Shri Padam Lal Negi Jt. Secretary & Financial Advisor, MoCA | Member |
| 3 | Shri Shobhit Gupta, Jt. Secretary, MoCA | Member |
| 4 | Shri Manoj Kumar Jt. Secretary, DIPAM | Member |

The Board considers the recommendations of the Committee to take further decisions on recommendations.

The other details pertaining to the Audit Committee & CSR Committee are included in the Corporate Governance Report, which forms part of this report. Also, the Annual Report on CSR Activities for F.Y. 2024-25 is enclosed with this report.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirms:

1. that in the preparation of the Annual Accounts, the applicable IndAS has been followed and there has been no material departure;
2. that the selected accounting policies were applied consistently and the Directors 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 as at 31 March 2025 and of the profit or loss of the Company for the year ended on that date;
3. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the Company being an unlisted Company, provisions of Section 134(3)(e) are not applicable;
5. that the annual accounts have been prepared on a going concern basis; and
6. 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.

STATUTORY AUDITORS

M/s Bansal & Co LLP., Chartered Accountants, Delhi, were appointed as Statutory Auditors for the year 2024-25 by the Comptroller & Auditor General of India.

The Auditors' Report along with Management's replies thereon are attached. The notes on financial statements are self-explanatory and need no further explanation.

COMMENTS OF COMPTROLLER AND AUDITOR GENERAL OF INDIA

The NIL comments dated 12.02.2026 of Comptroller and Auditor General (C&AG) of India under Section 143(6) (b) of the Companies Act, 2013 on the Financial Statements of the Company for the year ended 31st March 2025, are attached to this report.

SECRETARIAL AUDITOR

The Board had appointed M/s Saurabh Agrawal & Co., Company Secretaries, Delhi as Secretarial Auditor

to conduct the Secretarial Audit of the Company for FY 2024-25. The Secretarial Audit Report given by the Secretarial Auditor and management replies/comments thereon, if any, are enclosed with this report.

COST AUDITOR

M/s K. G Goyal & Associates, Cost Accountant had been reappointed as Cost Auditor for conducting the Cost Audit for the F.Y 2024-25, by the Board. The Company maintains Cost Accounts and records as per the provisions of Section 148(1) of the Act and the same are audited by the Cost Auditors. During FY 2024-25, the Cost Audit Report for FY 2023-24 has been filed with the Ministry of Corporate Affairs on 29.03.2025.

INTERNAL AUDITOR

M/s Diwan Kunwariya & Associates, Chartered Accountants, had been reappointed by the Board of Directors to conduct the Internal Audit of the Company for FY 2024-25.

LOANS, GUARANTEES, AND INVESTMENTS

There were no loans, guarantees, or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review, and hence the provisions of Section 186 are not applicable to the Company.

DETAILS OF THE DIFFERENCE BETWEEN THE AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING A LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS

During the year under review, no Loan/no one-time settlement of Loans taken from Banks and Financial Institutions.

SIGNIFICANT & MATERIAL ORDERS

During the year no significant and material orders were passed by the Regulators, Courts, or Tribunals impacting the Going Concern Status and the Company's operations in the future.

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

(A) Conservation of Energy and Technology Absorption

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 in respect of Conservation of Energy and Technology Absorption have not been furnished considering the nature of activities undertaken by the Company during the year under review.

However, the Company has made all efforts wherever possible for the conservation of non-renewable sources of energy and utilizing the alternative sources of energy, like Solar Energy at Delhi and Chennai offices.

(B) Foreign Exchange Earnings and Outgo

The foreign exchange earnings and outgo during the year under review were as under:

USD in Millions

| | |
|----------|-------------|
| Earnings | USD 1963.36 |
| Outgo | USD 14.99 |

DISCLOSURES PERTAINING TO CORPORATE SOCIAL RESPONSIBILITY

Section 135 (1) of the Companies Act 2013 requires provision for CSR to be made applicable for a company having threshold Net Worth of ₹500 crores or Turnover of ₹1,000 crores or Net Profit of ₹5

crores or more during the immediately preceding financial year. As per the CSR provisions stipulated in the Companies Act, 2013, AIASL contributed Rs. 1,09,71,739.71/- as CSR expenditure in the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) during FY 2024-25. **(Certification of CFO on CSR funds utilization enclosed as Annexure -V A).**

Annual Report on CSR Activities for the F.Y 2024-25 is enclosed as **Annexure-V.**

SECRETARIAL STANDARDS

During F.Y 2024-25, the Company has complied with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

CORPORATE GOVERNANCE

The Company has complied with the requirements of Corporate Governance. The detailed Corporate Governance Report forms part of this Report separately.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

A detailed Management Discussion and Analysis Report is given separately.

EXTRACT OF ANNUAL RETURN

In compliance with the provisions of Section 92(3) and Section 134(3) of the Companies Act, 2013 read with rule 12(1) of the Companies (Management and Administration) Rules, 2024, the Annual return of the Company for the year ended 31st March, 2025 will be available on the website of the Company i.e. <https://www.aiasl.in/Annualreturn.aspx>.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the year under review, there were no applications made or proceedings pending in the name of the Company under the Insolvency and Bankruptcy Code, 2016.

PARTICULARS OF EMPLOYEES

As per the Ministry of Corporate Affairs Notification dated 5 June 2015, provisions of Section 134(3) (e) are not applicable to a Government Company.

Consequently, details on Company's policy on Directors' appointment and other matters are not provided under Section 178(3).

Similarly, Section 197 shall not apply to a Government Company. Consequently, a statement showing the names and other particulars of every employee of the Company, who if employed throughout / part of the Financial Year, was in receipt of remuneration in excess of limits set out in the Rules, is not provided in terms of Section 197(12) read with Rule 5(1) / (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

AIASL being a Government Company, its Directors are appointed/ nominated by the Government of India as per the Government / DPE Guidelines which also include fixation of pay criteria for determining qualifications and other matters.

ANNUAL EVALUATION

Vide Notification No.G.S.R.463 (E) dated 5 June 2015, the provisions of Section 134(3)(p) relating to Board Evaluation are not applicable since the Directors are evaluated by the Ministry of Civil Aviation.

INDEPENDENT DIRECTORS AND DECLARATION

AIASL is a wholly owned subsidiary of AI Assets Holding Limited. As per Article 97 of the Articles of Association of the Company, the number of Directors of the Company shall not be less than three and

not more than fifteen all of whom shall be appointed by Administrative Ministry/AI Assets Holding Limited, who in turn can do so subject to the directions of the Government of India.

AIASL is an unlisted public company and a wholly-owned subsidiary of AI Assets Holding Limited and as per the Ministry of Corporate Affairs Circular dated 5th July 2017, an exemption has been given to unlisted wholly-owned subsidiary companies from appointing Independent Director.

NOMINATION & REMUNERATION COMMITTEE

The constitution of the Nomination & Remuneration Committee under section 178 of Companies Act 2013 has been exempted for the unlisted wholly-owned subsidiary companies vide notification no. GSR 880(E), dated 13-07-2017. AIASL being an unlisted wholly owned subsidiary company of AI Assets Holding Limited thus got exempted from these provisions.

REMUNERATION POLICY

Remuneration to Executive Directors and Non-Executive Directors

Provisions of Section 197 of the Companies Act, 2013 in respect of remuneration to Directors of the Company are not applicable to Government Companies vide Notification No.G.S.R.463(E) dated 5 June 2015.

INTERNAL FINANCIAL CONTROLS

Adequate internal financial controls are in place for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies; the safeguarding of its assets; the prevention and detection of frauds and errors; the accuracy and completeness of the accounting records; and the timely preparation of reliable financial information, which is commensurate with the operations of the Company.

Further, the company is in the process of strengthening the internal control process so as to ensure the coverage of all the areas as envisaged and ensure effective internal controls at stations, regional offices, user departments.

M/s Diwan Kunwariya & Co., Chartered Accountants, Delhi was appointed as Internal Auditors to review the business processes and controls to assess the adequacy of the internal control system, to ensure compliance with all applicable laws and regulations and, facilitate in optimum utilization of resources and protect the Company's assets for F.Y 2024-25.

DISCLOSURE REGARDING FRAUDS

There were no frauds reported by the Auditor to the Audit Committee or to the Board.

QUALITY & SAFETY MANAGEMENT IN GROUND HANDLING

The implementation of a dedicated Safety and Quality Team focuses on enhancing operational safety, streamlining processes, and ensuring high service standards for customer airlines. This includes proactive hazard reporting, comprehensive risk management, and region-specific risk assessments. Continuous improvement through audits, training, and feedback ensures consistent safety and quality across all stations, with clear communication to airlines on updates and improvements.

Fostering a risk culture empowers employees to proactively identify potential risks and seize opportunities, driving effective, timely responses for enhanced organizational resilience.

Effectively identifying, assessing, and managing risks is crucial for safeguarding a company's human, physical, and financial assets. By taking a strategic and coordinated approach, businesses can minimize disruptions and control costs. This proactive risk management ensures long-term stability and success.

The internal and fortnightly audits across regions are pivotal in ensuring a thorough review and ongoing enhancement of operational standards, upholding the highest quality benchmarks in all processes.

RISK MANAGEMENT

The Company is in the process of formulating a Risk Management Policy with the following objectives:

- Provide an overview of the principles of Risk Management
- Explain the approach adopted by the Company for Risk Management
- Define the Organizational Structure for effective Risk Management
- Develop a “risk” culture that encourages all employees to identify risks and associated opportunities and to respond to them with effective actions
- Identify, assess and manage existing and new risks in a planned and coordinated manner with minimum disruption and cost, to protect and preserve Company’s human, physical and financial assets.

VIGIL MECHANISM

The Vigilance Department of the holding company i.e., AI Assets Holding Limited (AIAHL) covers the Vigilance function of subsidiary companies of AIAHL including AIASL.

The Whistle Blower Policy of the Company has already been approved by the Board of Directors.

RELATED PARTY TRANSACTIONS

The Company, during the Financial Year, entered into contracts or arrangements with related parties, which were in the ordinary course of business and on an arm's length basis. These transactions are not falling under the provisions of Section 188(1) of the Act.

Exemption from the first and second proviso to sub-Section (1) of Section 188 with regard to obtaining approval of the Company in General Meeting, has been provided to a Government Company in respect of contracts or arrangements entered into by it with any other Government Company.

The Company has obtained omnibus approval of the Audit Committee and the Board in Meeting held on 03rd January 2025 for entering into contracts/arrangements with AI Assets Holding Limited and other subsidiary companies (Government Companies) for an estimated total revenue of ₹48,68,96,826/- and total estimated expenditure of ₹8,63,97,371 /- during 2024-25. The details of Related Party Transactions in form AOC-2 are attached at **Annexure-VI**.

There was no material related party transaction with the Company’s Directors, Management or their relatives, which could have had a potential conflict with the interests of the company.

ACKNOWLEDGEMENTS

The Board gratefully acknowledges the support and guidance received from the Ministry of Civil Aviation, the Airport Authority of India, the Bureau of Civil Aviation Security, the DGCA and the AERA. The Board expresses its grateful thanks to the Comptroller and Auditor General of India, the Ministry of Corporate Affairs, the Statutory Auditors, and various other Government Departments.

**For & on behalf of the Board of Directors
of AI Airport Services Limited**

Sd/-

**Amit Kumar
Chairman**

Place: New Delhi

Date: 24-02-2026

MANAGEMENT DISCUSSION & ANALYSIS REPORT

1. ANALYSIS OF FINANCIAL PERFORMANCE

Revenue

Total revenue earned during the year was Rs. 10,037.05 million as against Rs. 8,759.78 million during 2023-24.

Expenditure

The total expenditure incurred during the year was Rs.9,996.12 million as compared to the previous year's figure of Rs. 7,988.73million.

2. INDUSTRY STRUCTURE AND DEVELOPMENT

The Indian civil aviation industry continues to chart an impressive growth trajectory, firmly positioning itself among the fastest growing aviation markets in the world. From emerging as one of the largest domestic aviation markets to steadily advancing toward becoming one of the world's leading air passenger markets in the coming decade, the sector reflects the strength of India's economic fundamentals, favorable demographics, and rising aspirations of a growing middle class. Aviation today stands as a critical enabler of national growth, contributing meaningfully to GDP through employment generation, infrastructure creation, and enhanced domestic and global connectivity.

During FY 2024–25, the sector sustained its strong momentum, supported by robust passenger demand, capacity expansion by domestic carriers, and continued network strengthening. Domestic passenger traffic is estimated to have reached approximately 340–360 million, registering a healthy year-on-year growth of about 10–15%, while international passenger traffic crossed nearly 80 million, growing by around 15–20%. These figures underscore the resilience of the industry and its ability to scale operations in line with increasing travel demand, despite a dynamic operating environment.

A key pillar of this growth has been the continued expansion and modernization of airport infrastructure across metropolitan hubs as well as tier-II and tier-III cities. Significant investments in greenfield and brownfield airports, along with improvements in operational efficiency and technology adoption, have strengthened India's aviation ecosystem. This infrastructure-led approach has enhanced capacity, improved passenger experience, and ensured readiness to support sustained traffic growth in the years ahead.

Regional connectivity remains central to the Government of India's aviation vision. Initiatives such as the UDAN (Ude Desh Ka Aam Nagrik) scheme have played a transformative role in making air travel more accessible and affordable, while integrating remote and underserved regions into the national aviation network. The operationalization of new and revived airports, heliports, and water aerodromes has not only improved connectivity but also stimulated economic activity in hinterland regions, reinforcing inclusive and balanced development.

As the sector advances toward higher operational intensity and global prominence, it will continue to act as a powerful catalyst for economic development, national integration, and India's expanding footprint in global aviation.

OVERVIEW- GROUND HANDLING

Financial Year 2025 has been a year of robust growth for India's aviation sector, with domestic passenger traffic reaching 165.7 million, a 7.8% increase over the previous year. Airlines expanded capacity to meet rising demand, and ground handling operations—from baggage management and ramp services to aircraft turnaround and cargo logistics—played a pivotal role in ensuring efficiency, punctuality, and passenger satisfaction across airports nationwide.

The Indian ground handling market, estimated to be valued at USD 1.95 billion in 2025, is projected to grow at a 6–7% CAGR through 2031, supported by airport modernization, digital adoption, and

foreign investment. Strategic developments this year, including regulatory changes, underscored the sector's operational and compliance challenges, while also highlighting opportunities for leadership in service excellence and operational resilience. Cargo handling continued to gain momentum, with regional airports reporting significant growth and key hubs, reinforcing the sector's role in trade facilitation.

India's ground handling ecosystem is poised to evolve from a support function to a strategic enabler of airline efficiency, cargo logistics, and regional development. Through technology adoption, workforce skill enhancement, and operational excellence, we are committed to delivering seamless, reliable, and safe services, supporting India's aviation ambitions, and creating sustained value for passengers, airlines, and all stakeholders.

3. SWOT ANALYSIS

STRENGTH

- AIASL is the largest Ground Handler in India having its presence across India, from Leh in North to Port Blair & Agatti in South
- AIASL has the right to render GH services at all airports across India including Civil Enclaves, Defence airports, and upcoming future airports
- With the available fleet of Ground Support equipment, AIASL is able to render ground handling services covering all types of passenger & freighter aircraft up to A380.
- AIASL has the benefit of matching the lowest royalty at all airports in India.
- AIASL has been inducted as an IATA Ground Handling partner for 2025, reinforcing its global image and credibility.
- AIASL has co-executed an agreement with IAF for handling of Special Extra Section Flights (SESF) in India and at Foreign Stations abroad.
- AIASL has also co-executed an agreement for handling all other flights (Non-SESF, A321 courier, etc) of IAF in all Indian Airports
- AIASL, as exclusive rights, handled the Wings India event with New aircraft on display by various Aircraft manufacturers (including Boeing and Airbus) at Begumpet Airports with the latest state-of-the-art GSE
- AIASL successfully managed ground handling operations during the Aero India event at Yelahanka Airport, Bengaluru, where new defense aircraft from various manufacturers were on display. The operations were supported by the latest state-of-the-art Ground Support Equipment (GSE), ensuring seamless and efficient service throughout the event
- AIASL operates as a debt-free company and has invested in state-of-the-art GSE over the past five years through its own resources. Additionally, it has no pending statutory dues as of date.
- AIASL's has successfully obtained accreditation and approvals from the European Union and the United Kingdom (RA3 UK & EU) in respect of the Chennai and Mumbai Cargo Warehouses, following the grant of permission as an approved Regulated Agent (RA) in India by the regulatory authority BCAS. ensuring adherence to global standards for cargo handling
- AIASL has commenced external aircraft cleaning at Mumbai using Aerowash – an advanced robotic and dry wash system for aircraft exteriors. This innovative service not only removes dirt, dust, and grime from the fuselage, reducing aerodynamic drag and improving fuel efficiency, but also significantly conserves water – a critical resource in today's era of climate change.
- AIASL's sustained financial performance in recent years, reinforcing operational stability and stakeholder confidence.
- AIASL'S proven capability in handling large-scale and special operations such as Haj and

defence-related movements.

WEAKNESS

- AIASL activities are predominantly performed on a manual system, leading to inefficiencies. The absence of automation hinders operational effectiveness, making the implementation of an ERP/SAP system critical to streamline processes and eliminate delays.
- Retaining trained and experienced personnel remains a significant challenge due to frequent poaching by competing Ground Handling Agencies (GHAs), which undermines workforce stability and increases training costs.
- Variations in operational scale and traffic intensity across stations create challenges in achieving uniform productivity benchmarks
- Manpower-intensive operations resulting in higher manpower cost structures.

OPPORTUNITIES

- AIASL has significant potential to tap into business opportunities in cargo warehouse handling at airports across India.
- AIASL has the potential to evolve into a certified IATA/DGCA-accredited training institute, catering to the growing demand for specialized aviation training.
- AIASL can further expand its non-scheduled operation (NSOP) business at Pan India Level.
- Increasing emphasis on safety, compliance, and standardization creates opportunities for established players like AIASL to differentiate through scale and experience
- With the Government planning to operationalize more and more commercial airports, under the RCS Udan Scheme, AIASL has the opportunity to expand at these airports.
- AIASL has opportunities to expand operations to neighboring countries, broadening its regional footprint and capturing international markets.
- With its widespread presence across India, AIASL is well-positioned to attract more client airlines, leveraging its operational scale and expertise.
- AIASL has commenced external aircraft cleaning using Aerowash at Mumbai, offering fuel-efficient and water-saving robotic dry wash services. This innovative solution shall soon be extended to all other metro stations where AIASL operates.
- Continued growth in India's civil aviation sector, supported by rising passenger and cargo traffic.
- Adoption of digital solutions, automation, and data-driven performance monitoring.

THREAT

- Growing presence of other Ground Handling Agencies (GHAs) at various airports across India, leading to increased competition for market share and retentions.
- High attrition rates among fixed-term contractual employees, coupled with the superannuation of experienced permanent staff, affecting operational continuity and expertise.
- Limitations imposed by Airport Operators under the current Ground Handling (GH) Policy, restricting AIASL's appointment as a Ground Handling Agency at newly developed airports.
- Mandatory replacement of Ground Support Equipment (GSE) due to new policies by airport operators, necessitating substantial capital investment.
- Urgent need to procure environmentally compliant GSE to meet green initiatives at airports with a capacity of 3.5 million passengers annually (MPA) and above.
- High royalty percentages quoted by competing GHAs at private airports, posing challenges in maintaining competitive pricing and profitability.
- Regulatory and policy changes affecting ground handling norms and airport operations.

- Escalation in manpower, energy, and equipment maintenance costs.
- Operational disruptions due to airport congestion, infrastructure limitations, and adverse weather conditions.

4. FUTURE OUTLOOK

AI Airport Services Limited (AIASL) was operationalized on 1st February 2013 and started its independent operations effective April 2014. Presently, AIASL provides ground handling services at about 150 airports (at 85 Airports, AIASL is fully Operational, and other Airports AIASL is available for handling NSOP flights) in India.

In the current scenario, Ground handling (passenger, ramp, and cargo) is provided to 6 Indian scheduled airlines (including AI Group – Air India & Air India Express flights); 4 Regional Airlines (including Alliance Air flights); 1 domestic cargo airline; 65 foreign scheduled airlines, 4 seasonal charter airlines and 22 foreign airlines availing (APEDA) perishable cargo handling apart from Non-Scheduled handling.

Additionally, AIASL also provides Cabin Cleaning & Cabin Dressing services to Air India Group, Alliance Air and other client airlines.

AIASL, the future outlook can be summarized as follows:

- AIASL is under process to obtain the ISAGO (IATA Safety Audit for Ground Operations) certification, ensuring adherence to global safety and operational standards.
- AIASL continues RA, RA3 EU, and RA3 UK certifications for its Chennai & Mumbai Cargo Warehouse. These milestones reflect AIASL's dedication to upholding the highest security standards in cargo operations.
- AIASL is planning to expand its service offerings by initiating the handling of International Courier business at the Chennai Cargo Warehouse, introducing new services to drive additional revenue.
- AIASL continues to facilitate SESF operations both domestically and internationally, strengthening its global operational presence.
- AIASL remains the dedicated handler for all aircraft operated by the Indian Defense forces, including at defence enclaves across India.
- AIASL has joined the IATA Ground Handlers Partnership (IATA GHP), associating itself with the global platform to enhance visibility among world airlines and non-schedule operators.
- AIASL actively participates in international ground handling conferences, promoting networking and exploring new business opportunities.
- AIASL is focused on strengthening its Security, HR, MMD, and IT departments by recruiting professionals to enhance operational efficiency.
- AIASL is dedicated to inculcating a safety-first culture, aiming to reduce ground handling incidents and prevent aircraft damage.
- Emphasis on functional training and continuous skill development is key to ensuring operational excellence across all levels of the workforce.
- AIASL is implementing new IT products such as ERP systems, biometric attendance, and

employee self-service (ESS) portals to streamline operations and enhance workforce management.

- AIASL is committed to supporting the government's drive for an eco-friendly environment at airports.
- AIASL is enhancing operational readiness to handle increased deployment of widebody and next-generation aircraft. This includes focused training, modernization of GSE, and standardized operating procedures.
- The Company aims to leverage data analytics, automation, and digital dashboards to enhance operational visibility. These initiatives will support SLA monitoring, safety performance tracking, and predictive maintenance of GSE.
- AIASL is committed to progressively introducing electric and low-emission Ground Support Equipment. These initiatives shall reduce the carbon footprint and ensure compliance with evolving environmental regulations.
- AIASL seeks to further enhance airline and passenger experience through improved turnaround times and service reliability. Transparent, SLA-driven performance metrics will underpin consistent service delivery.
- The Company anticipates sustained growth in non-scheduled, charter, VVIP, and defence operations. AIASL will continue to position itself as a specialized and trusted ground handling partner in these segments.

5. GOING CONCERN

The Company has earned net profit since 2012-13 which has increased from Rs.5.06 million during 2012-13 to Rs.504.82 million (restated) during 2019-20. However, due to the COVID-19 situation, the Company has incurred a loss of Rs.1,900.28 million during FY 2020-21. During the current year, the company made a net profit after tax of Rs.29.38 million.

6. HUMAN RESOURCES

Staff Strength

The number of staff inducted under various categories as on 31 March 2025 was 22783.

7. RISK MITIGATION STRATEGIES

The Company continuously monitors the risk perceptions and takes preventive action for mitigation of risks on various fronts.

8. INTERNAL CONTROL SYSTEMS

M/s Diwan Kunwariya & Associates, Chartered Accountants, Delhi were appointed as Internal Auditors to review the business processes and controls to assess the adequacy of the internal control system, to ensure compliance with all applicable laws and regulations and facilitate in optimum utilization of resources and protect the Company's assets for F.Y 2024-25.

9. ENVIRONMENTAL PROTECTION AND CONSERVATION, TECHNOLOGICAL CONSERVATION, RENEWABLE ENERGY DEVELOPMENT, FOREIGN EXCHANGE CONSERVATION

The Company has always considered energy saving and technology absorption as an important goal and high priority has been accorded to the same during the year under review. Further, while procuring Ground Support Equipment, the company always tried to go for green initiatives, wherever possible. Further, the details pertaining to foreign exchange have been provided in the Directors' Report.

10. CORPORATE SOCIAL RESPONSIBILITY

Section 135 (1) of the Companies Act 2013 requires provision for CSR to be made applicable for a company having threshold Net Worth of ₹500 crores or Turnover of ₹1,000 crores or Net Profit of ₹5 crores or more during the immediately preceding financial year. As per the CSR provisions stipulated in the Companies Act, 2013, AIASL contributed Rs. 1, 09,71,739.71/- as CSR expenditure in the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) during FY 2024-25. **(Certification of CFO on CSR funds utilization for the FY 2024-25 enclosed as Annexure -V A).**

Annual Report on CSR Activities for the F.Y 2024-25 is enclosed as **Annexure-V**.

11. CAUTIONARY STATEMENT

Statements made in Management Discussion and Analysis may be forward-looking statements. Actual results may differ materially from those expressed or implied. The discussions on the Business environment & industry scenario as also future outlook, wherever mentioned, is based on information and analysis available in print or electronic media, views expressed by experts and relied upon by the management. The important factors that could make a difference to what is stated, expressly or implied include economic conditions, domestic as well as global like demand and supply forces operating in the market, policies, rules, and regulation of government as amended from time to time including tax laws and other statutes as well as other incidental factors having impact on the business environment.

**For & on behalf of the Board of Directors
of AI Airport Services Limited**

Sd/-
Amit Kumar
Chairman

Place: New Delhi

Date: 24-02-2026

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The company firmly believes in and has consistently practiced good Corporate Governance. The company's essential character is shaped by the values of transparency, professionalism, and accountability. The company is committed to attain the highest standard of Corporate Governance. The philosophy of the company in relation to Corporate Governance is to ensure transparency in all its operations, make disclosures, and enhance all stakeholders' value within the framework of laws and regulations.

