



एआई एअरपोर्ट सर्विसेज
AI AIRPORT SERVICES

ANNUAL REPORT **2023-24**







एआई एअरपोर्ट सर्विसेज़
AI AIRPORT SERVICES





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CORPORATE INFORMATION

BOARD OF DIRECTORS (AS ON 26TH MARCH 2025)

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

(* Shri Asangba Chuba Ao, Chairman From 01.01.2024 to 11.03.2025.
Shri Amit Kumar, Chairman From 13.03.2025)

Chief Executive Officer

Shri Rambabu Ch.

Chief Financial Officer

Shri Sandeep Malhotra

Company Secretary

Smt. Shashi Bhadoo

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.

CHAIRMAN'S SPEECH



Dear Shareholders

It gives me immense pleasure to present the 21st Annual Report of the Company for the Financial Year 2023-24. AI Airport Services Limited ("The Company") (AIASL) is a leading ground-handling service provider and is operational on PAN India.

AIASL was operationalized in February 2013 and commenced its autonomous operations from FY 2014-15. AIASL, since its stand-alone operationalization has been a profitable company except for FY 2020-21. During the FY 2020-21, the operations of the Company were majorly affected due to the advent of the COVID-19 pandemic. However, the company was turned around to make profits from the next FY 2021-22 onwards, and continued its profitability, in the FY 2023-24 too, the Company earned a profit of Rs.771.05 Million.

AIASL has the largest and widest ground handling presence for providing ground handling and related services at about 150 airports in India. AIASL-served Airports include the highest altitude and snow-clad airports at Leh & Thoise, the desert airfield at Jaisalmer, Island airports in Agatti & Port Blair, and table-top airports at Kozhikode & Kannur, demonstrating AIASL's capability to operate in varied and demanding environments across the country. This broad network showcases AIASL's capability to deliver reliable ground handling and related services across India's most varied and demanding terrains, ensuring seamless connectivity even in the most remote locations.

AIASL boasts of with the largest inventory of Ground Support Equipment (GSE), complemented by a highly skilled workforce with extensive expertise in ground handling services. Our capabilities extend to handling all types of corporate jets, as well as passenger and freighter aircraft, including the A380, A350, and B777 Max, ensuring seamless operations across all aircraft categories.

OVERVIEW- CIVIL AVIATION INDUSTRY

India has become the third-largest domestic aviation market in the world and is expected to overtake the UK to become the third-largest air passenger market. India is expected to overtake China and the United States as the world's third-largest air passenger market in the next ten years. Indian aviation also contributed significantly to the GDP, creating millions of jobs. The Aviation industry's fastest growth is being propelled by the development of airports across multiple city tiers; a liberalized FDI policy; increasing adoption of information technology and a strong focus on regional connectivity.

India's civil aviation industry has soared to new heights, cementing its position as one of the world's most lucrative markets. In FY24, domestic passenger traffic reached 306.79 million, marking a 13.5% YoY growth, while international traffic surged to 69.64 million, reflecting a robust 22.3% YoY increase. This impressive growth underscores the sector's resilience and its pivotal role in shaping India's global connectivity. As the industry continues to evolve, its potential for further expansion remains boundless.

The UDAN (Ude Desh Ka Aam Nagrik) scheme, launched by the Government of India, Ministry of Civil Aviation's in June 2016, has significantly contributed to making air travel more accessible to the common man. It has expanded regional connectivity across India, with 86 airports and 617 RCS routes operated by 13 operators, flying about 4.5 lakh flights annually. This initiative, set to continue until 2026, has fostered growth in the aviation sector, empowering both passengers and airlines while promoting economic development in underserved regions.

The Government's ambitious target to operationalize 1,000 UDAN routes and revive or develop 100 unserved and underserved airports, heliports, and water aerodromes by 2024 marks a significant leap in regional connectivity. Under the RCS-UDAN scheme, two water aerodromes have already commenced operations, showcasing a commitment to linking remote and inaccessible areas with the mainstream aviation network. This initiative not only boosts economic growth in hinterlands but also underscores India's drive toward inclusive infrastructure development.

OVERVIEW- GROUND HANDLING

The ground handling services market in India is expected to grow at a positive double digit CAGR (Compound annual growth rate) during FY'2019 - FY'2026. Increase in the level of implementation of favorable government schemes in the ground handling and aviation sector will be the major contributor to this growth. Future catalysts will be the entry of new domestic and foreign players in the airport ground handling services market with airlines increasing their fleet sizes and completion of construction of new airports.

The India ground handling services market is consolidating with a large number of GHA's being appointed at most of the Airports by the Airport Operators, and competing in the market. AI Airport Services Limited is the leading player in terms of spread, handling, and revenue in the India ground handling services market. Air India SATS Airport Services, Bird Worldwide Flight Services, Celebi NAS Airport Services Private Limited, Globe Ground India Private Limited and Indo-Thai Airport Management Services are the other leading GHA's.

The future of ground handling services in India is set for significant growth, driven by the surge in air passenger and freight traffic. The expansion of airline fleets, coupled with the rise of new carriers like Akasa Air and major players like Air India and Indigo, is fueling the demand for enhanced ground services. Additionally, the modernization and expansion of airport terminals will further bolster the sector's growth. With over 1,250 aircraft orders placed by Indian carriers, the ground-handling services market is poised for a robust transformation. This upward trajectory promises a more dynamic and efficient aviation ecosystem in India.

STRONG POSITION IN THE WORLD'S FASTEST-GROWING AVIATION INDUSTRY

The Indian aviation market is on its sustained recovery path and high growth trajectory after Covid, which has a direct bearing on the business volumes for AIASL, - with the following milestone achievements:

- Domestic Air passenger traffic grew by 13% in FY 2023-24.
- The domestic air passenger traffic in India during the 2023-24 financial year is estimated to stand at 154 million (according to credit rating agency ICRA). This figure surpasses the pre-Covid figure of 142 million domestic air passengers recorded in the 2019-20 financial year. The domestic air passenger traffic witnessed a 13% increase from last year.
- Air carriers flew about 15.40 crore passengers on local routes in FY 2023-24.
- India's aviation ascends to new heights as Air India and Vistara merge under the TATA banner from 12 November 2024, heralding a new era of luxury and connectivity as the nation's sole full-service carrier.
- The Tata Group's Air India Express has officially merged with AIX Connect, unifying its budget airline operations under Air India Express from October 1, 2024, in a strategic bid to drive sustainable profitability and streamline services.
- The surge in international air travel has outpaced domestic aviation growth in 2023-24, with 69.7 million passengers taking to the skies globally—a remarkable 22.5% year-on-year increase.
- In India, there were over 400 airports and airstrips, while about 150 were operational. Passenger traffic amounted to over 376 million at airports across India in financial year 2024-25, out of which close to 69.7 million were international passengers.
- India, already the third-largest domestic civil aviation market globally after the USA and China, is soaring to new heights. It is poised to become the third-largest air passenger market, encompassing both domestic and international travel, while retaining its status as the world's second-fastest-growing aviation hub. This meteoric rise underscores India's pivotal role in shaping global aviation dynamics.
- There are about 838 aircraft capacity in India and it is expected to add about 1000 aircraft over the next few years with firm aircraft orders by almost all the leading domestic schedule operators, as some of them will replace the existing aircraft that are either phased out or leases terminated. As per the forecast, India will need about 2,840 new commercial aircraft by 2044.
- In addition, there are about 1175 aircraft being operated by NSOPs, Government, Private owned and Training Institutes, etc., in India.
- About 15 Passenger Airlines and 4 Cargo Airlines in India operate about 838 aircraft consisting of 60+ wide-body aircraft, 80+ Turbo Props aircraft, and the balance aircraft are Narrow-body aircraft.
- There are about 116 NSOPs including 71 Domestic NSOP operators, operating 388 aircraft in India. Top 15 NSOP operators accounted for more than 61% of the total domestic NSOP flights operated in the year 2023-24
- There are about 25+ Ground handlers in India operating at various Airports.

- On the side of General Aviation operators, 150+ Business Jets, 30+ Turbo Props, and 320+ Helicopters, who engage in operating Private Charters and Business Charters flights in India to various Airports, which is a potential business for AIASL.
- Air India is acquiring about 570 aircraft i.e. narrow-body aircraft and wide-body aircraft.
- Indigo is acquiring about 530 aircraft i.e. narrow-body aircraft and wide-body aircraft.
- Akasa Air is acquiring about 150 aircraft i.e. narrow-body aircraft.
- India further plans to increase the number of operational airports to 220 by 2025 and 350 by 2047.
- The Ministry of Civil Aviation (MoCA) stated that growth in aviation is likely to increase direct employment across Airports, Airlines, FTOs, MROs, and Ghs.

The growth of the aviation sector in India directly benefits ground handling companies, with increased flight volumes leading to optimized resource utilization and a larger revenue pool. As air traffic expands, Ground Handling companies are poised to capitalize on greater operational demands and enhanced business opportunities.

With the launch of the UDAN 5.2, with newly identified routes, more than about 600 RCS Routes are operationalized as on date. AIASL by virtue of its pan-India presence is well placed to further consolidate its market leadership position. However, sustenance and continuation of such Regional Connectivity Services Flights, is a challenge for the Airlines, and thereby to AIASL and the other GHA's operating at these UDAN Airports.

GROUND HANDLING REGULATION, 2018:

Airports Authority of India issued (Ground Handling Services) Regulation, 2018, which came into effect on 30th October 2018 and it regulated the size and structure of India's ground handling sector or third-party Ground Handling and Self Handling. This was the first time that India has had a single-document vision for the aviation sector and that was a welcome development.

Airports Authority of India (AAI) on April 20, 2023, issued the Airports Authority of India (Ground Handling Services) Amendment Regulations, 2023 to further amend the Airport Authority of India (Ground Handling Services) Regulation 2018, in continuation to the previously amended regulations in 2019 and 2020.

DGCAAI Circular, 2022 For Providing Ground Handling Services at Private Airports:

The DGCA had issued AIC S.No03/2022 dated 25th February 2022, "Grant of Permission for providing Ground Handling (GH) Services at Airports other than those belonging to the Airports Authority of India" i.e. GH Policy for all Airports that are managed by private operators. This has regulated the Ground Handling Services at Private Airports in terms of the GH Policy, uniformly.

Airports Economic Regulatory Authority of India- AERA

- AERA, is an independent economic regulator, aims to create level playing field, foster healthy competition amongst all major Airports to encourage investment in airport facilities and regulate tariffs for aeronautical services.
- One of the statutory functions of AERA as AERA Act, 2008, with specific reference to Ground Handling Services, is to determine the tariff for Ground Handling services at Airports.
- Ensure, Healthy Competition by removing monopolistic practices which are detrimental to all the stakeholders.

PERFORMANCE OF THE COMPANY

Financial

During FY 2023-24, the total revenue of the Company was Rs. 8,759.78 million as against the total revenue of Rs. 9,322.98 million during FY 2022-23. The total expenses were Rs. 7,988.73 million as against expenses of Rs. 8,350.01 million during FY 2022-23. Profit incurred before tax during the year ended 31st March 2024 was Rs. 771.05 million against the figure of Profit before Tax of Rs. 972.97 million during FY 2022-23. The Net profit after tax earned during the period was Rs. 404.26 million as against the restated Net Profit after tax of Rs. 623.27 million during FY 2022-23.

Financial Key Achievements

During FY 2023-24, the total revenue of the Company was Rs. 8,759.78 million as against the total revenue of Rs. 9,322.98 million during FY 2022-23. The total expenses were Rs. 7,988.73 million as against expenses of Rs. 8,350.01 million during FY 2022-23. Profit incurred before tax during the year ended 31st March 2024 was Rs. 771.05 million against the figure of Profit before Tax of Rs. 972.97 million during FY 2022-23. The Net profit after tax earned during the period was Rs. 404.26 million as against the restated Net Profit after tax of Rs. 623.27 million during FY 2022-23.

- AIASL has recorded the second highest ever earned revenue of Rs. 8,759.78 million in FY 2023-24 since, the operationalization of the Company. (as such in FY 2022-23 it had recorded the highest ever earned revenue of Rs. 9322.98 million)
- AIASL has been a profit-making company since its operationalization, except for the FY 2020-21 (Covid period). The profitability course of the company has been restored soon after that Covid year and the company every year is reporting profit.
- During FY 2023-24, Profit before tax i.e. Rs.771.05 million is a respectable profit over the previous year.
- AIASL has recorded the highest Revenue of Rs.458.97 million from Non-Scheduled Operations since its Operationalization.
- AIASL has received a Statutory Audit Report with “Nil Qualifications” i.e. without any major objection, for the third consecutive year. This is a significant achievement of the Management for having secured such reports after nearly 10 years of its inception.