2. BOARD OF DIRECTORS

AI Airport Services Limited (AIASL) is a Public Sector Undertaking and a wholly-owned subsidiary of AI Assets Holding Limited. Its Directors are appointed by the holding company / administrative ministry. The administrative ministry, i.e., The Ministry of Civil Aviation (MoCA), had reconstituted the Board of AIASL from time to time. Accordingly, the composition of the Board as on 31-03-2025 is given below:

Board of Directors as on 31st March, 2025

| S. No. | Name of Director | Designation |
|--------|---|-----------------------------|
| 1. | Shri Amit Kumar Chairman & Managing Director (CMD), AI Assets Holding Limited and Chairman AIASL | Chairman & Nominee Director |
| 2. | Shri Padam Lal Negi Jt. Secretary & Financial Adviser (JS&FA), Ministry of Civil Aviation | Nominee Director |
| 3. | Shri Manoj Kumar Joint Secretary, Department of Investment and Public Assets Management (DIPAM) | Nominee Director |
| 4. | Shri Shobhit Gupta Joint Secretary, Ministry of Civil Aviation | Nominee Director |
| 5. | Smt. Nayonika Dutta Joint Director, Ministry of Civil Aviation | Nominee Director |

3. DETAILS REGARDING THE BOARD MEETINGS, ANNUAL GENERAL MEETING, DIRECTORS' ATTENDANCE THEREAT, DIRECTORSHIPS, AND COMMITTEE POSITIONS HELD BY THE DIRECTORS:

BOARD MEETINGS

Five Board Meetings were held during the financial year on the following dates:

| | |
|----------------------------------|-----------------------------|
| 19 th June, 2024 | (104 th Meeting) |
| 06 th September, 2024 | (105 th Meeting) |
| 04 th December, 2024 | (106 th Meeting) |
| 03 rd January, 2025 | (107 th Meeting) |
| 26 th March, 2025 | (108 th Meeting) |

Particulars of Directors including their attendance at the Board / Shareholders' Meetings during the financial year 2024-25:

| Name of the Director | Academic Qualifications | Number of Board Meetings During FY 2024-25 | | Details of Directorships held in other Companies | Memberships held in Committees |
|---|-------------------------|--|----------|--|---|
| | | Held (during their respective tenure) | Attended | | |
| Shri Padam Lal Negi (From 18 th January 2023) | IDAS 1992 | 5 | 5 | Director AI Airport Services Limited, AI Engineering Services Limited, AI Assets Holding Limited, Pawan Hans Ltd., Indian Renewable Energy Development Agency Limited (IREDA), Solar Energy Corporation of India Ltd. (SECI) & Airport Authority of India (Part-Time Director) | AI Airport Services Limited <u>Chairman</u> Audit Committee <u>Member</u> CSR Committee AI Engineering Services Limited. <u>Chairman</u> Audit Committee <u>Member</u> CSR Committee AI Assets Holding Limited <u>Chairman</u> Audit Committee |
| Shri Rahul Jain (From 12 th December 2023 to 14 th May 2024) | CA, M.Com, IAS | 0 | 0 | Director AI Airport Services Limited, AI Engineering Services Limited, AI Assets Holding Limited, ITC Limited & National Financial Holdings Company Limited | AI Airport Services Limited <u>Member</u> Audit Committee CSR Committee AI Engineering Services Limited <u>Member</u> Audit Committee CSR Committee AI Assets Holding Limited <u>Member</u> Nomination & Remuneration Committee; |

| | | | | | |
|--|---|---|---|---|--|
| | | | | | <p>Stakeholders Relationship Committee</p> <p><u>National Financial Holdings Company Limited</u> Member Body of persons acting as Administrator / Board of Advisors</p> |
| <p>Shri Asangba Chuba Ao (From 1st January 2024 to 11th March 2025)</p> | <p>MA (Eng Litt.) & M A (Pub. Adm), IAS</p> | 4 | 4 | <p><u>Chairman & Managing Director</u> AI Assets Holding Limited w.e.f 01.01.2024</p> <p><u>Chairman</u> AI Airport Services Limited w.e.f 01.01.2024, AI Engineering Services Limited w.e.f 01.01.2024 Alliance Air Aviation Limited w.e.f 01.01.2024 Hotel Corporation Of India Limited w.e.f 01.01.2024</p> <p><u>Director</u> AI Airport Services Limited, AI Assets Holding Limited, AI Engineering Services Limited, Pawan Hans Ltd., Rohini Heliport Limited, Alliance Air Aviation Limited (w.e.f. 18.01.2023)</p> | <p><u>AI Airport Services Limited</u> <u>Chairman</u> Corporate Social Responsibility Committee <u>Member</u> Audit Committee</p> <p><u>AI Engineering Services Limited</u> <u>Chairman</u> Corporate Social Responsibility Committee <u>Member</u> Audit Committee</p> <p><u>Alliance Air Aviation Limited</u> <u>Chairman</u> Audit Committee <u>Member</u> Flight Safety Committee HR Committee</p> <p><u>AI Assets Holding Limited</u> <u>Member</u> Stakeholder Relationship Committee, Nomination & Remuneration Committee,</p> |

| | | | | | |
|--------------------------------------|---|---|---|---|--|
| | | | | | <u>Pawan Hans Limited</u> <u>Member</u> Nomination & Remuneration Committee |
| Shri Amit Kumar (From 13.03.2025) | B.E. Electrical IIT Roorkee Executive Management program IIM Lucknow | 1 | 1 | <u>Chairman & Managing Director</u> AI Assets Holding Limited w.e.f 13.03.2025 <u>Chairman</u> AI Airport Services Limited w.e.f 13.03.2025, AI Engineering Services Limited w.e.f 13.03.2025, Alliance Air Aviation Limited w.e.f 13.03.2025, Hotel Corporation Of India Limited w.e.f 13.03.2025. <u>Director</u> AI Airport Services Limited ,AI Engineering Services Limited, Alliance Air Aviation Limited, Hotel Corporation of India Limited, AI Assets Holding Limited. | <u>AI Airport Services Limited</u> <u>Chairman</u> Corporate Social Responsibility Committee <u>Member</u> Audit Committee <u>AI Engineering Services Limited</u> <u>Chairman</u> Corporate Social Responsibility Committee <u>Member</u> Audit Committee <u>AI Assets Holding Limited</u> <u>Member</u> Audit Committee, Stakeholder Relationship Committee, Nomination & Remuneration Committee, <u>Hotel Corporation of India Limited</u> <u>Member</u> Audit Committee <u>Alliance Air Aviation Limited</u> <u>Chairman</u> Flight Safety Committee HR Committee <u>Member</u> Audit Committee |

| | | | | | |
|---|--|----------|----------|--|--|
| <p>Smt. Nayonika Dutta (From 12th February 2024)</p> | <p>Master's Degree in Economics</p> | <p>5</p> | <p>2</p> | <p>Director AI Airport Services Limited ,AI Engineering Services Limited, Alliance Air Aviation Limited, Hotel Corporation of India Limited</p> | <p><u>AI Engineering Services Limited</u> Member Audit Committee CSR Committee</p> <p><u>Alliance Air Aviation Limited</u> Member Audit Committee Flight Safety Committee HR Committee</p> <p><u>Hotel Corporation of India Limited</u> Member Audit Committee</p> |
| <p>Shri Shobhit Gupta (From 25th May 2025)</p> | <p>M. Tech (Power Electronics), IIT Kanpur</p> | <p>5</p> | <p>2</p> | <p>Director AI Airport Services Limited ,AI Engineering Services Limited, AI Assets Holding Limited</p> | <p><u>AI Airport Services Limited</u> Member Audit Committee CSR Committee</p> <p><u>AI Engineering Services Limited</u> Member Audit Committee CSR Committee</p> <p><u>AI Assets Holding Limited</u> Member Audit Committee, Nomination & Remuneration Committee; Stakeholders Relationship Committee</p> |

| | | | | | |
|--|---|---|---|---|--|
| Dr. Alok Pande (From 25 th May 2025 to 25 th February 2025) | Ph.D in capital Markets(IIM Bangalore) B.E. (Mechanical) NIT, | 4 | 2 | Director AI Airport Services Limited ,AI Engineering Services Limited, AI Assets Holding Limited, Indian Bank | <u>AI Airport Services Limited</u> Member Audit Committee CSR Committee <u>AI Engineering Services Limited</u> Member Audit Committee CSR Committee |
| Shri Manoj Kumar (From 28 th February 2025) | BA (Hons), MA, LLB | 1 | 1 | Director AI Airport Services Limited, AI Engineering Services Limited, AI Assets Holding Limited | <u>AI Airport Services Limited</u> Member Audit Committee CSR Committee <u>AI Engineering Services Limited</u> Member Audit Committee CSR Committee <u>AI Assets Holding Limited</u> Member Nomination & Remuneration Committee; Stakeholders Relationship Committee |

4. BOARD PROCEDURE

The meetings of the Board of Directors were generally held at the registered office of the Company via Video Conferencing (VC)/ physical mode or at the corporate office of Holding Company. The meetings are scheduled well in advance. In case of exigencies or urgency, resolutions are passed by circulation. The Board meets at least once a quarter to review the operating performance of the Company. The agenda for the meetings are prepared by the officials of the concerned departments and approved by the CEO & the Chairman. The Board papers are circulated to the Directors in advance. The members of the Board have access to all information and are free to recommend the inclusion of any matter on the agenda for discussion. Senior executives are invited to attend the Board meetings and provide clarification as and when required. Action Taken Reports are put up to the Board periodically. To enable better and more focused attention on the affairs of the Company, the Board delegates certain matters to committees of the Board set up for the purpose.

5. CODE OF CONDUCT

In terms of requirements of DPE guidelines on Corporate Governance for CPSEs, the Board has adopted Code of Conduct for the Directors and Senior Management. There is a system of affirming compliance with the Code by the Board Members and Senior Management Personnel of the Company. A declaration of compliance signed by the Chief Executive Officer of the Company is enclosed as **Annexure I** to this Report.

6. BOARD COMMITTEES

AUDIT COMMITTEE

As part of the Corporate Governance and in compliance with the provisions of the Companies Act, 2013 and DPE Guidelines, the Company initially constituted the Audit Committee of the Board in November 2014 and reconstituted the same on 13th December 2017. Further, post disinvestment of Air India Limited (the then Holding Company), the Board of AIASL was reconstituted by the Ministry of Civil Aviation (MoCA) vide its several OM's issued from time to time and consequentially the Board had reconstituted the Board Committees inter-alia Audit Committee from time to time in compliance with the applicable provisions.

As on 31st March 2025, the following were the Members, in their ex-officio capacity, of the Audit Committee:

| Particulars of Director | Position held in the Committee |
|--|---------------------------------------|
| Shri Padam Lal Negi, JS&FA, MoCA | Chairman |
| Shri Amit Kumar, CMD, AIAHL & Chairman AIASL | Member |
| Shri Manoj Kumar JS, DIPAM | Member |
| Shri Shobhit Gupta JS, MoCA | Member |

The terms of reference of this Committee are:

- To recommend for appointment, remuneration and terms of appointment of auditors of the company;
- To review and monitor the auditor's independence and performance, and effectiveness of audit process;
- To review the Internal Audit program & ensure co-ordination between the Internal & External Auditors as well as determine whether the Internal Audit function is commensurate with the size and nature of the Company's Business;
- To discuss with the Auditor before the audit commences the nature & scope of the audit;
- To examine the financial statements and the auditors' report thereon;
- To review the Statutory Auditor's Report, Management's response thereto and to take steps to ensure implementation of the recommendations of the Statutory Auditors;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters;
- To consider any other matter as desired by the Board.

Meetings of the Audit Committee

The Audit Committee had met four times during the year to review various issues including inter alia Financial Statement of the Company for the year before submission to the Board, as per details given below:

| | |
|---------------------------------|----------------------------|
| 19 th June, 2024 | (44 th Meeting) |
| 06 th September 2024 | (45 th Meeting) |
| 03 rd January 2025 | (46 th Meeting) |
| 26 th March, 2025 | (47 th Meeting) |

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In compliance with the requirements of the Companies Act 2013, the Board initially constituted a CSR Committee on 23rd May 2016. Further, post disinvestment of Air India Limited (the then holding company), the Board of AIASL was reconstituted by the Ministry of Civil Aviation (MoCA) vide its several OM's issued from time to time and consequentially the Board had reconstituted the Board Committees inter-alia CSR Committee from time to time in compliance with the applicable provisions.

As of 31st March 2025, the CSR Committee comprises of:

| Particulars of Director | Position held in the Committee |
|--|--------------------------------|
| Shri Amit Kumar CMD, AIAHL & Chairman AIASL | Chairman |
| Shri Padam Lal Negi JS&FA, MOCA | Member |
| Shri Manoj Kumar JS, DIPAM | Member |
| Shri Shobhit Gupta JS, MoCA | Member |

Meetings of the CSR Committee

The CSR Committee met one time during the year to review various issues related to the CSR Budget, CSR Activities, etc. as per the details given below:

| | |
|-------------------------------|----------------------------|
| 03 rd January 2025 | (22 nd Meeting) |
|-------------------------------|----------------------------|

Annual General Meetings (AGM) during the last three years:

| AGM/EGM Number | Date and time of the Meeting | Venue | Special Resolution |
|----------------------|--|---|--------------------|
| 3 rd EGM | 14 th January 2022 at 1530hrs | 2 nd Floor, GSD Building, Air India Complex, Terminal-2, IGI Airport, New Delhi-110037 | Yes |
| 19 th AGM | 30 th December 2022 at 1130hrs | 2 nd Floor, GSD Building, Air India Complex, Terminal-2, IGI Airport, New Delhi-110037 | No |
| 20 th AGM | 12 th December 2023 at 1200 hrs | 2 nd Floor, GSD Building, Air India Complex, Terminal-2, IGI Airport, New Delhi-110037 | No |

| | | | |
|--------------------------------|---|---|----|
| 21 st AGM | 20 th December 2024 at 1600hrs | 2 nd Floor, GSD Building, Air India Complex, Terminal-2, IGI Airport, New Delhi-110037 | No |
| 4 th EGM | 20 th February 2025 1500hrs | 2 nd Floor, GSD Building, Air India Complex, Terminal-2, IGI Airport, New Delhi-110037 | No |
| Adjourned 21 st AGM | 26 th March 2025 at 1700hrs | 2 nd Floor, GSD Building, Air India Complex, Terminal-2, IGI Airport, New Delhi-110037 | No |

- M/s Link Intime India Pvt Ltd having its address at C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400083, is the Registrar and Transfer Agent (RTA) of the Company.

7. DISCLOSURES AND STATUTORY COMPLIANCES:-

Adequate Disclosures pertaining to Director's interest, related party transactions, and maintenance of statutory registers have been taken and placed periodically before the Board of Directors to take informed decisions, with the Board following a clear policy of specific delegation and authorization of designated officers to handle the business matters. MCA Filings with respect to disclosures, intimations, allotments, and appointments have been made in a time-bound manner with no pending matters. The Company, based on self-evaluation, falls under 'Excellent' grade for the compliance of DPE Corporate Governance Guidelines for the previous three financial years 2021-22, 2022-23 and 2023-24. The DPE has also awarded 'Excellent' grading to AIASL for compliance of DPE Corporate Governance Guidelines during FYs 2020-21 and 2021-22. The rating from DPE for F.Y 2022-23, 2023-24 and 2024-25 is awaited

8. CEO/CFO DECLARATION:

The Chief Executive Officer and Chief Financial Officer have certified in writing with respect to the truth and fairness of the financial statements, due compliances, and financial reporting which was placed before, the Audit Committee and Board Meeting (placed as **Annexure- II** to this report).

9. Certificate for Compliance with Corporate Governance Guidelines

This Report duly complies with the legal requirements in respect of data that should be disclosed in a Corporate Governance Report for FY 2024–25.

The Certificate obtained from a Practicing Company Secretary regarding the compliance of the conditions on Corporate Governance is placed as '**Annexure – III**' to this Report.

**For & on behalf of the Board of Directors
of AI Airport Services Limited**

Sd/-
Amit Kumar
Chairman

Place: New Delhi

Date: 24-02-2026





ANNEXURE-I

CODE OF CONDUCT DECLARATION

Pursuant to DPE guidelines on Corporate Governance for CPSEs, all the Board Members & Senior Management Personnel have affirmed compliance with the Code of Conduct, as adopted by the Board of Directors, for the year ended 31st March, 2025.

Sd/-
(Rambabu Ch.)
Chief Executive Officer
AI Airport Services Limited

Place: Delhi

Date: 24-02-2026

ANNEXURE-II

TO WHOMSOEVER IT MAY CONCERN

We, Rambabu Ch., Chief Executive Officer and Sandeep Malhotra , Chief Financial Officer of AI Airport Services Limited (hereinafter “the Company”), do hereby certify that:

1. We have reviewed the financial statements for the financial year 2024-2025 and that to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements give a true and fair view of the state of affairs of the Company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including Accounting Standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company’s code of conduct.
3. We accept overall responsibility for the Company’s internal control system for financial reporting. This is monitored by the internal audit function, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal audit works with all levels of management and statutory auditors, and reports significant issues to the Audit Committee of the Board of Directors.
The Auditors and Audit Committee are apprised of any corrective action taken with regard to significant deficiencies and material weaknesses.
4. We have indicated to the Auditors:
 - a) Significant changes in internal control over financial reporting during the year;
 - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements
5. We further declare that all Board Members and Senior Managerial Personnel have affirmed compliance with the code of conduct during the year ended 31st March 2025.

For AI Airport Services Limited

sd/-
Rambabu Ch.
Chief Executive Officer
PAN: AGVPC9371P

sd/-
Sandeep Malhotra
Chief Financial Officer
PAN: AFWPM3559B

Date: 11.11.2025

Place: New Delhi

ANNEXURE III

CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE UNDER CORPORATE GOVERNANCE UNDER DPE GUIDELINES FOR THE YEAR ENDED 31ST MARCH 2025

[Pursuant to para 8.2.1 of the DPE Guidelines 2010]

To

The Members

AI AIRPORT SERVICES LIMITED

(CIN: U63090DL2003PLC120790)

2nd Floor, GSD Building,

Air India Complex, Terminal -2

IGI Airport, New Delhi 110037

We have examined the relevant books, records and statements in connection to the compliance with the conditions of Corporate Governance of **AI AIRPORT SERVICES LIMITED** (CIN: U63090DL2003PLC120790) for the year ended on 31st march, 2025 as stipulated in "Guidelines on Corporate Governance Norms for Central Public Sector Enterprises, as enunciated by the Department of Public Enterprises (DPE).

The compliance of the conditions of the Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as laid down in the guidelines. Our Report/ Certification is neither an audit nor an expression of the opinion on the financial statements of the Company.

On the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied with the mandatory conditions of the Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs), 2010 except that the functional Directors are more than 50% and at least one-third of the Board Members shall be Independent Directors. Further, the appointment of independent directors in public companies which are wholly owned subsidiaries of unlisted public companies are not require to appoint independent directors under section 149(4) and 178 of Companies Act, 2013 read with Rule 4(2) of Companies (Appointment and Qualification of Directors) Amendment Rules, 2014, as amended.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficacy of the effectiveness with which the management has conducted the affairs of the Company.

For Saurabh Agrawal & Co

Company Secretaries

Peer Review No. 3020/2023

Firm Registration No. P2002DE043100

Place: New Delhi

Date: 16/12/2025

UDIN: F005430G002442326

Sd/-

Saurabh Agrawal

Partner

FCS No.: 5430

C.P. No.: 4868

ANNEXURE IV

AI AIRPORT SERVICES LIMITED CSR POLICY

A. Background

The Companies Act, 2013 introduced the concept of Corporate Social Responsibility (CSR). In terms of the provisions of this Act, w.e.f. 1 April 2014 every Company, Private Limited or Public Limited, which has a net worth of Rs.500 crores or a turnover of Rs.1000 crores or net profit of Rs.5 crores has to spend at least 2% of its average net profit for the immediately preceding three financial years on CSR activities. The CSR activities should not be undertaken in the normal course of business and must be with respect to any of the activities mentioned in Schedule VII of the Act. The Companies (CSR Policy) Rules, 2014 place down the framework and modalities of carrying out CSR activities.

B. Definitions:

In this Policy unless the context otherwise requires:

1. **"Act"** means the Companies Act, 2013 and rules made thereunder.
2. **"Administrative overheads"** means the expenses incurred by the company for 'general management and administration' of Corporate Social Responsibility functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme;
3. **"Corporate Social Responsibility (CSR)"** means the activities undertaken by a Company in pursuance of its statutory obligation laid down in section 135 of the Act in accordance with the provisions contained in these rules, but shall not include the following, namely:
 1. activities undertaken in pursuance of normal course of business of the company;
 2. any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
 3. contribution of any amount directly or indirectly to any political party under section 182 of the Act;
 4. activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019);
 5. activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services; and
 6. activities carried out for fulfilment of any other statutory obligations under any law in force in India.
4. **"CSR Committee"** means the Corporate Social Responsibility Committee of the Board referred to in Section 135 of the Act;
5. **"CSR Policy"** means a statement containing the approach and direction given by the board of a company, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan;
6. **"Net Profit"** means the net profit of a Company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely:-
 1. Any profit arising from any overseas branch or branches of the company' whether operated as a separate company or otherwise;
 2. Any dividend received from other companies in India, which are covered under and

complying with the provisions of section 135 of the Act.

7. **“Ongoing Project”** means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification;

Words and expressions used and not defined in these rules but defined in the Act shall have the same meanings respectively assigned to them in the Act.

C. Objective and CSR Vision:

The main objective of the CSR Policy is to lay down guidelines for AI Airport Services Limited (AIASL) to make CSR as one of the areas which focus on making a positive contribution to society through high-impact, sustainable programs.

This Policy shall be read in line with Section 135 of the Companies Act 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (including amendments therein, if any, existing and forthcoming, as the case may be) and such other rules, circulars, and notifications (collectively referred hereinafter as ‘Regulations’) as may be applicable and as amended from time to time and will, inter-alia, provide for the following:

- Establishing a guideline for compliance with the applicable provisions to dedicate a percentage of the Company’s profits for social projects / CSR activities; and
- Ensuring the implementation of CSR initiatives in letter and spirit through appropriate procedures and reporting.

D. Scope of CSR Activities:

The Policy recognizes that Corporate Social Responsibility is not merely compliance, it is a commitment to support initiatives that benefit the community at large by one or more of the following focus areas as specified in Schedule VII of the Act:

- i. Eradicating hunger, poverty, and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set up by the Central Government for the promotion of sanitation and making available safe drinking water;
- ii. promoting education, including special education and employment enhancing vocation skills, especially among children, women, elderly, and the differently abled, and livelihood enhancement projects;
- iii. promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- iv. ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- v. protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;
- vi. measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependent including widows;
- vii. training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;

- viii. contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- ix. (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and
- (b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).]
- x. rural development projects; and
- xi. slum area development.

Explanation - For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

- xii. disaster management, including relief, rehabilitation and reconstruction activities.]

The Company would select and undertake CSR activities out of the themes listed in Schedule VII (as listed above) of the Companies Act, 2013 as amended from time to time. The themes in the scope of CSR Policy must be interpreted liberally so as to capture the essence of the subject enumerated in Schedule VII of the Act.

Any modification in Schedule VII of the Act or directions from Department of Public Enterprises (DPE) or the Ministry of Finance (MoF) shall also deemed to have been incorporated (wherever the same shall be mandatory) in the scope of CSR policy of the Company from the date of such changes, if any, being notified by the Government.

E. CSR Committee:

The CSR Committee shall be constituted as per the provisions of Section 135 of the Companies Act, 2013 who shall meet as and when required to discuss and review the CSR activities and policy. The quorum of CSR Committee shall be two members present in the meeting.

F. Responsibility of CSR Committee:

- formulate and recommend to the Board, a CSR Policy including amendments therein, if any, in the areas or subjects specified in Schedule VII;
- monitor the Policy from time to time and recommend changes to the Board;
- recommend the amount of expenditure to be incurred on CSR projects/ activities; and
- Constitute a transparent monitoring mechanism for ensuring effective and efficient implementation of the CSR projects.

G. CSR Working Committee

Members of CSR Working Committee shall be:

- i. Chief Executive Officer Chairman
- ii. Chief Financial Officer/Chief of Finance
- iii. Chief HR Officer/Chief of Personnel
- iv. Company Secretary

The above-mentioned CSR Working Committee shall be headed by the Chief Executive Officer of the Company.

The roles and responsibilities of the CSR Working Committee include:

- Review the proposals for CSR projects / programs / activities received from various locations and put up before the CSR Committee for deliberation, consideration and recommendation to the Board for approval.

H. Responsibility of the Board of Directors:

- Approving the CSR Policy as recommended by the CSR Committee, subject to necessary changes/modifications as the Board may deem fit;
- Ensuring that in each financial year, the Company spends at least 2% (or any threshold prescribed by MCA and even above that threshold) of the average net profit* of the Company made during the three immediately preceding financial years in accordance with the provisions of section 135 of the Companies Act, 2013 and the Rules made thereunder;

***Average Net Profit** shall be calculated in accordance with provisions of Section 198 of the Companies Act, 2013 and rules made thereunder.

- Ensuring that every financial year, funds committed by the Company for CSR activities are utilized effectively;
- Ensuring that activities included by the Company in its CSR policy are related to the areas or subjects specified in Schedule VII of the Act;
- Ensuring that activities included by the Company are in line with the Guidelines issued by the Department of Public Enterprises (DPE) on annual theme for CSR activities;
- Disclosing in its Annual Return the names of CSR Committee members, the content of CSR Policy and ensure annual reporting of its CSR activities on the Company's website and comply with any other stipulations as may be introduced by MCA and Department of Public Enterprises (DPE) or the Ministry of Finance (MoF) at any given point of time.
- Ensuring that the preference shall be given to the local area around its operations for spending the amount earmarked for CSR projects. (However, the Ministry of Corporate Affairs (MCA) vide clarification issued in August 2021, had clarified that the preference to local in the Act is only directory and not mandatory. Therefore this responsibility can be interpreted liberally).