- AIASL has successfully remained as a debt-free company since its inception.
- All statutory compliances have been complied with during the year.
- The net worth of the company has been increased from Rs.4070.82 million to Rs.4601.64 million.
- Internally generated and retained earnings are used for all its expenses, including the most needed CAPEX requirements to replace age-old Ground Support Equipment, without seeking funds support from the parent company, AI Assets Holding Limited (AIAHL) or Govt. of India. The choice of borrowing debt from the Banks is still open.
- The health of any company is determined by its financial ratios. AIASL proudly carrying on its business, so professionally, with its very healthy financial ratios.
- AIASL is able to meetup with minimum wage compliances, by supporting with its internally generated earnings. The arrears for the non-compliant years, is also being met out of the internal earnings.
- Complete reconciliation and cleaning up of Accounts has been carried out in compliance of IndAS requirements and findings of various Audit Reports, in the past few years.
- Second consecutive time, in the history of AIASL, every employee is being paid bonus, by giving acknowledgment to the employees for their hard work in AIASL's transformation and image makeover process.

Operational

- AIASL handled 1,19,343 flights (AI Group Flights & Alliance Air Flights) during FY 2023-24 as against 1,09,024 flights during FY 2022-23.
- Similarly, AIASL handled 56,123 flights of Scheduled Client Airlines in FY 2023-24 as against 95,112 flights during FY 2022-23.
- Handled 21,983 flights of Non-Scheduled Operators during FY 2023-24 as against 16,471 flights during FY 2022-23.
- Handled 441 HAJ flights during FY 2023-24.
- AIASL is the single largest Ground Handling Agency in India and in the Region having a presence at about 150 airports in India. The second-largest Ground Handling Agency in India is having a presence at about 18 Airports only when compared with the presence of AIASL. AIASL has a diverse mix of international and domestic client Airlines, having scheduled and non-scheduled flight operations, besides cargo freighters.
- AIASL is having the largest market share of ~47% as of 01st April 2024 (considering 35 Airports where 3rd party airlines operate with competitors).

- o AIASL is having a Joint Working Group (JWG) arrangement, in association with M/s HAL at HAL Airport, BLR to handle all the Defense aircraft at that airport. AIASL is also ready to handle A-321 aircraft, recently acquired by DRDO/IAF from Air India, for transporting Defense Personnel across the network.

Cargo Warehouse Management at MAA & BOM:

- o AIASL manages and operates International Cargo Warehouses at both Mumbai and Chennai Airports on behalf of Indian Customs. With continuous efforts, AIASL has secured Regulated Agent (RA) status from BCAS for its Chennai Cargo Warehouse and further, the documents for getting a similar RA status from BCAS for the Mumbai Cargo Warehouse have also been submitted with the BCAS.
- o Further, AIASL has been granted RA3 status for both Chennai and Mumbai Cargo Warehouses, facilitating the carriage of cargo to UK, Europe and other EU countries directly from here, after the screening.
- o AIASL is also providing cargo handling services at almost all the domestic airports in India, wherever authorized.
- o AIASL has successfully taken over the Security Services for the AIASL Cargo Warehouses from Air India Limited effective 01st December 2024 at Chennai (MAA) and effective 01st January 2025 at Mumbai (BOM).

Additionally, AIASL also provides cabin cleaning, deep cleaning, and cabin dressing services for Air India Group companies, Alliance Air and other client airlines.

VVIP / SESF / Defense Flights

AIASL is privileged to provide Ground Handling Services and handle the VVIP flights of the Hon'ble President, Vice President, and Prime Minister of India, as AIASL has been appointed as the sole ground handler by the Indian Air Force for the handling of SESF/VVIP flights at all Indian domestic and International airports (including Civil Enclaves, and Defense Enclaves Airports). It also handles all flights on behalf of defense forces at all Indian airports like IAF, BSF, Indian Navy, DRDO, HAL, NSG, etc. AIASL has been discharging GH functions after taking over successfully from Air India, following the appointment of AIASL as the sole Ground Handling Agency by the Indian Air Force for coordinating, arranging, and ensuring the handling of SESF/VVIP flights at all foreign airports (Overseas).

In line with the long pending demand of Air India and their group Companies like Air India Express, Air Asia and Vistara, (now managed by Tata), and other major client Airlines, besides various Airport Operators, AIASL has embarked upon upgrading the aging Ground Support Equipment (GSEs). AIASL is finally in the process of giving a facelift to existing GSEs by adding a sizeable number of branded and brand new GSEs, by spending a sizeable amount over two years.

AIASL has also been recognized as a valued member and admitted in International Air Transport Association (IATA) Ground Handling Partnership Program in the year for 2024. AIASL continued to reap the benefits from the IATA Partnership besides acquiring expertise on par with the global practices in GH.



Operational Key Achievements

- AIASL has registered its presence at the highest-ever, and record number of Airports across the width and breadth of India, which can be seen in the below map:



- 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 i.e. 2,20,722 flights during the F.Y 2022-23.
- Flights handled by AIASL in FY 2023-24



Air India Group & Alliance Air	Third Party Airlines	NSOP (Incl HAJ)	Grand Total
116,567	56,861	21,515	194,943

Other Achievements (April 2023-March 2024)

- o 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.
- o AIASL has been awarded by CATHAY CARGO for “Outstanding Performance India” on 25th August 2023.
- o On 15th August 2023, on the occasion of the celebration of the 30th Anniversary of Myanmar Airways International (MAI) at Rangon-Myanmar, AIASL has been internationally recognized and awarded with a token of appreciation for the dedicated GH services provided to Myanmar Airways International at Kolkata and Chennai Airport.
- o Asia’s largest event on Civil Aviation, Wings India 2024, was held at Begumpet Airport, Hyderabad from 18th January to 21st January 2024. AIASL was appointed as the Official Ground Handling Partner for this prestigious event.
- o AIASL was awarded the prestigious honour in the form of “Best Ground Handling Services Provider” at Wings India 2024 by FICCI
- o AIASL rose upto the call of Govt., MoCA, and AAI in ensuring its presence at Ayodhya Airport when it was inaugurated by the Hon’ble Prime Minister along with the Hon’ble Minister of Civil Aviation.
- o 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.
- o CEO-AIASL has been awarded the “CEO with HR Orientation” Award at the World HRD Conference held in Mumbai.

CORPORATE SOCIAL RESPONSIBILITY (CSR) FOR FY 2023-24

The Board has constituted a CSR Committee in compliance with the provisions of the Companies Act, 2013, and laid down the CSR Policy with the objective of making a positive contribution to society through high-impact, sustainable programs. As per the CSR provisions stipulated in the Companies Act, 2013, AIASL was not required to spend any fresh CSR Contributions during FY 2023-24.

However, in FY 2023-24, an unutilized CSR fund (i.e., unspent amount of previous years i.e. until FY 2019-20) has been utilized as per the directions given by the Board in their 103rd Board Meeting dated 22nd March 2024.

A detailed report on the CSR activities including the details of utilized CSR funds pertaining to the Ongoing CSR Project that forms part of the Directors' Report is annexed at **Annexure II**.

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 2023-2024. 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 and 2023-24 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, and CEO AIASL and other KMP's in ensuring the turnaround of the company, enhancing corporate governance and maintaining cordial relation with all stakeholders.

I would also like to thank all employees of AIASL for rising to the occasion and putting in their exemplary efforts to ensure the performance of the company for their individual contributions, upholding the image of AIASL.

I on behalf of the Board of AIASL and AIAHL express my gratitude to all of them for their regular guidance and support.

Date: 26.03.2025
Place: New Delhi

Sd/-
Amit Kumar
Chairman

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



DIRECTORS' REPORT

The Directors take pleasure in presenting the Twenty First 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 2024.

FINANCIAL PERFORMANCE

(Rupees in Millions)

Particulars	2023-24	2022-23 (Restated)
Total Revenue	8759.78	9322.98
Total Expenses	7988.73	8350.01
Profit(Loss) before Exceptional Items and Tax	771.05	972.97
Profit(Loss) before Tax	771.05	972.97
Current Tax	187.09	235.77
Short Provision of Tax	0	0
Deferred Tax Asset	179.70	113.93
Net Profit(Loss) after Tax	404.26	623.27

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. However, the financial statements for FY 2023-24 have been restated in this year's report.

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, 2024 is given below:



Particulars	Numbers
Chief Executive Officer	1
GM-GH	3
Company Secretary	1
DGM	5
Chief Financial Officer	1
Chief Security Officer	1
Chief of MMD	1
Dy COF & AGM(O)-Finance	1
SR. AGM/AGM/AGM-GH/AGM-HR	24
Dy. Chief Of IT	1
Sr. Manager/Manager/DY. Manager/Asst. Manager	17
Manager Service Engineer, Sr. Supdt. Service Engineer, Sr. Service Engineer Supt. Service Engineer Jr. Service Engineer	61
Terminal Manager/ Dy. Terminal Manager/Asst. Terminal Manager/ Regional Security Co-ordination/Asst. Regional Security Co-ordinator/Officiating Regional Security Co-ordinator/Asst. Executive Corporate Intelligence/ Asst. Executive Security/Asst. Executive Finance/Asst. Executive Commercial/Asst. Officer – MMD/Ch. Operator/Executive Co-ordinator/Executive Quality Compliance & Trainings/ Executive Security/Executive Cargo/Executive Cargo Operation/Executive Civil/Executive Commercial functions/trainings/Executive Corporate Intelligence/Executive – IR/HR/Personnel/Executive Pax Handling/Executive Ramp/Executive – Ramp/Maintenance/Executive –SESF& HAJ Charters/Executive-IR/Executive Airport and Cargo operations/Executive HAL-AIASL-JWG/Executive Service Delivery/Executive Time Office Attendance& Management/Ramp Operator/Sr. Executive Ground Handling/Sr. Operator/Asst. Executive Vigilance/Executive MMD/Officer Personnel/Manager – Ramp /Maintenance/Dy. Manager Ramp /Maintenance/Duty Manager/ Duty Officer/Officiating Duty Manager/ Officiating Duty Officer	232
Sr. Ch. Aircraft Equipment Operator, Ch, Aircraft Equipment Operator, Sr. Aircraft Equipment Operator, Aircraft Equipment Operator, Jr. Aircraft Equipment Operator	119
Sr. Driver, Apron Supervisor, Sr. Chief Assistant, Sr. Lead Assistant Sr. Assistant, Chief Assistant, Asst.I, Asst. II	426
Officer HR/Officer Accounts/Officer – HR/IR/Officer –IT/Officer – QMS/Officer–SMS/Officer Security/Officiating Officer Finance	33



Manager-Finance/ Officiating Finance Manager/ Manager- HR/ Officiating Manager-IT/Manager – QMS /Manager – SMS/Manager Service Assurance/Manager Technical	17
Asst. Manager – Technical/Jr. Officer – Technical/Dy. Manager Technical	168
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	846
Customer Agent/ Para Medical Agent cum Cabin Services Agent/Asst Accounts/Assistant –HR	3824
Jr. Customer Agent	1006
Sr. Customer Agent/Sr. Asst Accounts/Sr. Assistant HR	498
RSA/RSA-I/RSA(LG)	333
Sr. RSA/Sr.RSA-I	137
Security Agent	12
Utility Agent	395
Utility Agent Cum Ramp Driver	1488
Handy Man/Safai Kamgar/Semi Skilled	8772
Utility Service Agent	25
Total	18448

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, 2024

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
18448	4153	22.51	820	4.44	3545	23.55

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 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; 1
- Number of complaints disposed of during the year; 1
- Number of cases pending for more than ninety days; None
- 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 2023-24, 31 RTI Requests and 04 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.

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.

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 2023-24 was Rs.213.48 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 2024, and the date of the Board's Report affecting the financial position of the Company.