I. Annual spends/Allocation of Funds:

- a. The Company would spend not less than 2% of the Average Net Profits of the Company made during the three immediately preceding financial years. Any surplus arising out of the CSR activities shall not form part of the business profit of a company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
- b. The CSR Committee shall formulate an Annual CSR Plan in line with Schedule VII of the Companies Act, 2013 and the Company shall undertake CSR activities included in its Annual CSR Plan, as recommended by the CSR Committee, each year. The Committee is authorized to approve any modification to the existing Annual CSR Plan or to propose any new program during the financial year. An annual action plan in pursuance of its CSR policy, which shall include the following, namely: -

- (i) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- (ii) the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4;
- (iii) the guidelines issued by the Department of Public Enterprises (DPE) on annual theme for CSR activities;
- (iv) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- (v) monitoring and reporting mechanism for the projects or programmes; and
- (vi) details of need and impact assessment, if any, for the projects undertaken by the company:
Provided that the Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

J. Administration/Implementation of CSR Projects

- 1) The Board shall ensure the CSR activities are undertaken by the company itself or through: -
 - (a) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company, or
 - (b) a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
 - (c) any entity established under an Act of Parliament or a State legislature; or
 - (d) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.
- 2) The company may engage international organisations for designing, monitoring and evaluation of the CSR projects or programmes as per its CSR policy as well as for capacity building of their own personnel for CSR.
- 3) The company may also collaborate with other companies for undertaking projects or programmes or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programmes in accordance with these rules.
- 4) The Board of a company shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.
- 5) In case of ongoing project, the Board of a Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.”

K. Monitoring & Reporting of CSR Activities

- a. To ensure effective implementation of the CSR programmes undertaken at each work centre, a monitoring mechanism will be put in place by the work centre head;
- b. The report on progress on the CSR programme undertaken by the Company will be put forward to the CSR Committee with full details of the cost incurred and the result achieved on a regular basis;
- c. Work centres will try to obtain feedback from beneficiaries about the programs implemented at the area;

- d. Appropriate documentation of the Company's CSR activities, executing partners, and expenditure entailed will be undertaken on a regular basis;
- e. CSR initiatives of the Company will be reported in the Annual Report of the Company & the Board's Report in compliance with Section 135 and rules made thereunder; and
- f. Company will establish an accounting system to ensure proper accounting of CSR spends.

L. Conclusion:

The Board of Directors on the recommendation of CSR Committee can amend its policy as and when required deemed fit. Any or all provisions of CSR Policy would be subjected to revision/amendment in accordance with the regulations on the subject as may be issued from relevant statutory authorities, from time to time.

In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to CSR Committee. In all such matters, the interpretation & decision of the Committee shall be final.

ANNEXURE-V

AI AIRPORT SERVICES LIMITED Annual Report on CSR Financial Year 2024-25

1. Brief outline on CSR Policy of the Company.

- AI Airport Services Limited (AIASL) aims to contribute positively to society through sustainable and impactful initiatives in compliance with Section 135 of the Companies Act, 2013, and related regulations. The policy ensures proper procedures and transparent reporting of CSR activities.
- The Board of Directors of the Company have adopted a CSR Policy, which recognizes that Corporate Social Responsibility is not merely compliance, it is a commitment to support initiatives that benefit community at large by one or more focus areas in line with the themes listed in Schedule VII of the Companies Act.
- To ensure effective implementation of the CSR programmes undertaken at each work center, a monitoring mechanism will be put in place by the work center head.
- The company will establish an accounting system to ensure proper accounting of CSR spends
- A brief outline of the Company's CSR Policy including an overview of projects or programs proposed to be undertaken can be viewed on the website of the Company i.e. www.aiasl.in.

2. Composition of CSR Committee:

| Sl.No. | Name of Director | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|--------|-----------------------|--|--|--|
| 1. | Shri Asangba Chuba Ao | Chairman <i>(Chairman w.e.f 01.01.2024 till 11.03.2025)</i> | 1 | 0 |
| 2. | Shri Amit Kumar | Chairman (w.e.f 13.03.2025) | 1 | NA |
| 3. | Shri. Padam Lal Negi | Member | 1 | 1 |
| 4. | Shri Shobhit Gupta | Member from (w.e.f. 25.05.2024) | 1 | 1 |
| 3. | Shri Rahul Jain | Member <i>(w.e.f. 12.12.2023 till 14.05.2025)</i> | 1 | NA |
| 4. | Dr. Alok Pande | Member (w.e.f. 16.05.2024 till 25.02.2025) | 1 | 1 |
| 5. | Shri Manoj Kumar | Member (w.e.f. 28.02.2025) | 1 | NA |

3. Provide the web link where the Composition of the CSR committee, CSR Policy, and CSR projects approved by the board are disclosed on the website of the company:

| S.No | Particulars | Weblink |
|------|-------------|---------|
|------|-------------|---------|

| | | |
|----|-------------------------------|---|
| 1. | Composition of CSR Committee | https://www.aiasl.in/csr.aspx |
| 2. | CSR Policy | https://www.aiasl.in/csr.aspx |
| 3. | Project approved by the Board | https://www.aiasl.in/csr.aspx |

4. Provide the details of the 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.

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

Not Applicable

6. Average net profit of the company as per section 135(5): Rs 54,85,86,985.67 /-

7. (a) Two percent of the average net profit of the company as per section 135(5): Rs. 1,09,71,739.71/-

(b) Surplus arising out of the CSR projects or programs or activities of the previous financial years: NIL

(c) Amount required to be set off for the financial year, if any: Not Applicable

(d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 1,09,71,739.71/-

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

| Total Amount Spent for the Financial Year. (in Rs.) | Amount Unspent (inRs.) | | | | |
|---|--|------------------|---|------------------|------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6). | | The amount transferred to any fund specified under Schedule VII as per the second proviso to section 135 (5). | | |
| | Amount | Date of Transfer | Name of the Fund | Amount | Date of Transfer |
| 1,09,71,739.71/- | - | - | PMCARES Fund | 1,09,71,739.71/- | 03.03.2025 |

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

| (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. | The 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 | Mode of Implementation-Through Implementing Agency | |
| | | | | State | Dis trict. | | | | | | Name | CSR Reg istration number |
| | | | | | | | | | | | | |

(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 on Direct (Yes/No). | Mode of implementation-Through implementing agency. | |
| | | | | State | District. | | | Name. | CSR Registration number. |
| 1 | PM CARES Fund | Item no. viii, Contribution to Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) | - | - | - | 10971739.71 | NA | NA | NA |

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): 10971739.71/-

(g) Excess amount for set off, if any: Nil

| Sl.No. | Particular | Amount(inRs.) |
|--------|---|------------------|
| (i) | Two percent of average net profit of the company as per section135(5) | 1,09,71,739.71/- |
| (ii) | Total amount spent for the Financial Year | 1,09,71,739.71/- |
| (iii) | Excess amount spent for the financial year[(ii)-(i)] | 0 |
| (iv) | Surplus arising out of the CSR projects or programs or Activities of the previous financial years, if any | 0 |
| (v) | Amount available for setoff in succeeding financial years [(iii)-(iv)] | 0 |

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

| Sl. No. | Preceding Financial Year | The amount transferred to Unspent CSR Account under section135 (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 if any. | | | The amount remaining to be spent in succeeding financial years. (in Rs.) |
|---------|--------------------------|---|--|--|-----------------|-------------------|--|
| | | | | Name of the Fund | Amount (in Rs). | Date of transfer. | |
| 1. | 2021-22 | NIL* | - | - | - | - | - |
| 2. | 2022-23 | NIL* | - | - | - | - | - |
| 3. | 2023-24 | NIL* | - | - | - | - | - |

**Unspent and Unutilized CSR Funds accumulated from Previous years i.e. until FY 2019-20 for an amount of Rs. 6,25,07,941.86/- were utilized during FY 2023-24 in the following manner with the*

approval of the Board:

- (i) Transfer of complete cost of Pilot training as an advance fee/scholarship (including type rating, boarding & lodging expense, etc.) for 7 EWS candidates amounting to. Rs.5, 93, 28,500/- to Indira Gandhi Rashtriya Uran Academy (IGRUA) on 28.03.2024 against the project started in FY 20-21.
- (ii) Transfer the remaining balance amount out of the fixed deposit proceeds i.e. Rs.31,79,441.86 to the Prime Minister's National Relief Fund on 28.03.2024
- (b) *Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):NIL

| (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. |
| | | | | | | | | |

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

- (a) Date of creation or acquisition of the capital asset(s): NA
- (b) Details of the entity or public authority or beneficiary under whose name such capital assets is registered, their address etc.: NA
- (c) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA
- (d) Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5): NA

For AI Airport Services Limited

Sd/-

Amit Kumar
Chairman of CSR Committee

Sd/-

Rambabu Ch.
Chief Executive Officer

Sd/-

Sandeep Malhotra
Chief Financial Officer

ANNEXURE-VA

CFO Certificate under Companies CSR Rules

Date: 24.05.2025

To
The Board of Directors,
AI Airport Services Limited,
New Delhi

Sub: Certificate under Rule 4 of the Companies (Corporate Social Responsibility Policy) Rule 4(5)

Dear Sirs/Madam,

I, Sandeep Malhotra, in my capacity as the Chief Financial Officer of AI Airport Services Limited (AIASL), hereby certify that the utilization of Corporate Social Responsibility (CSR) funds of Rs 1.09.71,739.71/- allocated for depositing into Prime Minister's Citizen Assistance and Relief in Emergency Situation Fund (PM CARES Fund) has been deposited into PM CARES Fund on 03rd March, 2025, in line with approval of Board in compliance with the applicable regulations and guidelines as prescribed in in the Companies Act, 2013 read with CSR Rules and the General Circular No 14/2021 dated 25.08.2021 as per the directions of the Board of Directors of AIASL.

Sd/-

Sandeep Malhotra
Chief Financial Officer

ANNEXURE-VI

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 arm's length transactions under third proviso thereto

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

There were no contracts or arrangements or transactions entered during the year ended 31st March, 2025, which were not at arm's length basis.

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

All contracts /arrangements/transactions entered by the Company with related parties under Section 188(1) of the Act during the financial year 2024-25 were on an arm's length basis, in the ordinary course of business, which were duly approved in the 107th Board Meeting of the Company held on 03rd January 2025. The details of Contracts or arrangements or transactions at arm's length basis are as follows:

| Name of Related Party and Nature of Relation | Nature of Transaction | Duration of transaction | Salient Terms of Transaction | Amount in Millions |
|---|-------------------------------------|--------------------------------|-------------------------------------|---------------------------|
| AI Assets Holding Limited Holding Company | Revenue from Operation | 01.04.2024-31.03.2025 | | |
| | Manpower services | | Revenue | 3.63 |
| | Expenditure | | | |
| | Reimbursement of cost | | Expenditure | 119.85 |
| | Interest on outstanding payable | | Expenditure | 47.35 |
| Alliance Air Aviation Limited (AAAL) (subsidiary of AI Assets Holding Limited) | Revenue from Operation | 01.04.2024-31.03.2025 | | |
| | Ground handling revenue | | Revenue | 321.37 |
| | Supply of manpower services | | Revenue | 0 |
| | Interest on outstanding recoverable | | Revenue | 136.34 |
| | Expenditure | | | |
| | SOD | | Expenditure | 2.17 |
| AI Engineering Services Limited (AIESL) (subsidiary of AI Assets Holding Limited) | Revenue from Operation | 01.04.2024-31.03.2025 | | |
| | Manpower services/ cabin cleaning | | Revenue | 58.43 |
| | Interest on outstanding recoverable | | Revenue | 1.01 |
| | Expenditure | | | |
| | Provision for Head Set | | Expenditure | 35.69 |

| | | | | |
|--|----------------------|-----------------------|--|-------|
| Hotel Corporation of India Limited (HCI) (Subsidiary of AI Assets Holding Limited) | Expenditure | 01.04.2024-31.03.2025 | | |
| | Staff hotel expenses | | | 22.69 |
| | Festive expenses | | | 0 |
| | Event expenses | | | 0 |

**For & on behalf of the Board of Directors
of AI Airport Services Limited**

Sd/-

**Amit Kumar
Chairman**

Place: New Delhi

Date: 24-02-2026

FORM MR-3

SECRETARIAL AUDIT REPORT

(For the Financial Year ended 31st March, 2025)

[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,

AI Airport Services Limited

2nd Floor, GSD Building,

Air India Complex, Terminal -2

IGI Airport, New Delhi 110037

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **AI Airport Services Limited (CIN- U63090DL2003PLC120790)** (herein after called "*the Company*"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **AI Airport Services Limited books**, papers, minute books, forms and returns filed and other records maintained by the company, to the extent information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications provided to us and the representations made by the Management. We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2025 generally 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under as amended from time to time;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder -
Not Applicable as the Securities of the Company are not listed on any Stock Exchange.
- (iii) The Depositories Act, 1956 and the regulations and Bye-laws framed there under;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: **Not Applicable to the Company during the Audit Period;**
- (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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable to the Company during the Audit Period;**
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **Not Applicable to the Company during the Audit Period;**
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable to the Company during the Audit Period;**
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable to the Company during the Audit Period;**
 - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable to the Company during the Audit Period;**

- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable to the Company during the Audit Period;**
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable to the Company during the Audit Period;** and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable to the Company during the Audit Period.;**
- (vi) The company has complied with other Laws as applicable to the industry as per the undertaking given by the company:
- 1. The Employee's Provident Fund and Miscellaneous Provisions Act, 1952;
 - 2. Payment of Gratuity Act, 1972;
 - 3. The DPE Guidelines.
 - 4. The Competition Act, 2002.
 - 5. The Right to Information Act, 2005;

We have also examined with:

- (i) Applicable Secretarial Standards issued by the Institute of Company Secretaries of India; and
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s) and the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 - **Not Applicable to the Company during the Audit Period.**

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

In respect of other laws specifically applicable to the company, we have relied on information/data provided by the Company during the course of audit and reporting is limited to that extent.

We further report that:

The Board of Directors of the Company, audit committee and Remuneration committee are not duly constituted with proper balance of Independent Directors as per provision of DPE Guidelines on Corporate Governance 2010. Further the appointment of independent directors in public companies which are wholly owned subsidiaries of unlisted public companies are not require to appoint independent directors under section 149(4) and 178 of Companies Act, 2013 read with Rule 4(2) of Companies (Appointment and Qualification of Directors) Amendment Rules, 2014) as amended.

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

The company was granted an extension of time vide order 25th September, 2024 for the purpose of holding Its 21st Annual General Meeting (which was due to be held on or before 30th September, 2024 by 3 months on the application filed under section 96 of the Companies Act, 2013 and the 21st Annual General Meeting of the company was held on Dec. 20, 2024. However, the audited Financial Statements of the company were adopted by members in the adjourned AGM of the company held on 26th March 2025.

Adequate notice is given to all Directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent within prescribed time limit, 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.

All the decisions of Board of Directors and Committee Meeting were carried unanimously.

We further report that there are adequate systems and processes in the company commensurate with size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the no event has occurred which had a major bearing on the Company's Affair in pursuance of the laws, rules, regulations and standards etc.

For Saurabh Agrawal & Co.
Company Secretaries
Peer Review No. 3020/2023
Firm Registration No. P2002DE043100

Sd/-

CS Saurabh Agrawal
Partner

FCS: F5430; C.P. No.: 4868

UDIN: F005430G002116880

Place: New Delhi

Date: 29.11.2025

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

‘ANNEXURE A’

To,

The Members

AI Airport Services Limited

2nd Floor, GSD Building,

Air India Complex, Terminal -2

IGI Airport, New Delhi 110037

Our Secretarial Audit Report for the financial year 31st March, 2025 is to be read along with this letter.

➤ **Management Responsibility**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively;

➤ **Auditor’s Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances;
3. We believe that audit evidence and information obtained from the Company’s management is adequate and appropriate for us to provide a basis for our opinion;
4. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
5. Wherever required we have obtained the management’s representation about the Compliance of laws, rules and regulations and happening of events etc;

➤ **Disclaimer**

6. 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;
7. We have not verified the correctness and appropriations of financial records and books of accounts of the Company.

For Saurabh Agrawal & Co.

Company Secretaries

Peer Review No. 3020/2023

Firm Registration No. P2002DE043100

Sd/-

CS Saurabh Agrawal

Partner

FCS: F5430; C.P. No.: 4868

UDIN: F005430G002116880

Place: New Delhi

Date: 29.11.2025

MANAGEMENT REPLY TO THE OBSERVATIONS OF THE SECRETARIAL AUDITOR FOR FY 2024-25

| Sl. No. | Audit Observations | Management Reply |
|---------|--|---|
| 1 | The Board of Directors of the Company, audit committee and Remuneration committee are not duly constituted with proper balance of Independent Directors as per provision of DPE Guidelines on Corporate Governance 2010. Further the appointment of independent directors in public companies which are wholly owned subsidiaries of unlisted public companies are not require to appoint independent directors under section 149(4) and 178 of Companies Act, 2013 read with Rule 4(2) of Companies (Appointment and Qualification of Directors) Amendment Rules, 2014) as amended. | This is a statement of fact. |
| 2. | The company was granted an extension of time vide order 25 th September, 2024 for the purpose of holding Its 21 st Annual General Meeting (which was due to be held on or before 30 th September, 2024 by 3 months on the application filed under section 96 of the Companies Act, 2013 and the 21 st Annual General Meeting of the company was held on Dec. 20, 2024. However, the audited Financial Statements of the company were adopted by members in the adjourned AGM of the company held on 26 th March 2025. | This is a statement of fact. The Financial Statements of the Company for FY 2023-24 were approved by the Board in its 107 th meeting held on 03.01.2025 based on the recommendations of the Audit Committee. The financial statements, after the approval of the Board, were forwarded to Statutory Auditors for the report thereon and thereafter along with Auditors' Report to the office of the Comptroller and Auditor General of India (C&AG) for their comments thereon. The Nil comments of C&AG received vide its letter dated 07.03.2025 and the same were noted by the Audit Committee and Board in their respective meetings held on 26.03.2025. Thereafter, the audited financial statements of the company for the FY 2023-24 were adopted in the Adjourned 21 st AGM of the company held on 26.03.2025. |

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF AI AIRPORT SERVICES LIMITED FOR THE YEAR ENDED 31 MARCH 2025

The preparation of financial statements of AI AIRPORT SERVICES LIMITED for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the companies act, 2013 (Act) is responsibility of the management of the company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 01st December 2025.

I, on behalf of the comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of AI AIRPORT SERVICES LIMITED for the Year ended 31 March 2025 under section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6) (b) of the Act.

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

**Sd/-
(Pramod Kumar)
Addl. Dy. CAG (Infrastructure)**

Place: New Delhi

Date: 12.02.2026





INDEPENDENT AUDITORS' REPORT

To,

Members of AI AIRPORT SERVICES LIMITED

Report on the Audit for the Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of **AI Airport Services Limited** ("the Company"), which comprise the Standalone Balance Sheet as at 31st March 2025, the standalone Statement of Profit and Loss (including statement of other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year ended, and notes to Ind AS financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

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 Companies Act, 2013 as Amended (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2025 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing ("SA's") 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 Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone Ind As financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Emphasis of Matter

1. We draw attention to Note 42 to the financial statements, the Company had recognized a liability of ₹1,411.45 million towards Post-Retirement Medical Benefit (PRMB), which arose pursuant to the demerger and pertains to employees transferred from Air India Limited to AI Airport Services Limited. As per the Management, the Company presently does not have any policy or obligation to extend such post-retirement medical benefits to its employees, and no actuarial valuation has been carried out during the year. The liability is being carried forward on a conservative basis.
2. We draw attention to Note 35 to the financial statements, the Company is charging interest at the rate of 9% p.a. on overdue balances of receivables in respect of group companies, namely, AI Engineering Services Limited (AIESL) and Alliance Air Aviation Limited (AAL). During the audit period, interest on overdue payments amounting to Rs.137.35 million has been booked as "Other Income". We have relied on the management contention that such amount will be fully recovered and hence, no further adjustments are required for the current audit period.
3. We draw attention to Note 44 to the financial statements, the Company has provided interest amounting to Rs. 47.35 million has been booked in "Other Interest Cost" at the rate of 9% p.a. to AI Assets Holding Limited (AIAHL) on average of outstanding balance payable. We have relied on

management contention that such interest amount is actually payable to AIAHL after Invoice raised by AIAHL.

4. We draw attention to Note 7 to the financial statements, the Company has inventories consisting of stores and spares gross amounting to Rs. 21.85 million (Provision of Rs 3.03 million has been made for obsolescence of such inventories). These inventories were transferred from Air India Limited and Air India Engineering Services Limited, which are not used for more than three years. We have relied on the management contention that such inventories have value in use and is at-least equal to the carrying value in the books based on the confirmation received from the user (technical) department of the Company.
5. We draw attention to Note 31(a) to the financial statements, amounts receivables and payables to the various parties are subject to confirmation and reconciliation.
6. We draw attention to Note 52 to the financial statements regarding the temporary unavailability of the Company's ERP accounting software (Odoo), which was unilaterally suspended by M/s Uniq Data Solutions Private Limited (UDSPL) on 15th June, 2024. The Company has filed a suit against M/s UDSPL in this regard, and the matter is currently sub judice. Consequently, during the financial year, the Company maintained its books of account manually in Excel. Subsequent to the year-end, all transactions were uploaded in bulk into the accounting ERP software (Tally), and the financial statements have been prepared based on the accounting records so compiled.
7. We draw attention to Note 31(c) to the financial statements, during the course of our audit, while verifying the TDS returns against the books of account, we observed that certain mismatches between the TDS reported in the returns and the accounting records. The management has represented that the same is under reconciliation and no material adjustment is required for the current audit period.

Our opinion is not modified in respect of these matters.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and analysis, Board's Report including Annexures to Board's Report but does not include the Ind AS financial statements and our auditor's report thereon. The other information as stated above, is expected to be made available to us after the date of this Auditor's Report.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information comprising the above documents, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe necessary actions required as per applicable laws and regulations.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance), including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under Section 133 of the Act and other accounting principles generally accepted

in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial Reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 with reference to Ind AS Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone financial statements.

We communicate with those charged with governance of the company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication. No matters were identified in the current period, which were significant and required disclosure as the key audit matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 except for the matters stated in para 1(h)(vi) below on reporting under rule 11(g) of the Companies (Audit and Auditor's) rule 2015 and the point no. 6 of "Emphasis of Matter".
 - 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 maintained by the Company. Refer Note 52 to the financial statements
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
 - e) In pursuance to the Notification No. G.S.R 463 (E) dated 05 June, 2015 issued by the Ministry of Corporate Affairs, sub-section (2) of section 164 of the Act pertaining to disqualification of the directors, is not applicable to the Company.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure-A**".
 - g) In pursuance to Notification No. G.S.R. 463 (E) dated 5 June, 2015 issued by Ministry of Corporate

Affairs, section 197 of the Act as regards the managerial remuneration is not applicable to the Company, since it is a Government Company.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at 31st March 2025 on its financial position in its Ind AS financial statement. (Refer Note 28 to the standalone Ind AS financial statements).
 - ii. The Company did not have any on long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - a. The Management has represented that, to the best of it's knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b. The Management has represented, that, to the best of it's knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. No dividend has been paid or declared by the Company during the year.
 - vi. Except for the matters stated in point no. 6 of "Emphasis of Matter" read with Note 52 of the Financial Statements, based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended 31st March, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the period of use for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. Based on our examination, which included test checks, we did not come across any instance of the audit trail being tampered with, and the

management has represented that the audit trail feature cannot be disabled. The Company has preserved the audit trail in accordance with statutory requirements for record retention subject to the fact that during the financial year, the Company maintained its books of account manually in Excel and subsequent to the year-end, all transactions were uploaded in bulk into the accounting ERP software (Tally).

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
3. In terms of section 143(5) of the Act, we give in "**Annexure C**", a statement on the directions issued under the aforesaid section by the Comptroller and Auditor General of India in respect of the Company.

For Bansal & Co. LLP
Chartered Accountants
Firm's Registration No. 001113N/N500079

Sd/-
Amit Kumar Singh
Partner
Membership No.532180
UDIN:25532180BMIYZP4535

Place : New Delhi

Date : 01.12.2025

ANNEXURE – ‘A’ TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF AI AIRPORT SERVICES LIMITED

Referred to in paragraph 1 (f) under “Report on Other Legal and Regulatory Requirements” section of our report to the members of AI AIRPORT SERVICES Limited 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 **AI AIRPORT SERVICES LIMITED** (“the Company”) as of 31st March, 2025, in conjunction with our audit of the 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 control 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 the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

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

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls System over financial reporting with reference to these financial statements and their operating effectiveness.

Our audit of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements included obtaining an understanding of such 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 Standalone 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 with reference to financial statements.

Meaning of Internal Financial Controls with Reference to these Standalone Ind AS Financial Statements

A Company's internal financial control over financial reporting with reference to standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles.

A Company's internal financial control over financial reporting with reference to these financial statements 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 Standalone 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 Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls 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.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at 31st March, 2025:

- I. The Depreciation run is manual for FY 2024-25, despite the desired control being an automated process. This manual process increases the risk of error in financial statements.
- II. There is currently no defined process for issuing a Goods Receipt Note (GRN) in the purchase order cycle. At present, the person receiving the goods only initials the Delivery Challan (DC) or Lorry Receipt (LR). The expected control is that the individual who raised the purchase requisition should not be authorized to issue the GRN. This indicates that a proper GRN process, which is an essential

part of the purchase order system, is missing.