MANAGEMENT

DIRECTORS

During the Financial Year 2023-24, 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 Satyendra Kumar Mishra	Director (Elected as Chairman w.e.f. 01-03-2023 till 01-01-2024)	02-02-2017	01-01-2024	Nomination withdrawn by the Appointing Authority
2.	***Shri Asangba Chuba Ao	Director (Elected as Chairman w.e.f. 01-01-2024)	01-01-2024	-	-
3.	*Smt. Parama Sen	Woman Director	11-02-2022	12-12-2023	Nomination withdrawn by the Appointing Authority
4.	*Shri Rahul Jain	Director	12-12-2023	14-05-2024	Nomination withdrawn by the Appointing Authority
5.	Smt. Nayonika Dutta	Woman Director	12-02-2024	--	-

*In pursuance of the Office Memorandum (OM) issued by the Ministry of Civil Aviation (MoCA) vide file No. 17046/56/2019-AI dated 12-12-2023, Shri Rahul Jain, Joint Secretary (JS), DIPAM, has been nominated on the Board of AIASL vice Smt. Parama Sen w.e.f. 12-12-2023. In view of this, the following changes took place on the Board of AIASL:

Smt. Parama Sen ceased as Nominee Director from the Board of AIASL w.e.f. 12-12-2023 and Shri Rahul Jain appointed as the Nominee Director on the Board of AIASL w.e.f. 12-12-2023.

**Further, in terms of the Office Memorandum (OM) issued by the MoCA vide file No. 17046/56/2019-AI dated 02-02-2024, Shri Asangba Chuba Ao, Joint Secretary (JS), MoCA, has been nominated on the Board of AIASL vice Shri Satyendra Kumar Mishra w.e.f. 01-01-2024. In view of this, the following changes took place on the Board of AIASL:

Shri Satyendra Kumar Mishra ceased as Nominee Director and Chairman from the Board of AIASL w.e.f. 01-01-2024. Further, AIASL Board vide its Resolution by circulation having Ref. No. APP 60 dated 05-02-2024 had nominated and elected Shri Asangba Chuba Ao, as the Chairman on the Board of AIASL w.e.f. 01-01-2024 and passed the requisite resolution on 05-02-2024 till any further instruction from the MoCA/Holding Company.

***Thereafter, in terms 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.

The Board placed on record its appreciation for the valuable services rendered by Shri Satyendra Kumar Mishra as Chairman, Smt. Parama Sen and Shri Rahul Jain 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	Mode 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	-	-

MEETINGS OF THE BOARD OF DIRECTORS

As required under Section 173 of the Companies Act, 2013, a total of 6 Board Meetings were held during the FY 2023-24, out of which four Board Meetings were held through video-conferencing and two Board Meetings were held physically. 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 2023-24 are as under:

Sr. No.	Date of Meeting	Board Strength	No. of Directors Present
1	26 th June, 2023	3	3
2	19 th July 2023	3	2
3	15 th September, 2023	3	2
4	03 rd November, 2023	3	3
5	16 th February, 2024	4	4
6	22 nd March, 2024	4	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, 2024, 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 Asangba Chuba Ao Chairman & Managing Director-AIAHL, Jt. Secretary -MoCA	Member
3.	Shri. Rahul Jain, Jt.Secretary, DIPAM	Member

The Board has accepted the recommendations of the Audit Committee.

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 2024, the CSR Committee comprises of:

Sr. No	Particulars of Director	Position Held in the Committee
1.	Shri Asangba Chuba Ao Chairman & Managing Director-AIAHL, Jt. Secretary -MoCA	Chairman
2.	Shri Padam Lal Negi Jt. Secretary & Financial Advisor, MoCA	Member
3.	Shri Rahul Jain Jt. Secretary, DIPAM	Member

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. 2023-24 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 2024 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 2023-24 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 07-03-2025 of the Comptroller and Auditor General of India under Section 143 (6) (b) of the Companies Act, 2013 on the accounts of the Company for the year ended 31st March 2024, are attached to this Report.

SECRETARIAL AUDITOR

The Board had appointed M/s Amit Agarwal & Associates, Company Secretaries, Delhi as Secretarial Auditor to conduct the Secretarial Audit of the Company for FY 2023-24. The Secretarial Audit Report given by the Secretarial Auditor and management replies/comments thereon 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 2023-24, by the Board at its 100th Meeting held on 15th September 2023.

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 2023-24, the Cost Audit Report for FY 2022-23 was filed with the Ministry of Corporate Affairs on 07th October 2023.

INTERNAL AUDITOR

M/s Diwan Kunwariya & Co. Chartered Accountants, had been appointed by the Board of Directors to conduct the Internal Audit of the Company for FY 2023-24.

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 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.

(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 26.07
Outgo	USD 1.81

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 any of the three immediately preceding financial years. As per the CSR provisions stipulated under the Companies Act, 2013, AIASL was not required to spend any fresh CSR Contributions during FY 2023-24. However, during the FY 2023-24, AIASL utilized its unutilized unspent CSR funds (unspent amount/funds accumulated from previous years i.e. until FY 2019-20) amounting to Rs. 6,25,07,941.86/- [5,38,90,383 + 8,617,558.86 (Interest)], in the manner as approved by the Board in their meetings held from time to time and finally in the 103rd Board Meeting dated 22.03.2024 and the same has been certified by Chief Financial Officer of AIASL (**Certification of CFO on CSR funds utilization enclosed as Annexure -IIA**).

Annual Report on CSR Activities for the F.Y 2023-24 is enclosed as **Annexure-II**.

SECRETARIAL STANDARDS

During F.Y 2023-24, 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, 2024 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 2023-24.

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 approval of the Board in its 99th Board Meeting held on 19th July, 2023 for entering into contracts/arrangements with AI Assets Holding Limited and other subsidiary companies (Government Companies) for an estimated amount of approximately Rs.56.77 Crores during 2023-24. The details of Related Party Transactions in form AOC-2 are attached at **Annexure-III**. 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 AI Assets Holding Limited, the Ministry of Civil Aviation, the Airport Authority of India, and the Bureau of Civil Aviation Security. 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

**Sd/-
Asangba Chuba Ao
Chairman**

**Place: New Delhi
Date : 03-01-2025**



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MANAGEMENT DISCUSSION & ANALYSIS REPORT

1. ANALYSIS OF FINANCIAL PERFORMANCE

Revenue

Total revenue earned during the year was Rs. 8,759.78 million as against restated Rs.9,322.98 million during 2022-23.