- III. The Company is not keeping a manual inward register for import entries and is relying only on an Excel report, instead of recording entries in inward register after system approval.
- IV. The ageing analysis of debtors is done on an annual basis, instead of the desired monthly basis review by management. This delays the identification of problematic debtors, impacting the accuracy of expected credit loss provisions and related financial reporting.
- V. There is no defined month-end accounts reporting schedule. Information is shared only when requested by management, indicating the absence of a structured and timely financial reporting process.
- VI. Budget Variance Reporting: The process for reporting and monitoring budgeted versus actual variances has not yet been implemented.
- VII. Budget Preparation: Preparation of budgets, though based on half-yearly financials and regional inputs, has not been completed for the current year.
- VIII. Variance Analysis: The mechanism for identifying and investigating variances between actual and budgeted results is yet to be established.
- IX. Tolerance Levels: Management has not yet defined thresholds for acceptable variance levels, and abnormal variances are not being reviewed.

The following observations pertain to the previous financial year (FY 2023–24) and remain unresolved in current financial year.

- a. Deficiencies in the design of internal control over the preparation of the financial statements being audited:
 - i. Detailed documented Standard Operating Procedures as required by the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by ICAI for critical processes are not in place.
 - ii. Authorization controls such as maker/checker controls in accounting and billing software needs further strengthening.
 - iii. Optimum utilization of information technology (IT) general and application controls needs to be strengthened to provide complete information consistent with financial reporting objectives and current needs.
 - iv. Payroll is a significant process considering the size of Company's Operations. However, it has been observed that various processes such as attendance, leave records, details of new joiners and resigned employees, payment of statutory dues, etc. are not fully automated and maintained manually.
- b. The controls for reconciliation of physical inventory and fixed assets with the books of account can be further strengthened.
- c. Timely reconciliations of certain significant accounts such as accounts receivables, accounts payables, statutory dues with returns and payroll balances are not done in an accurate manner.
- d. Wise Cargo software to account cargo handling and APEDA (Agricultural and Processed Food Products Export Development Authority) and ERP Accounting Software are not integrated.
- e. MBS software to raise invoices for IATA and ERP Accounting Software are not integrated
- f. While creating new customer ledger, KYC Documents shared with the department are incomplete.
- g. No scrap register is maintained w.r.t property, plant and equipment (Ramp Equipments & Others)
- h. Records of procurement of material by MMD are not fully automated and maintained manually.

- i. Records of Ramp Assistance Form (RA Forms) issued are not fully automated and maintained manually. There are no records of the Ramp Assistance Form (RA Forms) for which invoices have not been issued. Such controls should be further strengthened.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, based on the effect of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has not maintained adequate and effective internal financial controls over financial reporting as of 31st March, 2025, 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.

For Bansal & Co. LLP
Chartered Accountants
Firm's Registration No. 001113N/N500079

Sd/-
Amit Kumar Singh
Partner
Membership No.532180
UDIN:25532180BMIYZP4535

Place : New Delhi
Date : 01.12.2025

ANNEXURE “B” TO INDEPENDENT AUDITORS’ REPORT OF EVEN DATE

Annexure “B” Report under Companies (Auditor’s Report) Order, 2020 (‘The Order’) Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ of Independent Auditor’s Report to the Members of AI Airport Services Limited on the standalone financial statements for the year ended 31st March, 2025.

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) In respect of the Company’s Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company maintains proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
 - (B) The Company maintains proper records showing full particulars of intangible assets.
 - (b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so as to cover all the assets at reasonable intervals, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. The Property, Plant and Equipment and right-of-use assets have been physically verified by the management, however the process of reconciliation of the physical verification report with the Fixed Asset Register is under process by the management and we are unable to comment on the discrepancies if any.
 - (c) According to the information and explanations given to us and on the basis on our examination of the records of the Company does not own any immovable properties, therefore paragraph 3(i) (c) of the said order is not applicable to the company.
 - (d) According to the information and explanations given to us and on the basis on our examination of the records of the Company, the Company has not revalued any of its Property, Plant and Equipment (including right of-use assets) and intangible assets during the year.
 - (e) According to the information and explanations given to us and on the basis on our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at 31st March, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder;
- (ii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the inventory has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification between the physical stocks and the book records.
 - (b) According to the information and explanations given to us and on the basis on our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of ₹5 crore, in aggregate from banks and financial institutions on the basis of security of current assets. Therefore paragraph 3(ii)(b) of the said order is not applicable to the Company.
- (iii) With respect to investments made, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties:
 - (a) According to the information and explanation given to us during the year, Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to

- companies, firms, Limited Liability Partnerships or any other parties. therefore, paragraph 3(iii) (a) of the said order is not applicable to the Company.
- (b) According to the information and explanation given to us during the year, Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. therefore, paragraph 3(iii)(b) of the said order is not applicable to the Company.
- (c) According to the information and explanation given to us during the year, Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. therefore, paragraph 3 (iii)(c) of the said order is not applicable to the Company.
- (d) According to the information and explanation given to us during the year, Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties, which has been overdue for more than 90 days. Therefore, paragraph 3 (iii) (d) of the said order is not applicable to the Company.
- (e) According to the information and explanation given to us during the year, company has not granted loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year except as mentioned in (d) above. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanation given to us during the year, Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Accordingly, paragraph 3 (iii)(f) of the said order is not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis on our examination of the records, the Company, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made there under, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the specified accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) The company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income tax, sales-tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding except below, at the end of the reporting year , for a period of more than six months from the date they became payable.

| Name of statue | Nature of dues | Amount in Millions | Period which amount is related | Date of payment |
|--------------------------------|------------------|--------------------|--------------------------------|-----------------|
| Provident Fund Act, 1952 | Provident Funds | 6.85 | 2024-25 | Not paid |
| Provident Fund Act, 1952 | Provident Funds | 37.58 | 2023-24 and earlier years | Not paid |
| Employee State Insurance, 1948 | ESIC Fund | 1.38 | 2024-25 | Not paid |
| Employee State Insurance, 1948 | ESIC Fund | 8.98 | 2023-24 and earlier years | Not paid |
| Professional Tax | Professional Tax | 1.01 | 2024-25 | Not paid |
| Professional Tax | Professional Tax | 5.50 | 2023-24 and earlier years | Not paid |

(b) Details of statutory dues referred to in sub-clause (a) above, which have not been deposited as on 31st March 2025 on account of disputes are below:

| Nature of the Statue | Nature of Dues (Refer Note no.1 & no.2) | Amount (in Millions) | Period to which the amount pertains | Forum where dispute is pending |
|--|--|----------------------|-------------------------------------|--------------------------------|
| Income Tax Act, 1961 | Income tax and Interest | 13.34 | AY 2013-14 | CIT(Appeal) |
| Income Tax Act, 1961 | Income tax | 6.29 | AY 2017-18 | CIT(Appeal) |
| Income Tax Act, 1961 | Income tax | 6.60 | AY 2017-18 | CIT(Appeal) |
| Income Tax Act, 1961 | Income tax | 5.40 | AY 2017-18 | NFAC |
| Income Tax Act, 1961 | Income tax and Interest | 80.76 | AY 2018-19 | CIT(Appeal) |
| Income Tax Act, 1961 | Income tax and Interest | 200.25* | AY 2020-21 | CIT(Appeal) |
| Goods and Services Tax Act, 2017(Maharashtra) | Goods and Services Tax, Interest and penalty | 15.01 | FY 2020-21 | First Appellate Authority |
| Goods and Services Tax Act, 2017(Madhya Pradesh) | Goods and Services Tax and Interest | 0.01 | FY 2018-19 to FY 2022-23 | First Appellate Authority |
| Goods and Services Tax Act, 2017(Chhattisgarh) | Goods and Services Tax and Interest | 0.30 | FY 2020-21 | First Appellate Authority |
| Goods and Services Tax Act, 2017(Uttar Pradesh) | Goods and Services Tax, Interest and penalty | 54.21 | FY 2019-20 | First Appellate Authority |

| | | | | |
|---|--|--------|--------------------------|--|
| Goods and Services Tax Act, 2017(Uttar Pradesh) | Goods and Services Tax and Interest | 1.09 | FY 2024-25 | First Appellate Authority |
| Goods and Services Tax Act, 2017(Tamil Nadu) | Goods and Services Tax and Interest | 0.10 | FY 2020-21 | First Appellate Authority |
| Goods and Services Tax Act, 2017(Punjab) | Goods and Services Tax and Interest | 31.37 | FY 2020-21 | First Appellate Authority |
| Goods and Services Tax Act, 2017(Delhi) | Interest and penalty | 3.66 | FY 2016-17 to FY 2020-21 | First Appellate Authority |
| Goods and Services Tax Act, 2017(Maharashtra) | Goods and Services Tax, Interest and penalty | 488.42 | FY 2017-18 to FY 2019-20 | Pending for Tribunal |
| Goods and Services Tax Act, 2017(Rajasthan) | Goods and Services Tax, Interest and penalty | 1.31 | FY 2017-18 to FY 2019-20 | First Appellate Authority |
| Goods and Services Tax Act, 2017(Bihar) | Goods and Services Tax, Interest and penalty | 22.62 | FY 2017-18 to FY 2019-20 | First Appellate Authority / Pending for Tribunal |
| Goods and Services Tax Act, 2017(Odisha) | Goods and Services Tax, Interest and penalty | 7.27 | FY 2019-20 | First Appellate Authority |
| Goods and Services Tax Act, 2017(Kerala) | Goods and Services Tax, Interest and penalty | 123.09 | FY 2018-2019 | First Appellate Authority |
| Goods and Services Tax Act, 2017(Tamil Nadu) | Goods and Services Tax, Interest and penalty | 214 | FY 2018-19 to FY 2020-21 | First Appellate Authority |
| Goods and Services Tax Act, 2017 (West Bengal) | Goods and Services Tax, Interest and penalty | 7.42 | FY 2018-19 to FY 2020-21 | First Appellate Authority |
| Goods and Services Tax Act, 2017(Assam) | Goods and Services Tax, Interest and penalty | 16.16 | FY 2018-19 to FY 2019-20 | First Appellate Authority |
| Goods and Services Tax Act, 2017(Chandigarh) | Interest | 0.10 | FY 2018-19 to 2019-20 | First Appellate Authority |

| | | | | |
|---|----------|------|-----------------------|---------------------------|
| Goods and Services Tax Act, 2017(Uttar Pradesh) | Interest | 3.60 | FY 2018-19 to 2020-21 | First Appellate Authority |
|---|----------|------|-----------------------|---------------------------|

* Rs. 82.65 million amounts have been deposited as self-assessment tax on October 16, 2021

Note:1-Interest of GST demands calculated till 31st March 2025 and interest on income tax demands considered from income tax portal.

Note:2-Penalty as per GST order/ notices considered.

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority. Hence, reporting under paragraph 3 (ix) (b) is not applicable to the Company.
- (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 has not taken any term loans during the period, therefore paragraph 3 (ix) (c) of the said order is not applicable to the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not raised funds on a short-term basis during the period, therefore paragraph 3 (ix) (d) of the said order is not applicable to the Company.
- (e) In our opinion and according to the information and explanations given to us, the Company does not have any subsidiary, associate or joint venture, therefore paragraph 3 (ix) (e) of the said order is not applicable to the Company.
- (f) In our opinion and according to the information and explanations given to us, the company has not raised any loans on the pledge of securities held in its subsidiaries, associates, or joint ventures during the period, therefore paragraph 3 (ix) (f) of the said order is not applicable to the Company. The Company does not have any subsidiary, associate or joint venture.
- (x) (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) No fraud/ material fraud by the Company or no fraud / material fraud on the Company has been

- noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
 - (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable to the Company.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv)(a) In our opinion The Company has an adequate internal audit system commensurate with the size of the Company and nature of its business
- (b) The internal audit reports of the Company issued till the date of the audit report for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi)(a) In our opinion, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not conducted any Non- Banking Financial activities or Housing Financial activities and therefore does not require a certificate of registration from Reserve Bank of India as per the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (b) of the Order is not applicable.
 - (c) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not a core investment company as defined in the regulations made by the Reserve Bank of India. Therefore, Provisions of the clause 3(xvi)(c) of the order is not applicable.
 - (d) In our Opinion, there is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in notes to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management

plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 48 to the financial statements.
- (b) The Company has not undertaken any “ongoing projects” as part of its CSR activities, hence there are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 48 to the financial statements.
- (xxi) There is no subsidiary, associate, or joint venture of the Company, therefore consolidation of accounts not applicable to the company therefore clause (xxi) of the Companies (Auditor’s Report) Order 2020 is not applicable.

For Bansal & Co. LLP
Chartered Accountants
Firm’s Registration No. 001113N/N500079

Sd/-
Amit Kumar Singh
Partner
Membership No.532180
UDIN:25532180BMIYZP4535

Place : New Delhi
Date : 01.12.2025

ANNEXURE-C TO THE INDEPENDENT AUDITOR'S REPORT

We have examined the books of Accounts of AI AIRPORT SERVICES LIMITED, for the year ended 31st March, 2025 and we are submitting our comments based on direction issued by Comptroller and Audit General of India, according to best our information and explanation given to us by management and as appears from the examination of books of accounts and records maintained, as under.

Directions indicating the areas to be examined by the Statutory Auditors during the course of audit of annual accounts of AI AIRPORT SERVICES LIMITED for the year 2024-25 issued by the Comptroller & Auditor General of India under Section 143(5) of the Companies Act, 2013

| Sl. No. | Directions | Auditor's Remark |
|---------|--|--|
| 1. | <p>Whether the company has system in place to process all the accounting transactions through IT system?</p> <p>If yes, the implications of processing of accounting transactions outside IT system on the Integrity of the accounts along with the financial implications, if any, may be stated.</p> | <p>The Company had a system for recording accounting transactions through its IT system. However, on 15th June 2024, M/s Uniq Data Solutions Private Limited (UDSPL), the implementor of the accounting ERP software (Odo), unilaterally suspended the ERP system, which had not been restored up to the date of signing this audit report. Consequently, during the financial year, accounting transactions were maintained manually in Excel and subsequently uploaded in bulk into the accounting ERP software (Tally) at year-end. The financial statements for the financial year 2024-25 have been prepared based on the records so consolidated in Tally.</p> <p>The design and adequacy of IT general and application controls require strengthening to ensure complete and accurate financial reporting. Refer to “Annexure A” – Report on Internal Financial Controls for further details.</p> |
| 2. | <p>Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts/loans/ interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? .(In case, lender is a Government Company then this direction is also applicable for statutory auditor of lender company)</p> | <p>According to the information and explanations given to us and examination of books of accounts, The Company has not obtained loan from bank, NBFC or Government Company and there is no restructuring of existing loan. Hence, this clause is not applicable to the company for the FY 2024-25.</p> |

| | | |
|-----------|--|---|
| 3. | Whether funds (grants/subsidy etc.) received/ receivable for specific schemes from Central/State Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation. | According to the information and explanations given to us and examination of books of accounts, The Company has not received or receivable funds (grants/subsidy etc.) from Central/State Government or its agencies. Hence, this clause is not applicable to the company for the FY 2024-25. |
|-----------|--|---|

For Bansal & Co. LLP
Chartered Accountants
Firm's Registration No. 001113N/N500079

Sd/-
Amit Kumar Singh
Partner
Membership No.532180
UDIN: 25532180BMYZP4535

Place : New Delhi
Date : 01.12.2025

MANAGEMENT REPLIES TO THE AUDITOR'S REPORT ON THE FINANCIAL STATEMENT OF AI AIRPORT SERVICES LIMITED FOR THE FINANCIAL YEAR 2024-25
STATUTORY AUDITOR'S REPORT

| Sl. No. | Point of Emphasis of Matter (EOM) | Management Reply |
|---------|---|--|
| 1. | We draw attention to Note 42 to the financial statements, the Company had recognized a liability of ₹1,411.45 million towards Post-Retirement Medical Benefit (PRMB), which arose pursuant to the demerger and pertains to employees transferred from Air India Limited to AI Airport Services Limited. As per the Management, the Company presently does not have any policy or obligation to extend such post-retirement medical benefits to its employees, and no actuarial valuation has been carried out during the year. The liability is being carried forward on a conservative basis. | This is a statement of fact. However, in FY 2025-26, we will further analyze it and will take further action. |
| 2. | We draw attention to Note 35 to the financial statements, the Company is charging interest at the rate of 9% p.a. on overdue balances of receivables in respect of group companies, namely, AI Engineering Services Limited (AIESL) and Alliance Air Aviation Limited (AAAL). During the audit period, interest on overdue payments amounting to Rs.137.35 million has been booked as "Other Income". We have relied on the management contention that such amount will be fully recovered and hence, no further adjustments are required for the current audit period | The interest recoverable from AI Engineering Services Limited and Alliance Air Aviation Pvt. Ltd. on overdue balance is in terms of the MSA and is fully recoverable for the year under audit. |
| 3. | We draw attention to Note 44 to the financial statements, the Company has provided interest amounting to Rs. 47.35 million has been booked in "Other Interest Cost" at the rate of 9% p.a. to AI Assets Holding Limited (AIAHL) on average of outstanding balance payable. We have relied on management contention that such interest amount is actually payable to AIAHL after Invoice raised by AIAHL. | The interest has been provided in line with the MSA like we charge other Group Companies. |
| 4. | We draw attention to Note 7 to the financial statements, the Company has inventories consisting of stores and spares gross amounting to Rs. 21.85 million (Provision of Rs 3.03 million has been made for obsolescence of such inventories). These inventories were transferred from Air India Limited and Air India Engineering Services Limited, which are not used for more than three years. We have relied on the management contention that such inventories have value in use and is at-least equal to the carrying value in the books based on the confirmation received from the user (technical) department of the Company. | Our Technical team has confirmed that there is no diminishing in the value of stores and spares inventory which has been lying with us for over 3 years and hence inventory is being carried in the books at which it was transferred to us from AI. Further we have made a provision for the , slow moving, non-moving and obsolescence of such inventories based on technical inputs |

| | | |
|------------------|--|--|
| <p>5.</p> | <p>We draw attention to Note 31(a) to the financial statements, amounts receivables and payables to the various parties are subject to confirmation and reconciliation.</p> | <p>We did sent to all the Third Party Airlines for Balance Confirmation as on 31.03.2025, however, except for few, none of the Airlines confirmed the balances, though, in the balance confirmation letter it was mentioned that if confirmation is not received by a specified date, it shall be taken as balance confirmed. We have obtained balance confirmation from, AI Engineering Services, Alliance Air and AI AHL, HCI, who are our group companies</p> |
| <p>6.</p> | <p>We draw attention to Note 52 to the financial statements regarding the temporary unavailability of the Company's ERP accounting software (Odo), which was unilaterally suspended by M/s Uniq Data Solutions Private Limited (UDSPL) on 15th June, 2024. The Company has filed a suit against M/s UDSPL in this regard, and the matter is currently sub judice. Consequently, during the financial year, the Company maintained its books of account manually in Excel. Subsequent to the year-end, all transactions were uploaded in bulk into the accounting ERP software (Tally), and the financial statements have been prepared based on the accounting records so compiled.</p> | <p>This is a statement of fact and since 15th Jun, 2024, M/s UDSPL has unilaterally stopped complete access to our accounting ERP software</p> |
| <p>7.</p> | <p>We draw attention to Note 31(c) to the financial statements, during the course of our audit, while verifying the TDS returns against the books of account, we observed that certain mismatches between the TDS reported in the returns and the accounting records. The management has represented that the same is under reconciliation and no material adjustment is required for the current audit period.</p> | <p>The differences arose primarily due to manual records and wrong PAN numbers and w.r.t tax payment is concerned, all due taxes have been deposited to the ex chequer as per statue. , however, we are reconciling the same and accordingly returns will be revised.</p> |

Balance Sheet as at 31st March, 2025

Amount in millions unless otherwise stated

| Particulars | Note No. | As at 31st March, 2025 | As at 31st March, 2024 |
|--|----------|------------------------|------------------------|
| Assets | | | |
| 1. Non-current assets | | | |
| (a) Property, plant and equipment | 2 (a) | 3,211.47 | 3,086.50 |
| (b) Intangible assets | 2 (b) | 1.81 | 2.12 |
| (c) Intangible assets under development | 2 (c) | 18.14 | 14.54 |
| (d) Right of use assets | 2 (d) | 205.42 | - |
| (e) Financial assets | | | |
| (i) Other financial assets | 3 | 120.46 | 1,065.47 |
| (f) Income tax assets (net) | 4 | 802.37 | 649.98 |
| (g) Deferred tax assets (net) | 5 | 798.88 | 790.79 |
| (h) Other non-current assets | 6 | 37.65 | 16.71 |
| Total non-current assets | | 5,196.19 | 5,626.10 |
| 2. Current Assets | | | |
| (a) Inventories | 7 | 18.82 | 19.56 |
| (b) Financial assets | | | |
| (i) Trade receivables | 8 | 6,247.20 | 5,437.94 |
| (ii) Cash and cash equivalents | 9 | 378.70 | 71.81 |
| (iii) Bank balances other than cash and cash equivalents (ii) above | 10 | 100.00 | 10.00 |
| (iv) Other financial assets | 11 | 6.04 | 48.73 |
| (c) Other current assets | 12 | 172.15 | 181.94 |
| Total current assets | | 6,922.91 | 5,769.97 |
| Total assets | | 12,119.10 | 11,396.06 |
| Equity and liabilities | | | |
| 1. Equity | | | |
| (a) Equity share capital | 13 | 1,384.24 | 1,384.24 |
| (b) Other equity | 14 | 3,240.55 | 3,217.40 |
| Total equity | | 4,624.79 | 4,601.64 |
| Liabilities | | | |
| 2. Non-current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Other financial liabilities | 15 | 104.84 | 47.78 |
| (ii) Lease Liabilities | 51 | 103.23 | - |
| (b) Provisions | 16 | 2,419.08 | 2,384.43 |
| Total non-current liabilities | | 2,627.15 | 2,432.21 |
| 3. Current liabilities | | | |
| (a) Financial liabilities | - | | |
| (i) Trade payables | | | |
| Total outstanding dues of micro enterprises and small enterprises | 17 | 51.16 | 10.56 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 17 | 2,853.03 | 2,328.28 |
| (ii) Other financial liabilities | 18 | 735.59 | 710.29 |
| (iii) Lease Liabilities | 51 | 105.34 | - |
| (b) Provisions | 19 | 648.25 | 617.58 |
| (c) Other current liabilities | 20 | 473.79 | 695.50 |
| Total current liabilities | | 4,867.16 | 4,362.22 |
| Total liabilities | | 7,494.31 | 6,794.43 |
| Total equity and liabilities | | 12,119.10 | 11,396.06 |
| Material accounting policies, key accounting estimates and judgements | 1 | | |
| See accompanying notes to the financials statements | 2-55 | | |

As per our report of even date attached

For Bansal & Co LLP

Chartered Accountants

Firm Registration No: 01113N/N500079

Amit Kumar Singh

Partner

Membership No: 532180

UDIN: 25532180BMYZP4535

Place: New Delhi

Date: 01-12-2025

For and on behalf of the Board of Directors

Sd/-

Amit Kumar

Chairman

DIN: 11001643

Sd/-

Sandeep Malhotra

Chief Financial Officer

Sd/-

Shashi Bhadoo

Company Secretary

Sd/-

Padam Lal Negi

Director

DIN: 10041387

Sd/-

Rambabu Ch.

Chief Executive Officer

Statement of Profit and Loss for the period ended 31st March, 2025

Amount in millions unless otherwise stated

| Particulars | Note No. | Year Ended 31st March, 2025 | Year Ended 31st March, 2024 |
|---|----------|-----------------------------------|-----------------------------------|
| 1 Income | | | |
| Revenue from operations | 21 | 9,682.46 | 8,426.17 |
| Other income | 22 | 354.59 | 333.61 |
| Total income | | 10,037.05 | 8,759.78 |
| 2 Expenses | | | |
| Employee benefits expense | 23 | 7,612.66 | 5,958.11 |
| Finance costs | 24 | 184.60 | 81.76 |
| Depreciation and amortization expenses | 25 | 357.36 | 289.00 |
| Other expenses | 26 | 1,841.51 | 1,659.86 |
| Total expenses | | 9,996.12 | 7,988.73 |
| 3 Profit/ (Loss) before tax (1-2) | | 40.93 | 771.05 |
| 4 Tax expenses | 43 | | |
| (i) Current tax | | 19.64 | 187.09 |
| (ii) Deferred tax | | (8.09) | 179.70 |
| Total tax expenses | | 11.55 | 366.79 |
| 5 Profit/(loss) after tax for the year (3-4) | | 29.38 | 404.26 |
| 6 Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss (net of tax) | | | |
| - Remeasurement of employee benefits obligations | | (6.23) | 126.55 |
| Total other comprehensive income | | (6.23) | 126.55 |
| 7 Total comprehensive income/(loss) for the year (5+6) | | 23.15 | 530.81 |
| 8 Earnings/(loss) per equity share (of ₹10/-each) | | | |
| (i) Basic | 27 | 0.21 | 2.92 |
| (ii) Diluted | 27 | 0.21 | 2.92 |
| Material accounting policies, key accounting estimates and judgements | 1 | | |
| See accompanying notes to the financials statements | 2-55 | | |

As per our report of even date attached
For Bansal & Co LLP
Chartered Accountants
Firm Registration No: 01113N/N500079

Amit Kumar Singh
Partner
Membership No: 532180
UDIN: 25532180BMIYZP4535

Place: New Delhi
Date:01-12-2025

For and on behalf of the Board of Directors

Sd/-
Amit Kumar
Chairman
DIN: 11001643

Sd/-
Sandeep Malhotra
Chief Financial Officer

Sd/-
Shashi Bhadoo
Company Secretary

Sd/-
Padam Lal Negi
Director
DIN: 10041387

Sd/-
Rambabu Ch.
Chief Executive Officer

Statement of Cash Flows for the year ended 31st March, 2025

Amount in millions unless otherwise stated

| Particulars | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|--|--------------------------------|--------------------------------|
| A. Cash flow from operating activities : | | |
| Profit before tax | 40.93 | 771.05 |
| Adjustments for | | |
| Depreciation and amortisation expenses | 357.36 | 289.00 |
| Allowance for Inventories | 0.08 | - |
| Interest income on fixed deposits | (35.57) | (81.08) |
| Interest expense on lease liability | 8.40 | - |
| Other Interest costs | 176.20 | 81.76 |
| Expected credit loss allowance/(reversal) | 44.78 | (527.40) |
| Loss on sale of duty credit entitlement under SEIS | - | 4.18 |
| Provision for doubtful advances | 8.04 | 10.00 |
| Net unrealised exchange loss/(gain) | (42.12) | 24.39 |
| Operating profit/(loss) before working capital changes | 558.09 | 571.90 |
| Adjustments for | | |
| (Increase) / decrease in inventory | 0.66 | 3.42 |
| (Increase) / decrease in trade receivables | (811.92) | (863.49) |
| (Increase) / decrease in other current financial assets | (0.00) | 64.04 |
| (Increase) / decrease in other current assets | 1.75 | (47.18) |
| (Increase) / decrease in other non-current assets | (20.94) | 7.03 |
| Increase / (decrease) in provisions | (22.38) | (144.02) |
| Increase / (decrease) in trade payables | 458.77 | 616.35 |
| Increase / (decrease) in financial liabilities | 82.36 | (499.97) |
| Increase / (decrease) in other liabilities | (221.71) | 338.61 |
| Cash generated from operations | 24.66 | 46.69 |
| Income taxes (paid)/refunded | (172.03) | (349.39) |
| Net cash generated from operating activities (A) | (147.37) | (302.71) |
| B. Cash flow from investing activities: | | |
| Purchase of property, plant & equipment, intangibles and intangibles under development | (333.11) | (398.73) |
| Interest income on fixed deposits | 78.26 | 65.09 |
| Investments in bank deposits | 855.01 | 225.43 |

| | | |
|--|----------------|-----------------|
| Payment of Lease Liabilities | (51.18) | - |
| Net cash used in investing activities (B) | 548.98 | (108.21) |
| C. Cash flow from financing activities: | | |
| Other Interest costs | (94.72) | (37.71) |
| Net cash used in financing activities (C) | (94.72) | (37.71) |
| Net increase / (decrease) in cash and cash equivalents (A+B+C) | 306.89 | (448.62) |
| Cash and cash equivalents at the beginning of year | 71.81 | 520.43 |
| Cash and cash equivalents at the end of year (refer note 9) | 378.70 | 71.81 |
| Material accounting policies, key accounting estimates and judgements | 1 | |
| See accompanying notes to the financials statements | 2-55 | |
| Notes to Cash Flow Statement: | | |
| 1. The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7 "Statement of Cash Flows". | | |
| 2. Previous years figures have been regrouped wherever necessary. | | |
| 3. Cash and cash equivalents includes fixed deposits amounting Rs 0.22 millions (Previous year Rs 0.21 millions) under lien. | | |

As per our report of even date attached

For Bansal & Co LLP

Chartered Accountants

Firm Registration No: 01113N/N500079

Amit Kumar Singh

Partner

Membership No: 532180

UDIN: 25532180BMYZP4535

Place: New Delhi

Date: 01-12-2025

For and on behalf of the Board of Directors

Sd/-

Amit Kumar

Chairman

DIN: 11001643

Sd/-

Padam Lal Negi

Director

DIN: 10041387

Sd/-

Sandeep Malhotra

Chief Financial Officer

Sd/-

Rambabu Ch.

Chief Executive Officer

Sd/-

Shashi Bhadoo

Company Secretary

Statement of Changes in Equity for the year ended 31st March, 2025

Amount in millions unless otherwise stated

Part A Equity Share Capital

| Balance as at April 1, 2024 | Changes in equity share capital during the period | Balance as at 31st March, 2025 |
|-----------------------------|---|--------------------------------|
| 1,384.24 | - | 1,384.24 |

| Balance as at April 1, 2023 | Changes in equity share capital during the year | Balance as at 31st March, 2024 |
|-----------------------------|---|--------------------------------|
| 1,384.24 | - | 1,384.24 |

B. Other equity

| Particulars | Reserves & surplus | Other comprehensive income | Total |
|--|--------------------|----------------------------|-----------------|
| | Retained earnings | | |
| Balance as at April 1, 2023 | 2,463.49 | 223.09 | 2,686.58 |
| Profit/ (Loss) for the period | 404.26 | - | 404.26 |
| Remeasurement of employee benefits obligations | - | 126.55 | 126.55 |
| Balance as at 31st March, 2024 | 2,867.76 | 349.64 | 3,217.40 |
| Profit/ (Loss) for the period | 29.38 | - | 29.38 |
| Remeasurement of employee benefits obligations | - | (6.23) | (6.23) |
| Balance as at 31st March, 2025 | 2,897.14 | 343.41 | 3,240.55 |





Notes forming part of the audited financial statements as on 31st March, 2025

Amount in million unless otherwise stated

1. A. i) **Corporate Information**

AI Airport Services Limited (a wholly owned subsidiary of AI Asset Holding Limited a Government of India Company) is a public limited company incorporated in India under the provisions of the Companies Act applicable in India with a CIN: U63090DL2003PLC120790. The company had changed its name from Air India Transport Services Limited to AI Airport Services Limited in F.Y. 2019-20. The company mainly provides services of Ground Handling at Indian Airports to Airlines Operators. Additionally company provides ancilliary services to airport operations like cargo handling and security services.

The registered office of the company is situated at: 2nd Floor, GSD Building, Air India Complex, Terminal-2, IGI Airport, New Delhi - 110037.

- ii) All the Indian Accounting standards issued and notified by the MCA under the companies (Indian Accounting Statndards) Rules, 2015 (as amended) till the Financial Statement are authorized have been considered in preparing these financial statements.

B. Material Accounting Policies

The company has prepared these Financial Statements which comprise the Balance Sheet as at 31st March, 2025, Statement of Profit and Loss and the Statement of Changes in Equity and Statement of Cash flow for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as "Financial Statements").

i) **Basis of Preparation & Presentation**

The Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention except for certain financial instruments measured at fair values at the end of each reporting period, as explained in the accounting policies below.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these Financial Statements within the scope of Ind AS 116, Financial Statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

For assets and liabilities that are recognized in the Balance Sheet on a recurring basis, the

Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

ii) Functional Currency

Currency of the primary economic environment in which the Company operates (“the Functional Currency”) is Indian Rupee (₹) in which the Company primarily generates and expends cash. Accordingly, the Management has assessed its functional currency to be Indian Rupee (₹) The Financial Statements are presented in Indian Rupee (₹) which is Company’s Presentation and Functional currency and all amounts disclosed in the Financial Statements and Notes have been rounded off to the nearest Million (up to two decimal), unless otherwise stated.

iii) Current and Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in the Company’s normal operating cycle. it is held primarily for the purpose of providing services;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company’s normal operating cycle;
- it is held primarily for the purpose of providing services;
- it is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

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

The Company being in service sector, there is no specific operating cycle; however, 12 months period has been adopted as "The Operating Cycle" in-terms of the provisions of Schedule III to the Companies Act 2013. Accordingly, current liabilities and current assets include the current portion of non-current financial liabilities and assets.

C. Recent Pronouncements

There are no recent accounting pronouncements / Standards / Amendments which are yet to be effective as on 31st March, 2025.

D. Use of Estimates & Judgements

Inherent in the application of many of the accounting policies used in preparing the IND AS Financial Statements is the need for Management to make judgements, estimates and assumptions that affect

the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual outcomes could differ from the estimates and assumptions used.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of judgments, assumptions and estimation uncertainty in the preparation of the Financial Statements which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are mainly in respect useful lives of property, plant and equipment, depreciation/amortization, impairments, employee benefit obligations, provisions, provision for income tax, measurement of deferred tax assets, contingent assets and contingent liabilities etc.

E Property, Plant & Equipments (PPE):

- a) The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and loss in the year in which the costs are incurred.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and loss.

Property, plant and equipment except freehold land held for use in the providing services, supply or administrative purposes, are stated in the Balance Sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

The Company had elected to continue with the carrying value for all of its property, plant and equipment as recognised in the Financial Statements on transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. PPE of small value not exceeding INR 10,000, in each case, are fully provided for in the year of Purchase. The company has changed its capitalisation policy for PPE which is an accounting estimate of small value not exceeding INR 10,000 from current financial year, which has NIL financial impact in current financial year.

(In Years)

| Asset | Useful life as per Companies Act, 2013 |
|-----------------------------------|---|
| Office equipment | 5 |
| Ramp equipments | 15 |
| Furniture & fixtures | 10 |
| Electrical fittings | 10 |
| Computers | 3 |
| Workshop equipments & instruments | 10 |

| | |
|-------------------|----|
| Plant & machinery | 15 |
| Vehicles | 8 |

Intangible Assets **7***

* Useful life of Intangible assets is estimated on the basis of validity of software license.

- b) Physical Verification of PPE is done on a rotational basis so that every asset is verified in every two years and the discrepancies observed in the course of the verification are adjusted in the year in which report is submitted.
- c) Impairment of Property, plant and equipment

At the end of each reporting year, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

F. Inventories

Inventories consist of various stores and spares which are valued at lower of cost and Net Realizable Value ('NRV'). Costs of inventories are determined on cost basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

G. Revenue Recognition

Ind AS 115 addresses the recognition of revenue from customer contracts and impacts on the amounts and timing of the recognition of such revenue. The standard introduced a five-step approach to revenue recognition:

- Identifying the contract;
- identifying the performance obligations in the contract;
- determining the transaction price;
- allocating that transaction price to the performance obligations; and
- Finally recognizing the revenue as those performance obligations are satisfied.

Rendering of Services

The Company recognizes revenue when control over the promised services is rendered to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services.

The Company recognises revenue generally at the point in time when the services are rendered to customer

- a) Ground handling services are recognized when the services are provided. Un-billed services at the end of each financial year, based on available data, are estimated and are recognized as revenue.
- b) Income from interest is recognized on a time proportion basis.
- c) Other operating revenue is recognized when services rendered during the period.

In revenue arrangements with multiple performance obligations, the Company accounts for individual services separately if they are distinct – i.e. if a service is separately identifiable from other items in the arrangement and if a customer can benefit from it. The consideration is allocated between separate services in the arrangement based on their stand- alone selling prices.

Contract balances

i) Contract assets

A contract asset is the right to consideration in exchange for services rendered to the customer. If the company performs by rendering of services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration including Trade receivables.

ii) Contract liabilities

A contract liability is the obligation to render services to a customer for which the company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company render services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the company performs under the contract including advance received from customer.

iii) Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities at the end of each reporting period.

H. Foreign Currency Transactions

The functional currency of the company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the following rates

- a) Interline settlement on account of IATA Clearing House (ICH) bills settlement is carried out at the exchange rate published by International Air Transport Association (IATA) for respective month.
- b) At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at exchange rate circulated by Foreign Exchange Dealers Association of India (FEDAI) and the gains / losses arising out of fluctuations in exchange rates are recognized in the Statement of Profit and Loss. However, due to unavailability of FEDAI rate as on end of reporting period, last available rate was considered as of 28th March,2024
- c) Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

I. Leases

The Company as a Lessee:

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Leases as Lessee (Assets taken on lease) the Company applies a single recognition and measurement approach for all leases, except for short-term leases, leases of low-value assets and the lease contracts in which the lessee and the lessor each have the right to terminate the lease without permission from the other party with no more than an insignificant penalty. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

For the short-term, low-value leases and the lease contracts in which the lessee and the lessor each have the right to terminate the lease without permission from the other party with no more than an insignificant penalty, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

J. Government Grant

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the period in which the Company recognises as expenses the related costs for which the grants are intended to compensate or when performance obligations are met.

Government Grants related to assets are presented in the Balance Sheet as deferred income and are recognized in profit or loss on a systematic basis over the expected useful life of the related assets.

K. Employee Benefits

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions. The retirement benefits to the employees comprise of defined contribution plans and defined benefit plans.

a) Defined contribution plans

Defined contribution plan consists of contribution to Employees Provident Fund. The Company has Employees Provident Fund Trusts under the Provident Fund Act, 1925 for Permanent employees till 1st December' 2021. After that, trust has been dissolved and amount had been transferred to EPFO under Employees' Provident Fund Scheme, 1952. As regards Fixed Term Contract (FTC) employees, Provident Fund (PF) dues are deposited with the office of Employees' Provident Fund Organization (EPFO) by the Company. There had been a Supreme Court (SC) judgement dated February 28, 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the EPF Act. There are interpretative aspects related to the Judgement including the effective date of application. In the view of the management, the contribution for PF is to be calculated as per Employee's Provident Funds and Miscellaneous Provisions Act, 1952. Employees' State Insurance Corporation (ESIC) dues are regularly deposited with government authorities. The company's payment to defined contribution plans are recognized as an expense during the period in which the employees perform the services that the payment covers.

b) Defined benefit plans

The Company's defined benefit plans, which are not funded, consist of Gratuity, Post-Retirement Medical Benefits and other benefits. For defined retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting year.

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations. Re-measurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in Other Comprehensive Income. They are included in "Other Equity" in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from settlement or curtailments are recognized immediately in Statement of Profit and Loss as past service cost.

Other Long-Term Employee Benefits

In the form of Leave Encashment are accounted as other long-term employee benefits. The Company's net obligation in respect of Leave Encashment is the amount of benefits to be settled in future, that employees have earned in return for their service in the current and previous years. The benefit is discounted to determine its present value. The obligation is measured on the basis of an actuarial valuation using the Projected Unit Credit Method. Re-measurements are recognized in Statement of Profit and Loss in the period in which they arise.

Short Term Benefits

Short Term Employee Benefits are accounted for in the period during which the services have been rendered.

Short-term and other long-term employee benefit

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the year the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

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

L. Taxes on Income

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax

Current tax is the amount of expected tax payable based on the taxable profit for the period as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961

Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

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

The Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty based on operational and financial restructuring, revenue generation and cost reduction program of the company that the assets will be realized in the future.

Current and deferred tax for the period

Current and deferred tax are recognised in profit or loss, except when they are relating to items that are recognised 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. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

M. Provisions, Contingent Liabilities / Capital Commitments & Contingent Assets

- a) Provisions involving a substantial degree of estimation in measurement are recognized when there is a present obligation (legal or constructive) as a result of past events and it is probable that there will be an outflow of resources. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. The expense relating to a provision is presented in the Statement of Profit and Loss
- b) The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the Balance Sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).
- c) When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.
- d) Contingent liabilities are disclosed by way of a note in respect of possible obligations that may arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.
- e) Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent asset is disclosed, when an inflow of economic benefits is probable.
- f) Onerous Contracts

An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. Present obligations arising under onerous contracts are recognized and measured as provisions.

N. Cash and Cash Equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

For the purpose of the Statement of Cash Flows, cash and cash equivalent consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

O. Earning Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

P. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when an entity becomes a party to the contractual provisions of the instrument.

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 Statement of Profit and Loss (FVTPL)) 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 and loss are recognized immediately in Statement of Profit and Loss.

i) Financial Assets

a) Classification of Financial Assets

On initial recognition, a financial asset is measured at amortized cost, fair value through other comprehensive income (FVTOCI) or FVTPL on the basis of the objective of its business model, applied for managing the financial assets and characteristics of the contractual cash flows.

b) Recognition and initial measurement

A financial asset is initially recognized at fair value and, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. Purchases and sales of financial assets are recognized on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. In case financial assets are not recorded at fair value through Statement of Profit and Loss, transaction costs are attributed to the acquisition of the financial asset.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

c) Subsequent measurement

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets 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.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains and losses arising on remeasurement recognized in statement of profit or loss. The net gain or loss recognized in statement of profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognized when:

- The Company's right to receive the dividends is established,
- It is probable that the economic benefits associated with the dividends will flow to the entity,
- The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

d) Derecognition of financial assets

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

e) Impairment of other financial assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous year, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement

in credit quality as compared to the previous year, the Company again measures the loss allowance based on 12-month expected credit losses.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognized in other comprehensive income and is not reduced from the carrying amount in the Balance Sheet.

f) Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter year, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in statement of profit or loss and is included in the 'Other income' line item.

g) Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the counterparty does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii) Financial Liabilities

a) Classification

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'

b) Initial recognition and measurement

All financial liabilities are recognized initially at fair value. The Company's financial liabilities include trade and other payables

c) Subsequent measurement

Other financial liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

d) De-recognition

The Company de-recognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. 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.

e) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to sell on a net basis, to realize the assets and sell the liabilities simultaneously

Q. Key sources of estimation uncertainty

Useful lives of property, plant and equipment:

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. This reassessment may result in change in depreciation and amortization expected in future periods

Contingencies:

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystalizing or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized. The cases which have been determined as remote by the Company are not disclosed.

Contingent assets are neither recognized nor disclosed in the Financial Statements unless when an inflow of economic benefits is probable.

Fair value measurements:

When the fair values of financial assets or financial liabilities recorded or disclosed in the Financial Statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

Taxes:

"Pursuant to the announcement of the changes in the corporate tax regime, the Companies have an option to either opt for the new tax regime or continue to pay taxes as per the old applicable tax structure together with the other benefits available to the Companies including utilization of the MAT credit available. This requires significant estimation in determining in which year the company would migrate to the new tax regime basis future year taxable profits is including the impact of ongoing expansion plans of the Company and consequential utilization of available MAT credit. Accordingly, in accordance with IND AS 12 – Income Taxes, deferred tax assets and liabilities are required to be measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

2. (a). Property, plant and equipment

| Particulars | Office equipments | Ramp equipments | Furniture & fixture | Electrical fittings | Computers | Workshop equipment & instruments | Plant & machinery | Vehicles | Total |
|--|-------------------|-----------------|---------------------|---------------------|--------------|----------------------------------|-------------------|--------------|-----------------|
| Year ended 31st March, 2024 | | | | | | | | | |
| Gross carrying amount | | | | | | | | | |
| Cost as at April 1, 2023 | 8.18 | 6,047.02 | 1.18 | 10.86 | 15.67 | 2.07 | 0.07 | 33.56 | 6,118.61 |
| Additions | 1.32 | 411.18 | 0.50 | - | 7.22 | 0.97 | - | 19.79 | 440.98 |
| Disposals | - | - | - | - | - | - | - | - | - |
| Closing gross carrying amount | 9.50 | 6,458.20 | 1.67 | 10.86 | 22.90 | 3.04 | 0.07 | 53.35 | 6,559.59 |
| Accumulated Depreciation | | | | | | | | | |
| Balance as at April 1, 2023 | 2.33 | 3,142.78 | 0.74 | 7.20 | 9.76 | 1.29 | 0.07 | 19.96 | 3,184.14 |
| Additions | 1.38 | 276.13 | 0.15 | 0.99 | 4.16 | 0.26 | (0.00) | 5.89 | 288.96 |
| Disposals | - | - | - | - | - | - | - | - | - |
| Closing accumulated depreciation | 3.72 | 3,418.92 | 0.89 | 8.19 | 13.92 | 1.55 | 0.07 | 25.85 | 3,473.10 |
| Net carrying amount as at 31st March, 2024* | 5.79 | 3,039.28 | 0.78 | 2.67 | 8.97 | 1.49 | 0.00 | 27.51 | 3,086.50 |
| Gross carrying amount | | | | | | | | | |
| Cost as at April 1, 2024 | 9.50 | 6,458.20 | 1.67 | 10.86 | 22.90 | 3.04 | 0.07 | 53.35 | 6,559.59 |
| Additions | 1.14 | 398.68 | - | - | 7.50 | 7.85 | - | 20.92 | 436.09 |
| Disposals | - | - | - | - | - | - | - | - | - |
| Closing gross carrying amount | 10.65 | 6,856.88 | 1.67 | 10.86 | 30.40 | 10.89 | 0.07 | 74.27 | 6,995.68 |
| Accumulated Depreciation | | | | | | | | | |
| Balance as at April 1, 2024 | 3.72 | 3,418.92 | 0.89 | 8.19 | 13.92 | 1.55 | 0.07 | 25.85 | 3,473.10 |
| Additions | 1.55 | 294.79 | 0.14 | 0.89 | 6.48 | 0.93 | (0.00) | 6.33 | 311.11 |
| Disposals | - | - | - | - | - | - | - | - | - |
| Closing accumulated depreciation | 5.27 | 3,713.70 | 1.03 | 9.08 | 20.41 | 2.48 | 0.07 | 32.17 | 3,784.21 |
| Net carrying amount as at 31st March, 2025* | 5.38 | 3,143.18 | 0.65 | 1.78 | 9.99 | 8.40 | 0.00 | 42.10 | 3,211.47 |

2. (b) Intangible Assets

| Particulars | Intangible Assets |
|---|-------------------|
| Year ended 31st March, 2024 | |
| Gross carrying amount | |
| Cost as at April 1, 2023 | - |
| Additions | 2.16 |
| Disposals | - |
| Closing gross carrying amount | 2.16 |
| Accumulated Depreciation | |
| Balance as at April 1, 2023 | - |
| Additions | 0.04 |
| Disposals | - |
| Closing accumulated depreciation | 0.04 |
| Net carrying amount as at 31st March, 2024 | 2.12 |
| Year ended 31st March, 2025 | |
| Gross carrying amount | |
| Cost as at April 1, 2024 | 2.16 |
| Additions | - |
| Disposals | - |
| Closing gross carrying amount | 2.16 |
| Accumulated Depreciation | |
| Balance as at April 1, 2024 | 0.04 |
| Additions | 0.31 |
| Disposals | - |
| Closing accumulated depreciation | 0.35 |
| Net carrying amount as at 31st March, 2025 | 1.81 |

2. (c) Intangible Assets under development

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|--------------------------------------|---------------------------|---------------------------|
| Intangible assets under development* | 18.14 | 14.54 |
| | 18.14 | 14.54 |

* New ERP is under implementation and accordingly proportionate cost paid has been capitalized in Intangible assets under development.

Intangible assets under development aging schedule as on 31st March, 2025

| Particulars | Amount in CWIP for a period of | | | | Total |
|--|--------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in Progress | 3.60 | | | - | 3.60 |
| Projects temporarily suspended (Refer Note 52) | - | 12.38 | 2.15 | - | 14.54 |

Intangible assets under development aging schedule as on 31st March, 2024

| Particulars | Amount in CWIP for a period of | | | | Total |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in Progress | 12.38 | 2.15 | - | - | 14.54 |
| Projects temporarily suspended | - | - | - | - | - |

The Company has entered into contractual commitments amounting to ₹ 36.00 millions for cost to complete the development of ongoing intangible assets under development.

(Amount in million)

| Project / Asset Description | Contractual Commitment Remaining | Expected Date of Fulfilment |
|-----------------------------|----------------------------------|-----------------------------|
| ERP Software | 32.4 | Q3 of 2025-26 |

2. (c) Right to use of assets

(₹ in Millions)

| Particulars | Lease of buses |
|---|----------------|
| Year ended 31st March, 2024 | |
| Gross carrying amount | |
| Balance as at April 1, 2023 | - |
| Additions | - |
| Disposals | - |
| Balance as at 31st March, 2024 | - |
| Accumulated depreciation | |
| Balance as at April, 1, 2023 | - |
| Additions | - |
| Disposals | - |
| Balance as at 31st March, 2024 | - |
| Net carrying amount as at 31st March, 2024 | - |
| Year ended 31st March, 2025 | |

| | |
|---|---------------|
| Gross carrying amount | |
| Balance as at April 1, 2024 | - |
| Additions | 251.35 |
| Disposals | - |
| Balance as at 31st March, 2025 | 251.35 |
| Accumulated depreciation | |
| Balance as at April, 1, 2024 | - |
| Additions | 45.94 |
| Disposals | - |
| Balance as at 31st March, 2025 | 45.94 |
| Net carrying amount as at 31st March, 2025 | 205.42 |

Notes:

1. There are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)
2. The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

3. Other non-current financial assets

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|------------------------------------|---------------------------|---------------------------|
| Security deposits* | 8.50 | 8.50 |
| Fixed Deposits more than 12 months | 111.95 | 1,056.97 |
| | 120.46 | 1,065.47 |

* Security deposit has been given to Government company.

4. Income tax assets (net)

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|-----------------------|---------------------------|---------------------------|
| Advance tax and TDS * | 802.37 | 649.98 |
| | 802.37 | 649.98 |

*net of provisions ₹2192.57 millions (Prev Year ₹2,172.93 millions)

5. Deferred tax assets (net)

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---------------------------|---------------------------|
| Deferred tax liabilities on account of (DTL) | | |
| Depreciation | (231.12) | (210.99) |
| Total deferred tax liability | (231.12) | (210.99) |

| | | |
|---|-----------------|-----------------|
| Deferred tax asset on account of (DTA) | | |
| Other tax disallowances | 1,030.00 | 1,001.78 |
| Total deferred tax asset | 1,030.00 | 1,001.78 |
| Net deferred tax asset | 798.88 | 790.79 |

6. Other non-current assets

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|-------------------------|---------------------------|---------------------------|
| Recoverables from staff | - | 16.71 |
| Other advances* | 37.65 | - |
| | 37.65 | 16.71 |

*The Company has deposited with the GST authorities under protest in connection with appeal filed against various demand order.