Expenditure

The total expenditure incurred during the year was Rs.7,988.73 million as compared to the restated previous year's figure of Rs.8,350.01 million

2. INDUSTRY STRUCTURE AND DEVELOPMENT

India has become the third-largest domestic aviation market in the world and is expected to overtake the UK to become the third-largest air passenger market. Indian aviation also contributed significantly to the GDP, creating millions of jobs. India is expected to overtake China and the United States as the world's third-largest air passenger market in the next ten years. The Aviation industry's fastest growth is being propelled by the development of airports across multiple city tiers; a liberalized FDI policy; increasing adoption of information technology and a strong focus on regional connectivity.

India's civil aviation industry has soared to new heights, cementing its position as one of the world's most lucrative markets. In FY24, domestic passenger traffic reached 306.79 million, marking a 13.5% YoY growth, while international traffic surged to 69.64 million, reflecting a robust 22.3% YoY increase. This impressive growth underscores the sector's resilience and its pivotal role in shaping India's global connectivity. As the industry continues to evolve, its potential for further expansion remains boundless.

The Government's ambitious target to operationalize 1,000 UDAN routes and revive or develop 100 unserved and underserved airports, heliports, and water aerodromes by 2024 marks a significant leap in regional connectivity. Under the RCS-UDAN scheme, two water aerodromes have already commenced operations, showcasing a commitment to linking remote and inaccessible areas with the mainstream aviation network. This initiative not only boosts economic growth in hinterlands but also underscores India's drive toward inclusive infrastructure development.

OVERVIEW- GROUND HANDLING

The India ground handling services market is consolidating with a large number of GHA's being appointed at most of the Airports by the Airport Operators, and competing in the market. AI Airport Services Limited is the leading player in terms of spread, handling, and revenue in the India ground handling services market. Air India SATS Airport Services, Bird Worldwide Flight Services, Celebi NAS Airport Services Private Limited, and Indo-Thai Airport Management Services are the other leading GHA's.

The ground handling services market in India is expected to grow at a positive double digit CAGR during FY'2019 - FY'2026. Increase in the level of implementation of favorable government schemes in the ground handling and aviation sector will be the major contributor to this growth. Future catalysts will be the entry of new domestic and foreign players in the airport ground handling services market with airlines increasing their fleet sizes and completion of construction of new airports.

The future of ground handling services in India is set for significant growth, driven by the surge in air passenger and freight traffic. The expansion of airline fleets, coupled with the rise of new carriers like Akasa Air and major players like Air India and Indigo, is fueling the demand for enhanced ground services.

Additionally, the modernization and expansion of airport terminals will further bolster the sector's growth. With over 1,250 aircraft orders placed by Indian carriers, the ground-handling services market is poised for a robust transformation. This upward trajectory promises a more dynamic and efficient aviation ecosystem in India.

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 expertise and experience of more than five decades considering its evolution from Air India.
- AIASL has a mixed strength of experienced employees transferred from Air India and young direct recruits from the market.
- AIASL has around 150 qualified engineers (BE / BTech) from reputed institutes of India.
- AIASL has initiated steps to become an IATA Ground Handling partner, 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
- Demonstrating resilience, AIASL successfully took over ground handling at various airports within short timeframes due to the cessation of non-entity ground handlers in 2021, maintaining operations with minimal complaints.
- AIASL rose to the occasion twice when non-entity GHAs exited (1st Jan 2021 & 15th July 2021) and is successfully handling all flights with minimum complaints.
- AIASL, as exclusive rights, handled the Wings India 2024 event with New aircraft on display by various Aircraft manufacturers (including Boeing B777X) at Begumpet Airports with the latest state-of-the-art GSE
- 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 has been instrumental in the transportation of PPE kits, life-saving drugs & vaccines during the COVID Pandemic in India, thereby contributing significantly to the India's infrastructure.
- AIASL's warehouses in Chennai and Mumbai are certified for RA, RA3 UK, and RA3 EU compliance, ensuring adherence to global standards for cargo handling



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.
- The average age of GSE in use is 15.2 years, significantly lagging behind private competitors with newer, more efficient equipment. The lack of modernized GSE affects service quality and the ability to compete effectively.
- Reliance on Air India for IT infrastructure, land, space, and regulatory training limits operational independence and adds layers of complexity to resource management.
- 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.
- Outstanding Regional Labour Commissioner (RLC) and other legal cases create operational and financial uncertainties, diverting resources that could otherwise be used for strategic growth.

OPPORTUNITIES

- AIASL has significant potential to tap into business opportunities in cargo warehouse handling at airports across India, excluding existing operations in Mumbai (BOM) and Chennai (MAA).
- Obtaining RA (Regulated Agent) compliance for the Mumbai Cargo Warehouse is underway, which will open doors for further business expansion and partnerships.
- AIASL is poised to manage all Indian Air Force (IAF) flights, including those operated by the Defence Research and Development Organisation (DRDO), across India.
- The exclusive opportunity to handle B777 and BBJ flights of IAF at 20 defense airfields, leveraging Ground Support Equipment (GSE) provided by IAF, enhances AIASL's positioning in defense aviation support.
- AIASL has the potential to evolve into a certified IATA/DGCA-accredited training institute, catering to the growing demand for specialized aviation training.
- The training division of AIASL can be a profit-earning unit by conducting the training of other agencies.
- AIASL can further expand its non-scheduled operation (NSOP) business at Pan India Level.
- With the Government planning to operationalize more and more commercial airports from the existing airstrips, 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.



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.
- Managing the ambitious goal of increasing the workforce to 20,000+ employees while ensuring operational efficiency and profitability.
- Periodic disruptions caused by unorganized unions, impacting smooth operations and employee morale.