7. Inventories

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|-------------------|---------------------------|---------------------------|
| Stores & spares * | 21.85 | 22.50 |
| Less: Provisions | (3.03) | (2.94) |
| | 18.82 | 19.56 |

* Valued at lower of cost or net realisable value

8. Trade receivables

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---------------------------|---------------------------|
| Unsecured | - | - |
| Considered good* | 4,700.55 | 4,846.21 |
| Undisputed having significant increase in credit risk | 1,276.80 | 1,232.02 |
| | 5,977.35 | 6,078.23 |
| Less: Allowance for expected credit loss | 1,276.80 | 1,232.02 |
| | 4,700.55 | 4,846.21 |
| Receivables from group companies | 1,546.65 | 591.73 |
| | 6,247.20 | 5,437.94 |

*Company has shown trade receivables and advances separately as gross.

Trade receivable ageing schedule

| As at 31st March, 2025 | Outstanding for the following period from due date of payment | | | | | | |
|--|--|--------------------------|-------------------------|-------------------|------------------|--------------------------|-----------------|
| Particulars | Unbilled Dues | Less than 6 month | 6 month - 1 year | 1 -2 years | 2-3 years | More than 3 years | Total |
| Undisputed trade receivable - considered good | 1,663.28 | 2,318.27 | 739.99 | 1,054.18 | 704.77 | 610.80 | 7,091.30 |
| Undisputed trade receivable - which have significant increase in credit risk | - | - | - | 41.37 | 157.73 | 233.60 | 432.70 |
| Undisputed trade receivable - credit impaired | | | | | | | |
| Disputed trade receivable - considered good | | | | | | | |
| Disputed trade receivable - which have significant increase in credit risk | | | | | | | |
| Disputed trade receivable - credit impaired | | | | | | | |
| Less: Allowance for expected credit loss (refer note 45 (B)(i)) | - | 49.92 | 31.87 | 132.17 | 218.43 | 844.40 | (1,276.80) |
| Net trade receivables | 1,663.28 | 2,268.35 | 708.12 | 963.38 | 644.07 | - | 6,247.20 |

| As at 31st March, 2024 | Outstanding for the following period from due date of payment | | | | | | |
|--|--|--------------------------|-------------------------|-------------------|------------------|--------------------------|--------------|
| Particulars | Unbilled Dues | Less than 6 month | 6 month - 1 year | 1 -2 years | 2-3 years | More than 3 years | Total |
| Undisputed trade receivable - considered good | 1,191.89 | 2,564.58 | 584.29 | 905.14 | 379.17 | 612.20 | 6,237.25 |
| Undisputed trade receivable - which have significant increase in credit risk | | 0.04 | 41.33 | 157.73 | - | 233.60 | 432.70 |

| | | | | | | | |
|--|-----------------|-----------------|---------------|---------------|---------------|-------------|-----------------|
| Undisputed trade receivable - credit impaired | - | - | - | - | - | - | - |
| Disputed trade receivable - considered good | - | - | - | - | - | - | - |
| Disputed trade receivable - which have significant increase in credit risk | - | - | - | - | - | - | - |
| Disputed trade receivable - credit impaired | - | - | - | - | - | - | - |
| Less: Allowance for expected credit loss (refer note 45 (B)(i)) | - | 42.00 | 60.45 | 246.57 | 37.22 | 845.80 | (1,232.02) |
| Net trade receivables | 1,191.89 | 2,522.63 | 565.17 | 816.30 | 341.95 | 0.00 | 5,437.94 |

The credit period on sales of services ranges from 30 to 60 days with or without security.

Before accepting any new customer, the company uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed once a year.

The company does not generally hold any collateral or other credit enhancements over these balances nor does it have a legal right of offset against any amounts owed by the company to the counterparty.

Credit risk management regarding trade receivables has been described in note 45 (B)(i).

Trade receivables from related parties' details has been described in note 44.

Trade receivables does not include any receivables from directors and officers of the company.

Trade receivables does not include any amount of receivables from struck off companies.

9. Cash and cash equivalents

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---------------------------|---------------------------|
| Balances with banks | | |
| - In current account | 108.48 | 71.59 |
| Cash on hand | - | - |
| Fixed deposits with banks with original maturity of less than three months* | 270.22 | 0.21 |
| | 378.70 | 71.81 |

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---------------------------|---------------------------|
| * Earmarked balance represents fixed deposits with Dy. Commissioner (sales tax) | 0.22 | 0.21 |

10. Bank balances other than cash and cash equivalents

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|--|---------------------------|---------------------------|
| Fixed deposits with banks with original maturity more than 3 months but less than 12 months* | 100.00 | 10.00 |
| | 100.00 | 10.00 |

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---------------------------|---------------------------|
| * Earmarked balance represents fixed deposits with Dy. Commissioner (goods and service tax) | 1.95 | 1.84 |

11. Other current financial assets

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|--|---------------------------|---------------------------|
| Other receivables | 6.05 | 48.74 |
| - Unsecured, considered good | | |
| Entitlement of "Service Export from India Scheme" | 22.05 | 22.05 |
| Less: Allowance for duty credit entitlement under SEIS | (22.05) | (22.05) |
| | 6.04 | 48.73 |

12. Other current assets

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|---------------------------------------|---------------------------|---------------------------|
| Advance to suppliers | 174.09 | 174.71 |
| Less: Allowance for doubtful advances | (33.32) | (25.28) |
| | 140.77 | 149.43 |
| Prepaid expenses | 31.38 | 32.51 |
| | 172.15 | 181.94 |

13. Equity share capital

a. Details of authorised, issued and subscribed and paid up share capital

| Particulars | No. in millions | As at 31st March, 2025 | No. in millions | As at 31st March, 2024 |
|--|-----------------|------------------------|-----------------|------------------------|
| Authorised capital Equity shares of ₹ 10/- each | 1,000.00 | 10,000.00 | 1,000.00 | 1,000.00 |
| Issued capital, subscribed and fully paid up Equity shares of ₹ 10/- each | 138.4242 | 1384.242 | 138.4242 | 1384.242 |
| | | 1384.242 | | 1384.242 |
| Balance as at 31st March, 2024 | 2,867.76 | 349.64 | 3,217.40 | |
| Profit/ (Loss) for the period | 29.38 | - | 29.38 | |
| Remeasurement of employee benefits obligations | - | (6.23) | (6.23) | |
| Balance as at 31st March, 2025 | 2,897.14 | 343.41 | 3,240.55 | |

Nature and purpose of reserves

Retained earnings

Retained earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

Other comprehensive income

Other comprehensive income consists of remeasurement gains/ (loss) on defined employee benefit obligations.

14. Other equity

| Particulars | Reserves surplus & | Other comprehensive income | Total |
|--|--------------------|----------------------------|-----------------|
| | Retained earnings | | |
| Balance as at April 1, 2023 | 2,463.49 | 223.09 | 2,686.58 |
| Profit/ (Loss) for the period | 404.26 | - | 404.26 |
| Remeasurement of employee benefits obligations | - | 126.55 | 126.55 |
| Balance as at 31st March, 2024 | 2,867.76 | 349.64 | 3,217.40 |
| Profit/ (Loss) for the period | 29.38 | - | 29.38 |

| | | | |
|--|-----------------|---------------|-----------------|
| Remeasurement of employee benefits obligations | - | (6.23) | (6.23) |
| Balance as at 31st March, 2025 | 2,897.14 | 343.41 | 3,240.55 |

Nature and purpose of reserves

Retained earnings

Retained earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

Other comprehensive income

Other comprehensive income consists of remeasurement gains/ (loss) on defined employee benefit obligations.

15. Other financial liabilities

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|----------------------------------|---------------------------|---------------------------|
| Security deposits from customers | 94.04 | 12.97 |
| Security deposits from vendors | 10.80 | 34.81 |
| | 104.84 | 47.78 |

16. Provisions

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|--|---------------------------|---------------------------|
| <u>Provision for employee benefits:</u> | | |
| Leave entitlement | 281.59 | 276.18 |
| Gratuity | 726.04 | 696.80 |
| Medical (refer Note 42) | 1,411.45 | 1,411.45 |
| | 2,419.08 | 2,384.43 |

17. Trade payables

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---------------------------|---------------------------|
| Total outstanding dues of micro enterprises and small enterprises | 51.16 | 10.56 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises* | 2,853.03 | 2,328.28 |
| | 2,904.19 | 2,338.84 |

* Company has shown trade payables and advances separately as gross.

Trade payable ageing schedule

| As at 31st March, 2025 | Outstanding for following periods from due date of payment | | | | | |
|-----------------------------|--|------------------|---------------|---------------|-------------------|-----------------|
| Particulars | Not due | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| (i) MSME | - | 51.16 | - | - | - | 51.16 |
| (ii) Others | 1,170.12 | 1,145.47 | 122.43 | 173.36 | 241.65 | 2,853.03 |
| (iii) Disputed dues - MSME | - | - | - | - | - | - |
| (iv) Disputed dues - others | - | - | - | - | - | - |
| Total | 1,170.12 | 1,196.63 | 122.43 | 173.36 | 241.65 | 2,904.19 |

| As at 31st March, 2024 | Outstanding for following periods from due date of payment | | | | | |
|-----------------------------|--|------------------|-------------|---------------|-------------------|-----------------|
| Particulars | Not due | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| (i) MSME | - | 10.56 | - | - | - | 10.56 |
| (ii) Others | 1,038.10 | 758.95 | 3.05 | 472.83 | 55.35 | 2,328.28 |
| (iii) Disputed dues - MSME | - | - | - | - | - | - |
| (iv) Disputed dues - others | - | - | - | - | - | - |
| Total | 1,038.10 | 769.51 | 3.05 | 472.83 | 55.35 | 2,338.84 |

Trade payables does not include the amount payable to struck off companies.

Trade payable are normally settled within 30 to 60 days

Trade payable to related parties has been disclosed in note 44

18. Other current financial liabilities

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|----------------------|---------------------------|---------------------------|
| Payable to employees | 735.59 | 710.29 |
| | 735.59 | 710.29 |

19. Provisions

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|--|---------------------------|---------------------------|
| Provision for employee benefits | | |
| Leave entitlement | 54.52 | 45.96 |
| Gratuity | 134.35 | 114.29 |
| Other provisions | | |
| Provision for other statutory dues | 456.84 | 456.84 |
| Provision for interest on MSME vendors | 2.55 | 0.50 |
| | 648.25 | 617.58 |

20. Other current liabilities

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|------------------------|---------------------------|---------------------------|
| Statutory liabilities | 126.66 | 134.30 |
| Advance from customers | 347.12 | 561.20 |
| | 473.79 | 695.50 |

21. Revenue from operations

| Particulars | Period ended 31st March, 2025 | Period ended 31st March, 2024 |
|--|----------------------------------|----------------------------------|
| A. Revenue from handling services | | |
| Revenue from Air India | 2,891.60 | 2,428.81 |
| Revenue from group companies | 280.33 | 464.71 |
| Revenue from 3rd party handling | 4,027.07 | 3,796.05 |
| Revenue from government parties | 318.74 | 224.95 |
| Revenue from casual handling | 436.00 | 458.97 |
| Total (A) | 7,953.74 | 7,373.49 |
| B. Cargo handling revenue | | |
| APEDA revenue | 75.21 | 39.94 |
| Others | 1,237.95 | 786.01 |
| Total (B) | 1,313.16 | 825.94 |
| C. Equipment loaning | | |
| Other | 387.37 | 226.73 |
| Total (C) | 387.37 | 226.73 |
| D. Security Revenue | | |
| Total (D) | 28.19 | - |

| | | |
|--|-----------------|-----------------|
| | 28.19 | - |
| Total revenue from operations (A + B + C + D) | 9,682.46 | 8,426.17 |

Timing of revenue recognition

| Particulars | Period ended 31st March, 2025 | Period ended 31st March, 2024 |
|--|----------------------------------|----------------------------------|
| Services transferred at a point in time | 9,682.46 | 8,426.17 |
| Total revenue from contracts with customers | 9,682.46 | 8,426.17 |

22. Other income

| Particulars | Period ended 31st March, 2025 | Period ended 31st March, 2024 |
|--|----------------------------------|----------------------------------|
| Recruitment application money | | |
| Interest on overdue payments of group companies | 9.76 | 7.76 |
| Interest on overdue payments of other than group companies | 112.62 | 116.97 |
| Interest income on fixed deposit | 34.25 | 25.85 |
| Foreign Exchange Gain (Net) | 35.57 | 81.08 |
| Profit sharing of HAL-JWG (refer note 30) | 42.12 | - |
| Duty Credit Entitlement under SFIS | 15.85 | 17.40 |
| Miscellaneous income | - | 39.46 |
| | 104.42 | 45.09 |
| Total | 354.59 | 333.61 |

23. Employee benefits expense

| Particulars | Period ended 31st March, 2025 | Period ended 31st March, 2024 |
|---|----------------------------------|----------------------------------|
| Salaries and bonus | 6,699.48 | 5,221.26 |
| Contribution to provident and other funds | 534.86 | 514.02 |
| Staff welfare expenses | 125.77 | 32.44 |
| Gratuity | 91.25 | 74.35 |
| Leave encashment | 109.63 | 76.23 |
| Medical benefit expenses | 51.67 | 39.82 |
| Total | 7,612.66 | 5,958.11 |

24. Finance costs

| Particulars | Period ended 31st March, 2025 | Period ended 31st March, 2024 |
|---|----------------------------------|----------------------------------|
| Interest expense on lease liability | 8.40 | - |
| Interest on delayed payment of statutory dues | 9.63 | 46.98 |
| Other interest costs | 166.57 | 34.78 |
| Total | 184.60 | 81.76 |

25. Depreciation and amortization expense

| Particulars | Period ended 31st March, 2025 | Period ended 31st March, 2024 |
|---|----------------------------------|----------------------------------|
| Depreciation on property, plant and equipment | 311.11 | 288.96 |
| Depreciation on right-of-use assets | 45.94 | - |
| Amortization on intangible assets | 0.31 | 0.04 |
| Total | 357.36 | 289.00 |

26. Other expenses

| Particulars | Period ended 31st March, 2025 | Period ended 31st March, 2024 |
|--|-------------------------------------|-------------------------------------|
| Handling charges | 238.54 | 309.53 |
| Insurance | 61.00 | 54.74 |
| Repairs & maintenance - others | 149.53 | 111.83 |
| Electricity, heating & fuel | 363.55 | 313.01 |
| Water charges | 7.43 | 5.02 |
| SESF Handling Charges | 89.61 | 87.92 |
| Stores & spares consumption | 165.64 | 131.08 |
| Hire of transport & equipments | 80.33 | 87.21 |
| Loss on sale of duty credit entitlement under SEIS | - | 4.18 |
| Allowance for doubtful advances | 8.04 | 10.00 |
| Allowance for Inventories | 0.08 | - |
| Allowance for Inventories | 16.51 | 13.18 |
| Printing & stationary | 23.66 | 22.35 |
| General office expenses | 44.78 | (527.40) |
| Expected credit loss allowance/(reversal) | | |
| Rent expenses | 411.27 | 240.48 |
| Rates and taxes | 0.12 | 25.45 |
| Travelling and conveyance expenses | 87.48 | 74.92 |
| Late fees and penalties | 18.05 | 581.34 |
| Legal and professional expenses | 5.72 | 10.22 |
| Foreign exchange loss (net) | - | 24.39 |
| Corporate social responsibility | 10.97 | - |
| Remuneration to statutory auditor | | |
| - Audit fees | 0.75 | 0.75 |
| - Out of pocket expenses | 0.08 | 0.08 |
| - Out of pocket expenses | 58.36 | 79.58 |
| Miscellaneous expenses | | |
| Total | 1,841.51 | 1,659.86 |

27. Earnings/(loss) per equity share:

| Particulars | Period ended 31st March, 2025 | Period ended 31st March, 2024 |
|--|----------------------------------|----------------------------------|
| Basic/diluted earnings per Share | | |
| Profit/(loss) attributable to equity shareholders (₹ in millions) | 29.38 | 404.26 |
| Weighted average number of equity shares (in millions) | 138.42 0.21 10 | 138.42 2.92 10 |
| Basic and diluted earnings per share (in ₹) | | |
| Face value per Share (in ₹) | | |

28. Contingent liabilities, assets & commitments

a) Contingent liabilities

| Particulars | Period ended 31st March, 2025 | Period ended 31st March, 2024 |
|---|-------------------------------------|-------------------------------------|
| Claims against the company not acknowledged as debts: | | |
| - Income tax demands against which the company is in appeals# | 312.64 557.09 13.31 | 318.48 637.30 14.91 |
| - GST Demands and Interest on GST demands ## | | |
| - Others ### | | |
| Total | 883.04 | 970.68 |

Income tax demand notices received by the Company which are under appeal

| Particulars | AY | Appeal status | Amount |
|--|---------|--------------------------------------|---------------|
| The income tax outstanding demand order raised on March 04, 2016 u/s 143(3) | 2013-14 | CIT(A) on April 07, 2016 | 13.34 |
| The income tax outstanding demand order raised on May 22, 2023 u/s 147 | 2017-18 | CIT(A) on August 21, 2023 | 6.29 |
| The income tax outstanding demand order raised on December 27, 2019 u/s 143(3) | 2017-18 | CIT(A) on January 21, 2020 | 6.60 |
| The income tax outstanding demand order raised on May 25, 2021 u/s 143(1) | 2017-18 | Response to IT Dept on June 09, 2022 | 5.40 |
| The income tax outstanding demand order raised on May 21, 2021 u/s 143(1) | 2018-19 | CIT(A) on October 04, 2021 | 80.76 |
| The income tax outstanding demand order raised on December 23, 2021 u/s 143(1). In this, ₹ 82.65 million amount of tax has already been paid on October 16, 2021 | 2020-21 | CIT(A) on October 29, 2022 | 200.25 |
| Total | | | 312.64 |

GST demands including interest against notices received by the Company

| Particulars | FY | Notice Status | Amount |
|----------------|-----------------------|---------------|---------------|
| Punjab | 2020-2021 | GST Notice | 31.37 |
| Tamil Nadu | 2020-2021 | GST Notice | 0.10 |
| Uttar Pradesh | 2019-2020 and 2024-25 | GST Notice | 55.30 |
| Delhi | 2017-2021 | GST Notice | 3.66 |
| Chhattisgarh | 2020-2021 | GST Notice | 0.30 |
| Madhya Pradesh | 2018-2023 | GST Notice | 0.01 |
| Maharashtra | 2020-2021 | GST Notice | 15.01 |
| Total | | | 105.75 |

Interest on GST demands against which appeal was filled by the company (provision was made against tax)

| Particulars | FY | Notice Status | Amount |
|---------------|-----------|---|---------------|
| Maharashtra | 2017-2020 | Appeal filed | 244.26 |
| Rajasthan | 2017-2020 | Appeal filed | 0.80 |
| Bihar | 2017-2020 | Appeal filed | 11.32 |
| Odhisha | 2019-2020 | GST Notice | 3.62 |
| Kerala | 2018-2019 | Appeal filed | 65.95 |
| Tamil Nadu | 2018-2021 | Application for rectification of order filed/ Appeal filed | 107.29 |
| West Bengal | 2018-2021 | Appeal filed | 6.32 |
| Assam | 2018-2020 | Appeal filed | 8.17 |
| Chandigarh | 2018-2020 | Appeal filed | 0.01 |
| Uttar Pradesh | 2018-2021 | Appeal filed | 3.60 |
| | | | 451.34 |

NOTE: Interest on GST demands calculated till 31st March, 2025 and Interest on Income Tax demands considered as per Income Tax portal. Further, penalty as per GST order/notice considered.

Explanatory statement in respect of other contingent liabilities:

Other claims on account of staff/civil/arbitration cases pending in courts

| Description | Name of parties | Case no. | Amount |
|---|-----------------|--|--------|
| It is against the punishment of removal from services for misconduct relating to loss of business to the company. The party has asked for re-instatement with back wages in services till the date of normal retirement, i.e., December 31, 2016. | M L Shetty | "CGIT 2/12-2016 Pending for hearing" | 0.21 |
| The workman is challenging the order dated March 01, 2016 regarding his removal from the services for misconduct relating to defamation of AIATSL Executives. He is demanding continuity in services with full back wages. | ST Katkar | "CGIT 2/13 of 2016 Pending for hearing" | 1.50 |

| | | | |
|---|------------------------------------|---|--------------|
| It is against the punishment of removal from the services relating to willful insubordination or disobedience of any lawful and reasonable order of his superior and neglect of work. The party is asking for re-insistatment in service with full back wages and other benefits. | PN Powar | "CGIT 2/3 of 2017 Pending for hearing" | 1.50 |
| This reference is against the termination of contract for misconduct. The party has claimed re-instatement with full back wages w.e.f October 17, 2017, i.e., date of termination of contract. | SB Adhav | "CGIT 2/15 of 2017 Pending for hearing" | 0.20 |
| The Party had raised a demand of ₹9.90 millions (including penal interest and GST thereon) for providing baggage, cargo handling and miscellaneous services at Jaipur Airport. The Company has reviewed all their outstanding bills and found that the bills raised by the vendor were not correct and even for a single service, billing for double services has been raised. Hence, the claim has not been acknowledged as debt and has been shown as contingent liability. | Neha Aviation Management Pvt. Ltd. | NA | 9.90 |
| Total | | | 13.31 |

b. Capital and other long-term commitments:

Capital contract commitments and long-term commitments is ₹502.75 millions as on March 31, 2025 (previous year ₹529.60 millions). Summary of Capital commitments are as below:

| Particulars | March 31, 2025 | March 31, 2024 |
|-------------------|----------------|----------------|
| Intangible assets | 32.40 | 54.08 |
| Ramp equipments* | 23.86 | 21.86 |
| Computers* | - | 7.86 |
| Office equipments | 0.69 | - |
| Unity Complex | 445.80 | 445.80 |
| Total | 502.75 | 529.60 |

* Capital commitments shown as on March 31st, 2025 related to FY 24-25

29. Disinvestment Status:

Air India Limited has been disinvested on 27th January 2022. AI Airport Services Limited shares were transferred on 13th January 2022 to AI Asset Holding Limited. By virtue of the above, AI Airport Services became a wholly owned subsidiary of AI Asset Holding Limited w.e.f. 13th January 2022.

AIAHL, a Special Purpose Vehicle (SPV) was created for warehousing accumulated working capital loans not backed by any asset along with four subsidiaries AAAL, AIASL, AIESL, HCI, non-core assets paintings and artificats and other non-operational assets of Air India.

“Further in this regard the Preliminary Information Memorandum (PIM) for the invitation of the bids of Expression of Interest (EOI) for the disinvestment of AIASL has already been issued and the details of which are as under.

AIAHL had issued PIM on 12th February 2019 for inviting Expression of Interest for the proposed strategic sale of Air India Air Transport Services Limited followed by 12 corrigendum extending the dates with the last date being 27th December 2019. However, it was informed that the strategic sale of AI ASL stood cancelled and AIAHL will reinitiate the process of proposed strategic sale of AI ASL in due course.”

30. Disclosure with regard to joint working group

HAL Bangalore airport belongs to Hindustan Aeronautics Limited (HAL). A Joint Working Group (JWG) was formed between the then Air India and HAL effective 24.3.1999 which was in force till 31.3.2014. Effective 1st April 2014, on operationalization of AI Airport Services Limited, AIASL entered into an Joint Working Group agreement with HAL called HAL-AIASL JWG to provide the expertise of the Company for Ground Handling Services at Bangalore Airport. In terms of such arrangement, the Company will use all infrastructure of HAL and the expertise of AIASL to provide Ground Handling Services at that airport and in terms of the same net profit of AIASL-HAL JWG, shall be shared equally between HAL and the company. Accordingly, 50% share of net profit of AIASL-HAL JWG for the current year amounting to ₹ 15.85 millions has been accounted for as Other Income.

| Name of the joint working Group | AIASL joint working group | |
|---|---------------------------|----------------------|
| | As at March 31, 2025 | As at March 31, 2024 |
| Share of company / ownership interest | 50% | 50% |
| Income - company's share | 76.80 | 78.60 |
| Expenditure - company's share | 45.10 | 43.80 |
| Profit - company's share | 31.70 | 34.80 |
| Share of income of joint working groups of the company with HAL | 15.85 | 17.40 |
| Contingent liability | - | - |

31. Reconciliation/Confirmation

- (a) The Company has sought for the confirmation of balances for major trade receivables and the company has obtained the balance confirmation of balances receivables from the holding company, sister concern of the holding company and is yet to obtain the balance confirmation from some other parties. In case of trade payables some parties have responded and wherever the party's balances are not in agreement with the books, the reconciliation of the differences is in progress. Impact, if any, of the consequential adjustments arising out of the reconciliation will be dealt with in the year of completion of the reconciliation and after approval from appropriate authority.
- (b) The reconciliation and matching of certain unmatched receivables/ recoverable from staff and payables including certain control ledger is in the process. Impact, if any, of the consequential adjustments arising out of the reconciliation will be dealt with in the year of completion of the reconciliation and after approval from appropriate authority.
- (c) Statutory dues have been reconciled with the returns filed and statutory records maintained by the company except TDS which is under reconciliation. Filing of GST annual returns for the year are in process. Impact, if any, of the consequential adjustments arising out of the filing of annual returns will be dealt with in the year of filing of annual return for the year and after approval from appropriate authority.

32. Property, plant and equipment (PPE)

As per the policy of the company physical verification of the major assets of the company will be done on rotational basis so that every asset will be verified every two years. Further, management has identified the requirement to tag all assets of the company and to fulfill the same, a reconciliation exercise has been initiated on all station across pan India and the impact of reconciliation will be taken in the year in which exercise will be completed.

Also, Company has conducted the physical verification of assets as on 31st Mar, 2025 and the discrepancies observed in the course of reconciliation with the books will be considered in the year in which reconciliation is completed. Company has conducted a review of the assets, as per IND AS 36 on reporting date, however no indicators of impairment have been identified.”

33. Inventories

Physical Verification of Inventories carried out internally at four locations where inventories are stored has been carried out by officer of the company and duly certified. Physical verification has been carried out on 31st March, 2025. The inventories have value in use at least equal to the carrying value in the books based on the confirmation received from the user (technical) department. The consumption of inventories is computed on the basis of derived figure.

Further, company has made provision for following categories of inventories as per the rate mentioned below:

- a) Fast moving inventories- 0%
- b) Slow moving inventories- 25%
- c) Non moving inventories- 50%
- d) Obsolete inventories- 100%

34. Cash and bank balances

The process of year end Bank balances have been fully reconciled and confirmations from banks have been obtained in respect of all bank accounts. Further, company has not maintaining any cash, therefore there is no cash in hand at the end of the year.

35. Interest on overdue payments on group companies

The interest has been charged at the rate of 9% on average balance method in respect of AI Engineering Services Limited, Alliance Air Aviation Limited as per past practice.

The interest charged for the group companies is as under:

| Particulars | Amount |
|---------------------------------|---------------|
| AI Engineering Services Limited | 1.01 |
| Alliance Air Aviation Limited | 136.34 |
| Total | 137.35 |

36. Internal control

The company has appointed independent firm of Chartered Accountants for conducting the internal audit to provide suggestions for the improvement in the system required if any. The scope of the internal auditor is reviewed by the management from time to time so as to ensure implementation of the effective internal controls at stations, regional offices and user departments and system for uniform and timely accounting entries of transactions.

37. Non generation of e invoice

The Company was unable to generate certain e-invoices due to suspension of the software (Refer Note 52). Consequently, the Company has filed a writ petition before the Delhi High Court

seeking directions to the GST department to reopen the e-invoice portal, enabling generation of pending e-invoices in compliance with GST provisions.

38. Entitlement of “Service Export from India Scheme” (SEIS)

The company is entitled for credit under the “Service Export from India Scheme” on the basis of the foreign exchange earned by the company through export of services. The said benefit, in the form of license /scrips, is provided by the Director General of Foreign Trade (DGFT).

During the year FY 21-22, SEIS license no. 0319271362 issued for the year 2017-18 having entitlement claim of ₹ 22.06 millions, had expired on January 19, 2022. The company had applied to Policy Relaxation Committee (PRC) for extension of expiry date for the aforesaid license and accordingly, the Company had created a provision to the extent of full value of the license during FY 2021-22.

39. Claims from Jet Airways (India) Ltd.

The Company has submitted its claims of ₹ 250.18 millions (including interest) from M/s Jet Airways (India) Ltd to the Interim Resolution Professional / Resolution Professional of M/s Jet Airways (India) Ltd out of which claims of ₹ 166.10 millions has been admitted. Further, with reference to regulation 39 (5A) of the Insolvency and Bankruptcy Board of India Regulations 2016, principle or formulae proposed to Operational creditors (other than Workmen & employees and Ticket Refund) under the Approved Resolution Plan (Jet Airways (I) Limited) by Hon’ble NCLT on 25th June 2021 vide order dated 22nd June 2021, payment of a fixed sum of ₹15000/- (irrespective of the claim amount) to each Relevant Creditor was awarded. The company has submitted that the payment of a fixed sum of ₹ 15,000/- was not acceptable. However, 100% provision of the receivables from M/s Jet Airways (India) Ltd is considered in ECL.

40. Claims from Go Airlines India Ltd.

The Go Airlines India Limited had submitted their application to NCLT for insolvency resolution process and accordingly NCLT had accepted the application and initiated the insolvency process vide order dated May 10th, 2023 and the Company had filed its claim amounting Rs 220.35 millions in the previous year (including interest amounting Rs 11.27 millions) and accordingly company has made the 100% provision of the receivables excluding interest in ECL in the previous year.

41. The Micro and Small Enterprises Development Act, 2006:

The accounting system (Odo) has a field, minority indicator in vendor master, which is updated to identify the vendor as MSME. The system is being enhanced to capture more details of MSME vendors, such as certificate no., issuing agency, validity, etc

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| The principal amount remaining unpaid to any supplier as at the end of accounting year; | 51.16 | 10.56 |
| Principal amount overdue more than 45 days | 34.38 | 10.56 |
| The interest due and remaining unpaid to any supplier as at the end of accounting year; | 2.55 | 0.50 |
| The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed date during each accounting year; | - | - |

| | | |
|---|------|------|
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed date during the year) but without adding the interest specified under the MSMED Act, 2006; The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid); | - | - |
| The amount of interest accrued and remaining unpaid at the end of accounting year; and | 2.55 | 0.50 |
| The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006. | - | - |

The information has been given in respect of such vendor to the extent they could be identified as Micro and Small Enterprise as on the basis of information available with the company.

42. Employees benefit plan

(A) Defined contribution plan

Employees provident fund: The company has employees provident fund trusts under the Provident Fund Act, 1925 for permanent employees. Also, the company subscribes to EPFO under Employees' Provident Fund Scheme, 1952 which governs the provident fund plans in respect on employees on contract. The company as well as the employees contributes at applicable rates to the provident fund out of which provident fund is paid to the employees. Company's contribution to provident fund recognized in the Statement of profit and loss is ₹ 471.46 million (previous year: ₹ 441.30 million)

There is a Supreme Court (SC) judgement dated February 28, 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the EPF Act. There are interpretative aspects related to the Judgement including the effective date of application. In the view of the management, the contribution for PF is to be calculated as per Employee's Provident Funds and Miscellaneous Provisions Act, 1952.

(B) Defined benefit plans:

- a) Gratuity: Gratuity is payable to all the eligible employees of the company on superannuation, death, or permanent disablement, in terms of the provisions of the Payment of Gratuity Act. The company has a defined benefit gratuity plan in India (unfunded). gratuity is paid from the company as and when it becomes due and is paid as per the company scheme for Gratuity.

i) Disclosure statement as per Ind AS of gratuity

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|--------------------|------------------------------------|------------------------------------|
| Type of benefit | Gratuity | Gratuity |
| Country | India | India |
| Reporting currency | INR | INR |
| Reporting standard | Indian Accounting | Indian Accounting |
| | Standard 19 (Ind AS 19) | Standard 19 (Ind AS 19) |
| Funding status | Unfunded | Unfunded |

| | | |
|---------------------|-----------------|-----------------|
| Starting period | April 01,2024 | April 01,2023 |
| Date of reporting | 31st March,2025 | 31st March,2024 |
| Period of reporting | 12 months | 12 months |

a) Assumptions (previous period)

| Particulars | As at 31 st March, 2024 | As at 31 st March, 2023 |
|----------------------------------|--|--|
| Expected return on plan assets | N.A. | N.A. |
| Rate of discounting | 7.19% | 7.41% |
| Rate of salary increase | 5.50% | 5.50% |
| Rate of employee turnover | 10% & 2% as Applicable | 10% & 2% as Applicable |
| Mortality rate during employment | Indian Assured Lives Mortality 2012-14 (Urban) | Indian Assured Lives Mortality 2012-14 (Urban) |
| Mortality rate after employment | N.A. | N.A. |

b) Assumptions (Current Period)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|--|--|--|
| Expected return on plan assets | N.A. | N.A. |
| Rate of discounting | 6.54% | 7.19% |
| Rate of salary increase | 5.50% | 5.50% |
| Rate of employee turnover | 10% & 2% as Applicable | 10% & 2% as Applicable |
| Mortality rate during employment | Indian Assured Lives Mortality 2012-14 (Urban) | Indian Assured Lives Mortality 2012-14 (Urban) |
| Mortality rate after employment | N.A. | N.A. |
| Present value of benefit obligation at the beginning of the period | 811.09 | 861.16 |
| Interest cost | 58.32 | 63.81 |
| Current service cost | 91.25 | 74.35 |
| Past service cost | - | - |
| (Benefit paid directly by the employer) | (147.42) | (125.17) |
| Actuarial (gains)/losses on obligations - due to change in demographic assumptions | - | - |
| Actuarial (gains)/losses on obligations - due to change in financial assumptions | 26.36 | 8.32 |
| Actuarial (gains)/losses on obligations- due to Experience | 20.79 | (71.38) |
| Present value of benefit obligation at the end of the period | 860.39 | 811.09 |

c) Amount recognized in the balance sheet

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|--|------------------------------------|------------------------------------|
| Present value of benefit obligation at the end of the period | (860.39) | (811.09) |

| | | |
|---|----------|----------|
| Funded status (surplus/ (deficit)) | 860.39 | (811.09) |
| Net (liability)/asset recognized in the balance sheet | (860.39) | (811.09) |

d) Net interest cost for current period

| Particulars | For the Year ended 31 st March, 2025 | For the Year ended 31 st March, 2024 |
|--|--|--|
| Present value of benefit obligation at the beginning of the period | 811.09 | 861.16 |
| Net liability/(asset) at the beginning | 811.09 | 861.16 |
| Interest cost | 58.32 | 63.81 |
| Net interest cost for current period | 58.32 | 63.81 |

e) Expenses recognized in the statement of profit or loss for current period

| Particulars | For the Year ended 31 st March, 2025 | For the Year ended 31 st March, 2024 |
|---|--|--|
| Current service cost | 91.25 | 74.35 |
| Net interest cost | 58.32 | 63.81 |
| Past service cost | - | - |
| (Expected contributions by the employees) | - | - |
| (Gains)/losses on curtailments and settlements | - | - |
| Net effect of changes in foreign exchange rates | - | - |
| Expenses recognized | 149.57 | 138.16 |

f) Expenses recognized in the other comprehensive income (OCI) for current period

| Particulars | For the year ended 31 st March , 2025 | For the year ended 31 st March, 2024 |
|---|--|---|
| Actuarial (gains)/losses on obligation for the period | 47.16 | (63.06) |
| Return on plan assets, excluding interest income | - | - |
| Change in asset ceiling | - | - |
| Net (income) / expense for the period recognized in OCI | 47.16 | (63.06) |

g) Balance Sheet reconciliation

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|---|---------------------------------------|---------------------------------------|
| Opening net liability | 811.09 | 861.16 |
| Expenses recognized in statement of profit or loss | 149.57 | 138.16 |
| Expenses recognized in OCI | 47.16 | (63.06) |
| Net liability / (asset) transfer in | - | - |
| Net liability / (asset) transfer out | - | - |
| (Benefit paid directly by the employer) | (147.42) | (125.17) |
| (Employer's contribution) | | |
| Net liability/(asset) recognized in the balance sheet | 860.39 | 811.09 |

h) Maturity analysis of the benefit payments

Projected benefits payable in future years from the date of reporting

| Particulars | As at 31 st March, 2025 | As at 31 st March 2024 |
|---------------------|------------------------------------|-----------------------------------|
| 1st following year | 140.34 | 119.53 |
| 2nd following year | 40.74 | 39.21 |
| 3rd following year | 165.13 | 131.33 |
| 4th following year | 133.79 | 152.14 |
| 5th following year | 119.74 | 122.16 |
| Sum of years 6 to10 | 677.89 | 668.70 |

l) Sensitivity analysis:increase/ (decrease)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|--|------------------------------------|------------------------------------|
| Defined benefit obligation on current assumptions | 860.39 | 811.09 |
| Delta effect of +1% and 0.5% change in rate of discounting | 20.43 | (18.65) |
| Delta effect of -1% change and 0.5% in rate of discounting | 21.54 | 19.58 |
| Delta effect of +1% change in rate of salary increase | 41.88 | 38.57 |
| Delta effect of -1% change in rate of salary increase | (38.81) | (36.15) |
| Delta effect of +1% and 5% change in rate of employee turnover | 0.09 | 8.44 |
| Delta effect of -1% and 5% change in rate of employee turnover | (2.91) | (11.70) |

"The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the Defined Benefit Obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years."

Notes:

Gratuity is payable as per company's scheme as detailed in the report. Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation. Salary escalation & attrition rate are considered as advised by the entity; they appear to be in line with the industry practice considering promotion and demand & supply of the employees. Maturity Analysis of Benefit payments is undiscounted cash flows considering future salary, attrition & death in respective year for members as mentioned above for foreseeable future of next 10 years. Average Expected Future Service represents Estimated Term of Post - Employment Benefit Obligation. Weighted Average Duration of the Defined Benefit Obligation is the weighted average of cash flow timing, where weights are derived from the present value of each cash flow to the total present value. Any benefit payment and contribution to plan assets is considered to occur end of the year to depict liability and fund movement in the disclosures.

- ii) Post-retirement medical benefits: The company has a post-retirement medical benefit scheme under which medical benefits are provided to retired employees and their spouse.

Disclosure statement as per Ind AS of post-retirement medical benefits

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|---------------------|---|---|
| Type of benefit | Medical | Medical |
| Country | India | India |
| Reporting currency | INR | INR |
| Reporting standard | Indian Accounting Standard 19 (Ind AS 19) | Indian Accounting Standard 19 (Ind AS 19) |
| Funding status | Unfunded | Unfunded |
| Starting period | April 01, 2024 | April 01, 2023 |
| Date of reporting | 31st March, 2025 | 31st March, 2024 |
| Period of reporting | 12 Months | 12 Months |

- a) Assumptions (previous year)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|----------------------------------|---|---|
| Expected return on plan assets | N.A. | N.A. |
| Rate of discounting | 7.19% | 7.40% |
| Medical cost inflation | 4.00% | 4.00% |
| Rate of employee Turnover | 2.00% | 2.00% |
| Mortality rate during employment | "Indian Assured Lives Mortality (2006-08) Ultimate" | "Indian Assured Lives Mortality (2006-08) Ultimate" |
| Mortality rate after employment | "Indian Individual AMT (2012-15)" | "Indian Individual AMT (2012-15)" |

- b) Assumptions (current year)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|----------------------------------|--|--|
| Expected return on plan assets | N.A. | N.A. |
| Rate of discounting | 7.19% | 7.19% |
| Medical cost inflation | 5.50% | 5.50% |
| Rate of employee turnover | 10% & 2% as Applicable | 10% & 2% as Applicable |
| Mortality rate during employment | "Indian Assured Lives Mortality 2012-14 (Urban)" | "Indian Assured Lives Mortality 2012-14 (Urban)" |
| Mortality rate after employment | "Indian Individual AMT (2012-15)" | "Indian Individual AMT (2012-15)" |

- c) Change in the present value of defined benefit obligation

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|--|------------------------------------|------------------------------------|
| Present value of benefit obligation at the beginning of the period | 1,411.45 | 1,411.45 |
| Interest cost | - | - |

| | | |
|---|----------|----------|
| Current service cost | - | - |
| Past service cost | - | - |
| Liability transferred in/acquisitions | - | - |
| (Liability transferred out/divestments) | - | - |
| (Gains) / losses on curtailment | - | - |
| (Liabilities extinguished on settlement) | - | - |
| (Benefit paid directly by the employer) | - | - |
| (Benefit paid from the fund) | - | - |
| The effect of changes in foreign exchange rates | - | - |
| Actuarial(gains)/losses on obligations - due to change in demographic assumptions | - | - |
| Actuarial(gains)/losses on obligations - due to change in financial assumptions | - | - |
| Actuarial (gains) / losses on obligations - due to experience | - | - |
| Present value of benefit obligation at the end of the period | 1,411.45 | 1,411.45 |

d) Change in the fair value of plan assets

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|--|--|--|
| Fair value of plan assets at the beginning of the period | - | - |
| Interest income | - | - |
| Contributions by the employer | - | - |
| Expected contributions by the employees | - | - |
| Assets transferred | - | - |
| (Assets transferred out/divestments) | - | - |
| (Benefit paid from the fund) | - | - |
| (Assets distributed on settlements) | - | - |
| Effects of asset ceiling | - | - |
| The effect of changes in foreign exchange rates | - | - |
| Return on plan assets, excluding | - | - |

e) Amount recognized in the balance sheet

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|--|--|--|
| Present value of benefit obligation at the beginning of the period | (1,411.45) | (1,411.45) |
| Fair value of plan assets at the end of the period | - | - |
| Net (liability) / asset recognized in the balance sheet | (1,411.45) | (1,411.45) |

f) Net interest cost for current year

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|--|------------------------|------------------------|
| Present value of benefit obligation at the beginning of the period | 1,411.45 | 1,411.45 |
| Fair value of plan assets at the end of the period | - | - |
| Net liability / (asset) at the beginning | 1,411.45 | 1,411.45 |
| Interest cost | - | - |
| (Interest income) | - | - |
| Net interest cost for current period | - | - |

g) Expenses recognized in the statement of profit or loss for current year

| Particulars | For the Year ended 31 st March, 2025 | For the Year ended 31 st March, 2024 |
|--|---|---|
| Current service cost | - | - |
| Net interest cost | - | - |
| Past service cost | - | - |
| (Expected contributions by the employees) | - | - |
| (Gains) / losses on curtailments and settlements | - | - |
| Net effect of changes in foreign exchange rates | - | - |
| Expenses recognized | - | - |

h) Expenses recognized in the other comprehensive income (OCI) for current

| Particulars | For the Year ended 31 st March, 2025 | For the Year ended 31 st March, 2024 |
|---|---|---|
| Actuarial (gains) / losses on obligation for the period | - | - |
| Return on plan assets, excluding interest income | - | - |
| Change in asset ceiling | - | - |
| Net (income) / expense for the period recognized in OCI | - | - |

i) Balance sheet reconciliation

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|---|------------------------------------|------------------------------------|
| Opening net liability | 1,411.45 | 1,411.45 |
| Expenses recognized in statement of profit or loss | - | - |
| Expenses recognized in OCI | - | - |
| Net liability / (asset) transfer in | - | - |
| Net (liability) /asset transfer out | - | - |
| (Benefit paid directly by the employer) | - | - |
| (Employer's contribution) | - | - |
| Net liability / (asset) recognized in the balance sheet | 1411.45 | 1411.45 |

j) Other details

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|---|--|--|
| No of active members | - | - |
| No.of retired employees | - | - |
| Weighted average duration of the projected benefit obligation | - | - |
| Average future term | - | - |
| Projected benefit obligation | 1411.45 | 1411.45 |
| Prescribed contribution for next year (12 Months) | - | - |

k) Maturity analysis of the benefit payments: from the employer

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|---|--|--|
| Projected benefits payable in future years from the date of reporting | | |
| 1st following year | - | - |
| 2nd following year | - | - |
| 3rd following year | - | - |
| 4th following year | - | - |
| 5th following year | - | - |
| Sum of years 6 to 10 | - | - |

Sensitivity analysis: increase / (decrease)

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|---|--|--|
| Projected benefit obligation on current assumptions | 1,411.45 | 1,411.45 |
| Delta effect of + 1% change in rate of discounting | - | - |
| Delta effect of - 1 % change in rate of discounting | - | - |
| Delta effect of +1 % change in medical cost inflation | - | - |
| Delta Effect of - 1% Change in Medical Cost inflation | - | - |

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognized in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Notes

The company was providing the medical expenses payable to retired employees of Air India on the basis of Acturial valuation made by the Acturial Valuer, however after the disinvestment of Air India, it was decided by AIAHL being a holding company of the AIASL that all retired employees

will contribute the amount to CGHS and accordingly they will avail the medical benefits directly from CGHS and therefore company has not done the actuarial valuation during the year.

Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.

Salary escalation & attrition rate are considered as advised by the entity; they appear to be in line with the industry practice considering promotion and demand & supply of the employees.

Maturity Analysis of Benefit Payments is undiscounted cashflows considering future salary, attrition & death in respective year for members as mentioned above for foreseeable future of next 10 years.

Average Future Term represents Estimated Term of Post - Employment Benefit Obligation.

Weighted Average Duration of the Defined Benefit Obligation is the weighted average of cash flow timing, where weights are derived from the present value of each cash flow to the total present value.

Any benefit payment and contribution to plan assets is considered to occur end of the year to depict liability and fund movement in the disclosures.

"There was curtailment in the scheme where in liability of the majority of the employees were taken over by the government resulting in curtailment. The payments made doesn't commensurate with the scheme valued at the start of the year."

(C) Other long term employee benefits

i. Compensated Absence

The Company has a policy on compensated absences with provisions on accumulation and encashment by the employees during employment or on separation from the company due to death, retirement or resignation. The expected cost of compensated absence is determined by actuarial valuation performed by an independent actuary at the balance sheet date using projected unit credit method.

ii. Bonus

Bonus is payable to all employees as per the provisions of the Payment of Bonus Act, 1965 and the provision for the same has been made in the current financial year.

43. Income taxes

(a) Income tax recognised in Statement of Profit and loss

| Particulars | "Year Ended March 31, 2025" | "Year Ended March 31, 2024" |
|--|-----------------------------------|-----------------------------------|
| Current tax expense (A) | | |
| Current year | 19.64 | 187.09 |
| Short/(excess) provision of earlier years (B) | | |
| Short provision for tax for earlier years | - | - |
| Deferred tax expense (C) | | |
| Origination and reversal of temporary differences | (8.09) | 179.70 |
| Tax expense recognised in the income statement (A+B+C) | 11.55 | 366.79 |

(b) Income tax recognised in other comprehensive income

| Particulars | "Year Ended March 31, 2025" | | | "Year Ended March 31, 2024" | | |
|---|-----------------------------|------------------------|------------|-----------------------------|------------------------|------------|
| | Before tax | Tax (expense)/ benefit | Net of tax | Before tax | Tax (expense)/ benefit | Net of tax |
| Items that will not be reclassified to profit or loss | | | | | | |
| Remeasurement of employee benefits obligations | (6.23) | - | (6.23) | 126.55 | - | 126.55 |
| | (6.23) | - | (6.23) | 126.55 | - | 126.55 |

(c) Reconciliation of income tax expense applicable to accounting profit before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows

| Particulars | "Year Ended March 31, 2025" | "Year Ended March 31, 2024" |
|--|-----------------------------|-----------------------------|
| Profit before tax | 40.93 | 771.05 |
| Enacted tax rate in India | 25.168% | 25.168% |
| Tax effect of | 19.64 | 187.09 |
| Expected income tax expense at statutory rate (A) | | |
| Expenses not deductible in determining taxable profits | - | - |
| Excess provision of tax for earlier years | - | - |
| Income tax recognized in the statement of profit and loss | 19.64 | 187.09 |
| Impact of deferred tax | (8.09) | 179.70 |
| Income tax recognized in the statement of profit and loss (including deferred tax) | 11.55 | 366.79 |

(d) Deferred tax assets/(liabilities)

The following is the analysis of deferred tax assets / (liabilities) balances presented in the balance sheet:

| Particulars | "As at March 31, 2025" | "As at March 31, 2024" |
|--------------------------|------------------------|------------------------|
| Deferred tax liabilities | (231.12) | (210.99) |
| Deferred tax assets | 1,030.00 | 1,001.78 |
| Total | 798.88 | 790.79 |

Significant component of deferred tax assets / (liabilities) and movement during the year are as under:

| Particulars | As at March 31, 2024 | | For the year ended March 31, 2025 | As at March 31, 2025 |
|-------------------------------------|----------------------------|-------------|---|----------------------------|
| Deferred tax balance in relation to | | | | |
| Deferred tax asset of earlier years | | | | |
| Property, plant & equipment | (210.99) | (20.13) | - | (231.12) |
| Provision for employee benefits | 679.05 | 14.91 | - | 693.96 |
| Provision for inventories | 0.74 | 0.02 | - | 0.76 |
| Expected credit loss | 321.99 | 13.29 | - | 335.28 |
| Total | 790.79 | 8.09 | - | 798.88 |

| Particulars | As at March 31, 2024 | | For the year ended March 31, 2025 | As at March 31, 2025 |
|-------------------------------------|----------------------------|-----------------|---|----------------------------|
| Deferred tax balance in relation to | | | | |
| Property, plant & equipment | (189.84) | (21.15) | - | (210.99) |
| Provision for employee benefits | 699.77 | (20.72) | - | 679.05 |
| Provision for inventories | 8.34 | (7.60) | - | 0.74 |
| Expected credit loss | 452.21 | (130.22) | - | 321.99 |
| Total | 970.48 | (179.70) | - | 790.79 |

The company is creating deferred tax assets considering that company is hopeful of showing improved performance in future and accordingly, has reasonable certainty that deferred tax asset recognized will be realized against future taxable profits.