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 at 31 Airports AIASL is setting as per the development of business) 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 has initiated the process to comply with and obtain the ISAGO (IATA Safety Audit for Ground Operations) certification, ensuring adherence to global safety and operational standards.
- AIASL has successfully taken over the Cargo Warehousing custodianship at Chennai (MAA) from Air India, contributing to enhanced revenue generation opportunities.
- AIASL has attained RA, RA3 EU, and RA3 UK certifications for its Chennai Cargo Warehouse. Additionally, the Mumbai Cargo Warehouse has achieved RA3 UK and RA3 EU certifications. The RA inspection for Mumbai has been concluded, and the certificate is awaited. 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 in the process of establishing offices at major airports across India to solidify its position in the ground handling market and expand its customer base.
- AIASL is committed to meeting the service level agreement requirements for its client airlines, ensuring consistent and high-quality service delivery.
- The Ground Handling Operations Transformation Conclave aims to align AIASL's services with the evolving needs of client airlines, enhancing operational efficiency, and ensuring world-class service standards.
- The introduction of uniforms for AIASL employees is a significant step toward fostering professional grooming and excellence, promoting discipline, unity, and a cohesive identity across the organization.
- 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 exploring opportunities to expand its ground handling services, including technical assistance and line maintenance, to better serve its client airlines.
- 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.
- The organization is evaluating the implementation of a payment gateway for non-scheduled airline operators, integrated within its new ERP system.
- AIASL is optimizing its workshops located at major base stations (BOM, MAA, CCU, COK, GOI, PNQ, ATQ), leveraging its skilled workforce to reduce maintenance costs.
- AIASL is planning the phased replacement of its aging Ground Handling Equipment, in alignment with board-approved CAPEX plans.
- AIASL is committed to supporting the government's drive for an eco-friendly environment at airports, in line with board approvals.
- AIASL is in the process of acquiring the Air India Unity Complex at Chennai Airport from AIAHL using internal revenues.

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.771.05 million.

6. HUMAN RESOURCES

Staff Strength

The number of staff inducted under various categories as on 31 March 2024 was 18448.

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 & Co, 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 2023-24.

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 any of the three immediately preceding financial years. As per the CSR provisions stipulated in the Companies Act, 2013, AIASL was not required to spend any fresh CSR Contributions during FY 2023-24. However, during the FY 2023-24, AIASL utilized its unutilized unspent CSR funds (unspent amount/funds of previous years i.e. until FY 2019-20) amounting to Rs. 6,25,07,941.86/- [5,38,90,383 + 8,617,558.86 (Interest)], in the manner as approved by the Board in their meetings held from time to time and finally in the 103rd Board Meeting dated 22.03.2024 and same has been certified by Chief Financial Officer of AIASL (**Certification of CFO on CSR funds utilization enclosed as Annexure -IIA**).

Annual Report on CSR Activities for the F.Y 2023-24 is enclosed as **Annexure-II**.

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.

Place: New Delhi
Date : 03-01-2025

For & on behalf of the Board
Sd/-
Asangba Chuba Ao
Chairman

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 31-03-2024 is given below:

Board Of Directors as on 31st March, 2024

S. No.	Name of Director	Designation
1.	Shri Asangba Chuba Ao Chairman & Managing Director (CMD), AI Assets Holding Limited and Jt. Secretary (JS), Ministry of Civil Aviation	Chairman & Nominee Director
2.	Shri Padam Lal Negi Jt. Secretary & Financial Adviser (JS&FA), Ministry of Civil Aviation	Nominee Director
3.	Shri Rahul Jain Joint Secretary, Department of Investment and Public Assets Management (DIPAM)	Nominee Director
4.	Smt. Nayonika Dutta Joint Director, Ministry of Civil Aviation	Nominee Director (Woman Director)

In pursuance of the Office Memorandum (OM) issued by the Ministry of Civil Aviation (MoCA) vide file No. 17046/56/2019-AI dated 12-12-2023, Shri Rahul Jain, Joint Secretary (JS), DIPAM, has been nominated on the Board of AIASL vice Smt. Parama Sen w.e.f. 12-12-2023. In view of this, the following changes took place on the Board of AIASL:

Smt. Parama Sen ceased as Nominee Director from the Board of AIASL w.e.f. 12-12-2023 and Shri Rahul Jain appointed as the Nominee Director on the Board of AIASL w.e.f. 12-12-2023.

Further, in terms of the Office Memorandum (OM) issued by the MoCA vide file No. 17046/56/2019-AI dated 02-02-2024, Shri Asangba Chuba Ao, Joint Secretary (JS), MoCA, has been nominated on the Board of AIASL vice Shri Satyendra Kumar Mishra w.e.f. 01-01-2024. In view of this, the following changes took place on the Board of AIASL:

Shri Satyendra Kumar Mishra ceased as Nominee Director and Chairman from the Board of AIASL w.e.f. 01-01-2024. Further, AIASL Board vide its Resolution by circulation having Ref. No. APP 60 dated 05-02-2024 had nominated and elected Shri Asangba Chuba Ao, as the Chairman on the Board of AIASL w.e.f. 01-01-2024 and passed the requisite resolution on 05-02-2024 till any further instruction from the MoCA/Holding Company.

Further, in pursuance of the Office Memorandum (OM) issued by the MoCA vide file No. 17046/56/2019-AI dated 08.02.2024 issued by MoCA regarding the constitution of the Board of subsidiaries of AIAHL inter alia AIASL, considering the requirement of one-woman director in the Board of every company as per Companies Act and to ensure that quorum is available for the functioning of the Board, the Boards of Subsidiaries of AIAHL are reconstituted and the below change took place on the Board of AIASL:

Smt. Nayonika Dutta, Joint Director, MoCA had been appointed as Nominee Director on the Board of AIASL from the date she obtains Director Identification Number i.e. 12.02.2024.

Thereafter, in terms 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.

The Board placed on record its appreciation for the valuable services rendered by Shri Satyendra Kumar Mishra as Chairman, Smt. Parama Sen and Shri Rahul Jain as Nominee Directors on the Board and Board Level Committees of the Company during their tenure.