44. Related party disclosures

Disclosure of the names and designations of the related parties as required by the Ind AS 24 "Related Party Disclosures", during the year 2024-25:

A. List of related parties :

- i. In terms of Ind AS 24, following are related parties which are government related entities i.e. significantly controlled and influenced entities (Government of India) :

| Sr. No. | Name of the company | Relationship |
|---------|---|-----------------|
| 1 | AI Assets Holding Limited (w.e.f. 13 January, 2022) | Holding company |

ii. List of Fellow Subsidiary Companies

| Sr. No. | Name of the company | Relationship |
|---------|--|---------------------------|
| 1 | Hotel Corporation of India Limited (HCI) | Fellow subsidiary company |
| 2 | AI Engineering Services limited (AIESL) | Fellow subsidiary company |
| 3 | Alliance Air Aviation Limited (AAAL) | Fellow subsidiary company |

B. Key Managerial Personnel

| Sr. No. | Name of key managerial personnel | Designation |
|---------|-----------------------------------|---|
| 1 | Shri. Amit Kumar | Chairman & Nominee Director (appointed as Chairman effective March 13, 2025) |
| 2 | Shri. Asangba Chuba Ao | Chairman (appointed as CMD effective January,1,2024 and ceased as CMD effective March 11, 2025) |
| 3 | Shri. Satyendra Kumar Mishra | Chairman (appointed as CMD effective March 01, 2023 and ceased as CMD effective December 31, 2023) |
| 4 | Shri. Rambabu Ch. | Chief Executive Officer |
| 5 | Wing Cdr. Sandeep Malhotra (retd) | Chief Financial Officer |
| 6 | Smt. Shashi Bhadooia | Company Secretary |

C. Transaction during the year ended and balance outstanding with related parties are as follows

- i. No loans or credit transactions were outstanding with directors or officers of the company or their relatives at the end of the year.
- ii. In terms of Ind AS 24, following are the disclosure requirements related to transactions with certain government related entities i.e. significantly controlled and influenced entities (Government of India) and other than government related parties:

(i) Disclosure in respect of transaction with related parties:

| Particulars | Nature of transaction | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---------------------------------|-------------------------------------|-----------------------------|-----------------------------|
| AI Engineering Services Limited | Revenue from operations | | |
| | Manpower services/ cabin cleaning | 58.43 | 139.00 |
| | Interest on outstanding recoverable | 1.01 | 2.02 |
| | Expenditure | | |
| | Headset services | 35.69 | 34.53 |

| | | | |
|---|---|--------|--------|
| Alliance Air Aviation Limited | Revenue from operations | | |
| | Ground handling revenue | 321.37 | 269.97 |
| | Supply of manpower services | - | 0.25 |
| | Interest on outstanding recoverable | 136.34 | 114.95 |
| | Expenditure | | |
| | Staff on duty expenditure and other expenditure | 2.17 | 4.42 |
| Hotel Corporation of India Limited (HCIL-Centaur) | Expenditure | | |
| | Staff hotel expenses | 22.69 | 5.68 |
| | Revenue from operations | | |
| AI Assets holding Limited (AIAHL) | Manpower services | 3.63 | 1.02 |
| | Expenditure | | |
| | Reimbursement of cost/Rent | 119.85 | 5.63 |
| | Interest on outstanding payable | 47.35 | 39.07 |

(ii) Outstanding balances

| Name of the party | Receivable/ payable | As at 31st March, 2025 | As at 31st March, 2024 |
|---|------------------------|------------------------------|------------------------------|
| AI Assets Holding Limited | Payable | (627.18) | (472.44) |
| AI Engineering Services Limited | Receivable | (14.65) | 68.61 |
| Alliance Air Aviation Limited | Receivable | 1,787.16 | 1,378.91 |
| Hotel Corporation of India Limited (HCIL-Centaur) | Payable | (4.61) | (4.30) |

D. Compensation to key management personnel:

| Particulars | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|--------------------------------|--------------------------------|
| Short-term employee benefits | 8.24 | 8.10 |
| Post-employment benefits | - | - |
| Other long-term benefits | - | - |
| Termination benefits | - | - |
| Total compensation to key management personnel | 8.24 | 8.10 |

As the future liability for post-employment, other long-term and termination benefits are provided on actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.

45. Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

| Financial assets and liabilities as at March 31, 2025 | Note no. | Non-current | Current | Total | Routed through profit & loss | | | | Routed through OCI | | | | Carried at amortised cost | Total amount |
|---|----------|---------------|-----------------|-----------------|------------------------------|-------------|-------------|-----------|--------------------|-------------|-------------|-----------|---------------------------|-----------------|
| | | | | | L e v e l 1 | L e v e l 2 | L e v e l 3 | T o t a l | L e v e l 1 | L e v e l 2 | L e v e l 3 | T o t a l | | |
| Financial assets | | | | | | | | | | | | | | |
| Trade receivables | 8 | - | 6,247.20 | 6,247.20 | - | - | - | - | - | - | - | - | 6,247.20 | 6,247.20 |
| Other financial assets | 3 & 11 | 120.46 | 6.04 | 126.50 | - | - | - | - | - | - | - | - | 126.50 | 126.50 |
| Cash and cash equivalents | 9 | - | 378.70 | 378.70 | - | - | - | - | - | - | - | - | 378.70 | 378.70 |
| Bank balances other than cash and cash equivalents | 10 | - | 10.00 | 10.00 | - | - | - | - | - | - | - | - | 10.00 | 10.00 |
| Total financial assets | | 120.46 | 6,641.94 | 6,762.40 | | | | | | | | | 6,762.40 | 6,762.40 |
| Financial liabilities | | | | | | | | | | | | | | |
| Lease liabilities | 51 | 103.23 | 105.34 | 208.57 | - | - | - | - | - | - | - | - | 208.57 | 208.57 |
| Trade payables | 17 | - | 2,904.19 | 2,904.19 | - | - | - | - | - | - | - | - | 2,904.19 | 2,904.19 |
| Other financial liabilities | 15 & 18 | 104.84 | 735.59 | 840.43 | - | - | - | - | - | - | - | - | 840.43 | 840.43 |
| Total financial liabilities | | 208.07 | 3,745.13 | 3,953.19 | - | - | - | - | - | - | - | - | 3,953.19 | 3,953.19 |

| Financial assets and liabilities as at March 31, 2024 | Note no. | Non-current | Current | Total | Routed through profit & loss | | | | Routed through OCI | | | | Carried at amortised cost | Total amount |
|---|----------|-------------|----------|-----------------|------------------------------|-------------|-------------|-----------|--------------------|-------------|-------------|-----------|---------------------------|-----------------|
| | | | | | L e v e l 1 | L e v e l 2 | L e v e l 3 | T o t a l | L e v e l 1 | L e v e l 2 | L e v e l 3 | T o t a l | | |
| Financial assets | | | | | | | | | | | | | | |
| Trade receivables | 8 | - | 5,437.94 | 5,437.94 | - | - | - | - | - | - | - | - | 5,437.94 | 5,437.94 |
| Other financial assets | 3 & 11 | 1,065.47 | 48.73 | 1,114.20 | - | - | - | - | - | - | - | - | 1,114.20 | 1,114.20 |
| Cash and cash equivalents | 9 | - | 71.81 | 71.81 | - | - | - | - | - | - | - | - | 71.81 | 71.81 |

| | | | | | | | | | | | | | | |
|--|---------|-----------------|-----------------|-----------------|---|---|---|---|---|---|---|---|-----------------|-----------------|
| Bank balances other than cash and cash equivalents | 10 | - | 10.00 | 10.00 | - | - | - | - | - | - | - | - | 10.00 | 10.00 |
| Total financial assets | | 1,065.47 | 5,568.47 | 6,633.94 | | | | | | | | | 6,633.94 | 6,633.94 |
| Financial liabilities | | | | | | | | | | | | | | |
| Trade payables | 17 | - | 2,338.84 | 2,338.84 | - | - | - | - | - | - | - | - | 2,338.84 | 2,338.84 |
| Other financial liabilities | 15 & 18 | 47.78 | 710.29 | 758.07 | - | - | - | - | - | - | - | - | 758.07 | 758.07 |
| Total financial liabilities | | 47.78 | 3,049.13 | 3,096.91 | - | - | - | - | - | - | - | - | 3,096.91 | 3,096.91 |

Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Inputs are other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. prices) or indirectly (i.e. derived from prices).

Level 3: Inputs are not based on observable market data unobservable inputs. Fair value are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

B. Financial risk management objective and policies:

The company has exposure to following risks arising from financial instruments:

- i. Credit risk
- ii. Liquidity risk
- iii. Market risk – a. Foreign currency and b. Interest rate

The company's principal financial liabilities comprise of trade and other payables. The main purpose of these financial liabilities is to finance receivable, and cash and cash equivalents that derive directly from its operations. The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks. A board of directors reviews and agrees policies for managing each of these risks, which summarized below:

(i) Credit risk management

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligation. Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed **based on an individual credit limits** defined in accordance with the assessment.

The maximum exposure to the credit at the reporting date is primarily from trade receivables. Trade receivables are typically unsecured and are derived from revenue earned from customers. The company does monitor the economic environment in which it operates. The company manages its credit risk through credit approvals, establishing credit limits and continuously monitoring credit worthiness of customers to which the Company brands credit terms in the normal course of the business.

Trade receivables consist of number of customers from the same aviation industry. Significant of outstanding is from its group Companies (i.e. 60%) and for which the management expects no credit risk. Accordingly, no expected credit loss has been considered on receivables from group companies. Further, receivables from government companies is also considered as fully recoverable and hence, no provisioning considered on such receivables.

Apart from group company and government receivables, in respect of other parties there is no significant concentration of credit risk. No single customer accounted for 10% or more of revenue in any of the years indicated. The outstanding trade receivables are regularly monitored, and appropriate action is taken for collection of overdue receivables.

As per simplified approach, the company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk. Our historical experience of collecting receivables indicate a low credit risk. Hence, trade receivables are considered to be a single class of financial assets.

As per policy receivables are classified into different buckets based on the overdue period ranging from 6 months – one year to more than one year and one to two years.

Based on the business environment in which the company operates, management considers that the trade receivable are in default (credit impaired) if the payments are past due. There provisioning norms computed based on the proportion computed by taking ratio of outstanding receivables for more than 36 months. According ECL is provide using following rates:

| Bucket | As at 31st March, 2025 | As at 31st March, 2024 |
|--|------------------------------|------------------------------|
| All parties including government company and group company | | |
| (a) Past due not exceeding 6 months | 2.15% | 1.64% |
| (b) Past due exceeding 6 months but not exceeding 1 year | 4.31% | 3.27% |
| (c) Past due exceeding 1 year but not exceeding 3 years | 8.61% | 9.82% |
| (d) Past due exceeding 3 years | 100% | 100% |
| Specific credit risk impairment on individual basis | 100% | 100% |

The movement in allowance for Expected credit loss is as follows:

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|---|------------------------------|------------------------------|
| Balance at the beginning of the year | 1,232.02 | 1,759.43 |
| Add : Allowance for trade receivable which have significant increase in credit risk | 44.78 | (527.40) |
| Less : Specific credit risk impairment on individual basis | | |
| Balance as at the end of the year | 1,276.80 | 1,232.02 |

The company has not provided for impairments of financial assets (trade and other contractual receivables) using provision matrix in accordance with the requirements of Ind AS – 109 “Financial Instruments”. During the year, the company has computed cumulative effect of expected credit loss as on 31st March, 2025 applying simplified approach for trade and other contractual receivables from the parties amounting to ₹ 1,276.80 million (previous year ₹ 1,232.02 million).

(ii) Liquidity risk management

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligation associated with its Financial liabilities that are settled by delivering cash or another Financial assets.

The company’s approach to manage Liquidity is to have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the Company’s reputation

The company believes that its liquidity position, including total cash (including bank deposit lien and excluding interest accrued but not due) anticipated future internally generated funds from operations, and its fully available, revolving undrawn credit facility of ₹ Nil (April 1, 2024: Nil) will enable it to meet its future known obligation in the ordinary course of business. However, if a liquidity needs were to arise, the company believes it has access to financing arrangement, value of unencumbered assets, which should enable it to meet its ongoing capital, operating, and liquidity requirement.

The company’s liquidity management process as monitored by management includes the following:

- Day to day funding, managed by monitoring future cash flows to ensure that requirement can be met.
- Maintaining rolling forecast of the Company’s liquidity position on the basis of expected cash flows.
- Maintaining diversified credit lines.

The following are the remaining contractual maturities of financial liabilities at the reporting data. The contractual maturity is based on the earliest date on which the company may be required to pay:

Exposure to liquidity risk

As at 31st March, 2025

| Particulars | Carrying amount | Contractual cash flows | | | |
|---|-----------------|------------------------|-----------|-------------------|----------|
| | | Upto 1 year | 1-5 years | More than 5 years | Total |
| Financial assets | | | | | |
| Non-current | | | | | |
| Other financial assets | 120.46 | 120.46 | - | - | 120.46 |
| Current | | | | | |
| Trade receivable | 6,247.20 | 6,247.20 | - | - | 6,247.20 |
| Cash & cash equivalents and other bank balances | 478.70 | 478.70 | - | - | 478.70 |
| Other financial assets | 6.04 | 6.04 | - | - | 6.04 |

As at 31st March, 2024

| Particulars | Carrying amount | Contractual cash flows | | | |
|-------------------------|-----------------|------------------------|-----------|-------------------|----------|
| | | Upto 1 year | 1-5 years | More than 5 years | Total |
| Financial assets | | | | | |
| Non-current | | | | | |
| Other financial assets | 1,065.47 | 1,065.47 | - | - | 1,065.47 |
| Current | | | | | |
| Trade receivable | 5,437.94 | 5,437.94 | - | - | 5,437.94 |

| | | | | | |
|---|-------|-------|---|---|-------|
| Cash & cash equivalents and other bank balances | 81.81 | 81.81 | - | - | 81.81 |
| Other financial assets | 48.73 | 48.73 | - | - | 48.73 |

(iii) Market risk

Market risk is that the fair value and future cash flows of financial instrument will fluctuate because of changes in market prices. Market risk comprises two type of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the return.

a) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is not exposed to any borrowings.

b) Currency risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The company is exposed to the effects of fluctuation in the prevailing foreign currency rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuation between the functional currency and other currencies from the company's operating, investing and financing activities.

Exposure to foreign currency risk

The summary of quantitative data about the company's exposure to currency risk, as expressed in Indian Rupees, as at 31st March, 2025; as at 31st March, 2024; are as below:

| Particulars | As at 31st March, 2025 | | As at 31st March, 2024 | |
|--|------------------------|---------------|------------------------|---------------|
| | USD | INR | USD | INR |
| Financial assets | | | | |
| Current | | | | |
| Trade receivable | 5.33 | 455.17 | 5.31 | 442.73 |
| Cash & cash equivalents and bank balances | - | 0.02 | 0.01 | 1.17 |
| Total financial assets | 5.33 | 455.19 | 5.32 | 443.90 |
| Financial liabilities | | | | |
| Current | | | | |
| Trade payables | 0.03 | 2.64 | 0.01 | 1.16 |
| Other financial liabilities | - | - | - | - |
| Total financial liabilities | 0.03 | 2.64 | 0.01 | 1.16 |

Sensitivity analysis

The following table details the company's sensitivity to a 5% increase and decrease in the INR against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 5% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where INR depreciates 5% against the relevant currency. For a 5%

weakening of INR against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

| Particulars | Increase | | (Decrease) | |
|-------------------|------------------------|------------------------|------------------------|------------------------|
| | As at 31st March, 2025 | As at 31st March, 2024 | As at 31st March, 2025 | As at 31st March, 2024 |
| Receivable | | | | |
| USD/INR | 22.76 | 22.20 | (22.76) | (22.20) |
| Payable | | | | |
| USD/INR | (0.13) | (0.06) | 0.13 | 0.06 |

46. Ratios

Current ratio

| Particular | As at 31st March, 2025 | As at 31st March, 2024 |
|---------------------------|---|------------------------|
| Total current assets | 6,922.91 | 5,769.97 |
| Total current liabilities | 4,867.16 | 4,362.22 |
| Ratio | 1.42 | 1.32 |
| % change | 7.53% | 9.44% |
| Reason | Due to Increase in Current assets as compared to last year | |

Debt equity ratio

| Particular | As at 31st March, 2025 | As at 31st March, 2024 |
|----------------------|------------------------|------------------------|
| Total debt | - | - |
| Shareholder's equity | 4,624.79 | 4,601.64 |
| Ratio | - | - |
| % change | - | - |

Debt service coverage ratio

| Particular | As at 31st March, 2025 | As at 31st March, 2024 |
|------------|------------------------|------------------------|
| EBIT | - | - |
| Total debt | - | - |
| Ratio | - | - |
| % change | - | - |

Return on equity ratio

| Particular | As at 31st March, 2025 | As at 31st March, 2024 |
|------------------------------|---|------------------------|
| Net profit for the year | 29.38 | 404.26 |
| Average stakeholders' equity | 4,624.79 | 4,601.64 |
| Ratio | 0.64% | 8.79% |
| % change | -92.77% | -42.62% |
| Reason | Due to decrease in profit during the year owing to increase in expenditure | |

Inventory turnover ratio

| Particular | As at 31st March, 2025 | As at 31st March, 2024 |
|--------------------|---|------------------------|
| Cost of goods sold | 166.37 | 134.49 |
| Average inventory | 19.19 | 21.26 |
| Ratio | 867.09 | 632.49 |
| % change | 37.09% | 50.71% |
| Reason | Due to decrease in inventories during the year | |

Trade receivable turnover ratio

| Particular | As at 31st March, 2025 | As at 31st March, 2024 |
|---------------------------|------------------------|------------------------|
| Revenue from operations | 9,682.46 | 8,426.17 |
| Average trade receivables | 5,842.57 | 4,754.69 |
| Ratio | 1.66 | 1.77 |
| % change | -6.49% | -25.00% |

Trade payable turnover ratio

| Particular | As at 31st March, 2025 | As at 31st March, 2024 |
|---------------------------|------------------------|------------------------|
| Revenue from operations | 1,841.51 | 1,659.86 |
| Average trade receivables | 1,310.76 | 990.12 |
| Ratio | 1.40 | 1.68 |
| % change | -16.20% | -37.53% |

Net capital turnover ratio

| Particular | As at 31st March, 2025 | As at 31st March, 2024 |
|-------------------------|------------------------|------------------------|
| Revenue from operations | 9,682.46 | 8,426.17 |
| Working capital | 2,055.74 | 1,407.75 |
| Ratio | 4.71 | 5.99 |
| % change | -21.31% | -43.85% |

Net profit ratio

| Particular | As at 31st March, 2025 | As at 31st March, 2024 |
|------------------------|---|------------------------|
| Profit for the year | 29.38 | 404.26 |
| Revenue from operation | 9,682.46 | 8,426.17 |
| Ratio | 0.30% | 4.80% |
| % change | -93.68% | -31.15% |
| Reason | Due to decrease in profit earned during the year | |

Return on capital employed

| Particular | As at 31st March, 2025 | As at 31st March, 2024 |
|--|--|------------------------|
| Profit before exceptional item, finance cost & tax | 225.52 | 852.82 |
| Capital employed | 7,251.94 | 7,033.85 |
| Ratio | 3.11% | 12.12% |
| % change | -74.35% | -29.16% |
| Reason | Due to decrease in profit before finance cost and tax | |

Return on investment

| Particular | As at 31st March, 2025 | As at 31st March, 2024 |
|-------------------------------|------------------------|------------------------|
| Income from investment | Nil | Nil |
| Closing balance of investment | Nil | Nil |
| Ratio | Nil | Nil |
| % change | Nil | Nil |

1. **Total debt** = Non-current borrowings + Current borrowings
2. **Earnings before interest & tax (EBIT)** = Profit before exceptional item & tax + Finance costs
3. **Cost of goods sold** = Cost of materials consumed + Purchases of stock-in-trade + Changes In inventories of finished goods and work-in-progress
4. **Working capital** = Total current assets - Total current liabilities
5. **Capital employed** = Total equity + Total non current liabilities
6. **Total equity** = Total equity excluding non controlling Interest (less) / add (deferred tax assets) / deferred tax liability (net)

47. Following are the details of foreign currency earned and expended by the company during the financial year

| Particular | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|-------------------------------------|-------------------------------------|
| Foreign exchange earnings | 1,963.36 | 2,174.56 |
| Foreign exchange expended (for import payments) | (14.99) | (150.97) |
| Net foreign exchange earnings | 1,948.37 | 2,023.59 |

48. Corporate social responsibility

Pursuant to the requirement of Section 135 of the Companies Act, 2013, CSR committee has been formed by the Company. The primary function of the CSR Committee is to assist the Board of Directors in formulating a CSR Policy and review the implementation and progress of the same from time to time. The CSR Policy focuses on making positive contribution to the society through high impact, sustainable programmes.

| Particular | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|--|-----------------------------|-----------------------------|
| Amount required to be spent by the company during the year | 10.97 | - |
| Amount of expenditure incurred | 10.97 | - |
| Nature of CSR activities | | |
| a) Construction / acquisition of any assets | - | - |
| b) On purpose other than 1 above | - | - |
| Shortfall at the end of the year / period | - | - |
| Total of previous years shortfall | - | - |
| Reason for shortfall | - | - |
| Nature of CSR activities : Contribution to PM care fund | 10.97 | - |

The provisions of Section 135 of the Companies Act, 2013 relating to expenditure to be done on CSR activities are not applicable to the Company in the current and previous financial year.

49. The company is showing Rs 137.80 million payable as on 31st March, 2025 towards employees on account of PLI consisting of Rs 66.73 million payable to Active staff and inactive staff due to non-vacation of housing colonies and non-availability of bank details respectively. Further, Rs 71.08 million has been showing as payable which will get paid on receipt of funds from Air India or AI Assets Holding Limited for which AIASL has been following up with both companies.

Air India PF Trust deposited amount into our account and same was disbursed in to their PF account accordingly. However, in respect of few cases for amounting to Rs 41.19 million who are long absenteeism case who are not contactable, their UAN number could not be created to transfer the amount in their respective PF accounts. In fact had the employees been present their UAN number could have been generated and would have transferred from PF Trust to EPFO, however, since the employees are not traceable/contactable, there is no option but to keep intact the funds available with us.

50. Segment reporting

The Chairman of the company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the company's performance and allocates resources based on an analysis of various performance indicators, however the company is primarily engaged in only one segment viz., "Ground handling services" and that all of the operations are in India. Hence the company does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

Disclosure of customer with more than 10% of revenue:

| Particular | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|-------------------|-------------------------------------|-------------------------------------|
| Air India Limited | 3,271.38 | 2,786.79 |

51. IND AS 116- Lease liability and clarificatory note on not considering airport spaces for lease liability

Following the recognition exemption available under Ind AS 116, regarding short term leases, low value assets and those assets which were not covered under the previous Ind AS 17, the company has availed the same exemptions for the implementation of the new Ind AS 116.

In respect of other leases for various commercial premises, (with option to purchase/renew but title of the same may or may not eventually be transferred) which are scattered at various locations/stations/regions, there is a foreclosure clause in the contract wherein it is cancellable by providing notice period of 90 days by either side.

Pending evaluation these the company has not considered as ROU under Ind AS 116 , regarding short term leases, low value assets and those assets which were not covered under the previous Ind AS 17, the company has availed the same exemptions for the implementation of the new Ind AS 116 except following:

Information about leases for which the company is a lessee is presented below:

(i) Right-of-use assets

| Particular | Amount |
|--------------------------------------|--------|
| Balance as at April 01, 2023 | - |
| Additions during the year | - |
| Amortisation charged during the year | - |

| | |
|---------------------------------------|---------------|
| Balance as at 31st March, 2024 | - |
| Additions during the year | 251.35 |
| Amortisation charged during the year | 45.94 |
| Balance as at 31st March, 2025 | 205.42 |

(ii) Amount recognised in statement of profit and loss

| Particular | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|-------------------------------------|-------------------------------------|
| Interest expense on lease liabilities | 8.40 | - |
| Amortisation charged during the year | 45.94 | - |
| Expense relating to short term and low value leases | - | - |

(iii) Amount recognised in statement of cash flows

| Particular | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|--------------------------------|-------------------------------------|-------------------------------------|
| Total Cash outflows for leases | 51.18 | - |

(iv) Movement in lease liabilities

| Particular | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|-------------------------------------|-------------------------------------|
| Balance as at April 01, 2024 | - | - |
| Additions | 251.35 | - |
| Interest cost accrued during the year | 8.40 | - |
| Payment of lease liabilities and finance cost during the year | 51.18 | - |
| Termination of lease during the year | - | - |
| Balance as at 31st March, 2025 | 208.57 | - |

(v) Maturity analysis of lease liabilities

Commitments for minimum undiscounted lease payments in relation to non-cancellable operating leases are payable as follows:

| Particular | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|-------------------------------------|-------------------------------------|
| Within one year | 118.54 | - |
| Later than one year but not later than five years | 108.43 | - |
| Later than five years | - | - |

(vi) Break up of Current and Non- Current lease liabilities

| Particular | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|-------------------------------|-------------------------------------|-------------------------------------|
| Current lease liabilities | 105.34 | - |
| Non-Current lease liabilities | 103.23 | - |

52. Suspension of Accounting ERP software by Software Implementor

M/s Uniq Data Solutions Private Limited (UDSPL), implementor of accounting ERP software (Odo) has unilaterally suspended the software on 15th Jun, 2024 (which is in complete contravention to terms of the Contract) against which Company has filed the suit against M/s UDSPL as per the contract entered with UDSPL (matter is under subjudice).

53. Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) Wilful defaulter

The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) Compliance with number of layers of companies

The company is in compliance with number of layers of companies.

(iv) Compliance with approved scheme(s) of arrangements

The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(v) Utilisation of borrowed funds and share premium

- (1) The company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (intermediaries) with the understanding that the intermediary shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
 - b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (2) The company has not received any fund from any persons or entities, including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the company shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 - b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.”

(vi) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(vii) Details of crypto currency or virtual currency

The company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(viii) Title deeds of immovable properties not held in name of the company

Company does not have any immovable property.

(ix) Transactions with stuck off companies

There are no transactions with the stuck off companies

(x) Any Charges

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

54. Code on social security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

55. Previous years figures

Previous year figures have been regrouped/reclassified where necessary, to conform with current period's presentation for the purpose of comparability.

As per our report of even date attached

For Bansal & Co LLP

Chartered Accountants

Firm Registration No: 01113N/N500079

For and on behalf of the Board of Directors

**Sd/-
Amit Kumar**

Chairman

DIN: 11001643

**Sd/-
Padam Lal Negi**

Director

DIN: 10041387

Amit Kumar Singh

Partner

Membership No: 532180

Place: New Delhi

UDIN: 25532180BMIYZP4535

Sd/-

Sandeep Malhotra

Chief Financial Officer

Sd/-

Rambabu Ch.

Chief Executive Officer

Place: New Delhi

Date: 01-12-2025

Sd/-

Shashi Bhadoo

Company Secretary





AI AIRPORT SERVICES LIMITED
 2nd Floor, GSD Building, Air India Complex,
 Terminal-2, IGI Airport, New Delhi – 110037
 CIN: U63090DL2003PLC120790



एआई एअरपोर्ट सर्विसेज
AI AIRPORT SERVICES