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

BOARD MEETINGS

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

26th June, 2023	(98th Meeting)
19th July 2023	(99th Meeting)
15th September, 2023	(100th Meeting)
03rd November, 2023	(101st Meeting)
16th February, 2024	(102nd Meeting)
22nd March, 2024	(103rd Meeting)



Particulars of Directors including their attendance at the Board / Shareholders' Meetings during the financial year 2023-24:

Name of the Director	Academic Qualifications	Attendance out of 6 Board Meetings held during the year	Details of Directorships held in other Companies	Memberships held in Committees
Shri S. K. Mishra Jt. Secretary, Ministry of Civil Aviation - Nominee Director (From 02.02.2017 to 01.01.2024)	M.Tech (Applied Geology) M.A. (Public Policy), IRS (IT:1990)	4 (Eligible to attend 4 meetings only)	<p><u>Chairman & Managing Director</u> AI Assets Holding Limited w.e.f 01.03.2023</p> <p><u>Chairman</u> AI Airport Services Limited w.e.f 01.03.2023, AI Engineering Services Limited w.e.f 01.03.2023, Hotel Corporation of India Limited w.e.f 01.03.2023 & Alliance Air Aviation Limited w.e.f 01.03.2023</p> <p><u>Director</u> AI Airport Services Limited w.e.f. 02.02.2017, AI Engineering Services Limited w.e.f. 02.02.2017, AI Assets Holding Limited w.e.f 22.01.2018</p>	<p><u>AI Airport Services Limited</u> <u>Chairman</u> Corporate Social Responsibility Committee</p> <p><u>Member</u> Audit Committee *CSR Committee (*Shri. S.K Mishra was the member of CSR Committee before 14.03.2023)</p> <p><u>AI Engineers Services Limited</u> <u>Chairman</u> Corporate Social Responsibility Committee</p> <p><u>Member</u> Audit Committee</p> <p><u>Alliance Air Aviation Limited</u> <u>Chairman</u> HR Committee Flight Safety Committee</p> <p><u>Member</u> Audit Committee</p>



				<u>AI Assets Holding Limited</u> <u>Chairman</u> Nomination & Remuneration Committee <u>Member</u> Audit Committee
Smt. Parama Sen, Additional Secretary, DIPAM (From 11 th February 2022 to 12 th December 2023)	MSC Physics, IA&AS (1994)	2 (Eligible to attend 4 meetings only)	<u>Director</u> AI Airport Services Limited, AI Engineering Services Limited, AI Assets Holding Limited & National Financial Holdings Limited	<u>AI Airport Services Limited</u> <u>Member</u> Audit Committee CSR Committee <u>AI Engineering Services Limited</u> <u>Member</u> Audit Committee CSR Committee <u>AI Assets Holding Limited</u> <u>Member</u> Nomination and Remuneration Committee
Shri Padam Lal Negi (From 18 th January 2023)	IDAS 1992	6	<u>Director</u> 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)	<u>AI Airport Services Limited</u> <u>Chairman</u> Audit Committee <u>Member</u> CSR Committee <u>AI Engineering Services Limited,</u> <u>Chairman</u> Audit Committee <u>Member</u> CSR Committee <u>AI Assets Holding Limited</u> <u>Chairman</u> Audit Committee



Shri Rahul Jain (From 12 th December 2023 to 14 th May 2024)	CA, M.Com, IAS	2 (Eligible to attend 2 meetings only)	<u>Director</u> AI Airport Services Limited, AI Engineering Services Limited, AI Assets Holding Limited, ITC Limited & National Financial Holdings Company Limited	<u>AI Airport Services Limited Member</u> Audit Committee CSR Committee <u>AI Engineering Services Limited Member</u> Audit Committee CSR Committee <u>AI Assets Holding Limited Member</u> Nomination & Remuneration Committee; Stakeholders Relationship Committee <u>National Financial Holdings Company Limited Member</u> Body of persons acting as Administrator /Board of Advisors
Shri Asangba Chuba Ao (From 1 st January 2024)	MA (Eng Litt.) & M A (Pub. Adm), IAS	2 (Eligible to attend 2 meetings only)	<u>Chairman& Managing Director</u> AI Assets Holding Limited w.e.f 01.01.2024	<u>AI Airport Services Limited Chairman</u> Corporate Social Responsibility Committee



			<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>Member</u> Audit Committee</p> <p><u>AI Engineering Services Limited</u> <u>Chairman</u> Corporate Social Responsibility Committee</p> <p><u>Member</u> Audit Committee</p> <p><u>Alliance Air Aviation Limited</u> <u>Chairman</u> Audit Committee</p> <p><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> <p><u>Pawan Hans Limited</u> <u>Member</u> Nomination & Remuneration Committee</p>
Smt. Nayanika Dutta (From 12 th February 2024)	Master's Degree in Economics	2 (Eligible to attend 2 meetings)	<p><u>Director</u> AI Airport Services Limited, AI Engineering Services Limited, Alliance Air Aviation Limited</p>	NIL

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 with the 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 31 March 2024, 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 Asangba Chuba Ao, CMD, AIAHL & JS, MoCA	Member
Shri Rahul Jain JS, DIPAM	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 Six 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:

26th June, 2023	(38th Meeting)
19th July, 2023	(39th Meeting)
15th September, 2023	(40th Meeting)
03rd November, 2023	(41st Meeting)
16th February, 2024	(42nd Meeting)
22nd March, 2024	(43rd 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 2024, the CSR Committee comprises of:

Particulars of Director	Position held in the Committee
Shri Asangba Chuba Ao CMD, AIAHL & JS, MoCA	Chairman
Shri Padam Lal Negi JS&FA, MOCA	Member
Shri Rahul Jain JS, DIPAM	Member

Meetings of the CSR Committee

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

26th June, 2023	(18th Meeting)
15th September, 2023	(19th Meeting)
16th February, 2024	(20th Meeting)
22nd March, 2024	(21st Meeting)

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

AGM/EGM Number	Date and time of the Meeting	Venue	Special Business
18 th AGM	30 th November 2021 at 1130 hrs	2nd Floor, GSD Building, Air India Complex, Terminal-2, IGI Airport, New Delhi-110037	Yes
18 th AGM (Adjourned)	14 th December 2021 at 1100 hrs	2nd Floor, GSD Building, Air India Complex, Terminal-2, IGI Airport, New Delhi-110037	No
3 rd EGM	14 th day of January, 2022	2nd Floor, GSD Building, Air India Complex, Terminal-2, IGI Airport, New Delhi-110037	Yes
19 th AGM	30 th December 2022 at 1130 hrs	2nd Floor, GSD Building, Air India Complex, Terminal-2, IGI Airport, New Delhi-110037	Yes
20 th AGM	12 th December 2023 at 1200 hrs	2nd Floor, GSD Building, Air India Complex, Terminal-2, IGI Airport, New Delhi-110037	Yes

- 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 and 2023-24 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 and forms part of this report.

For & on behalf of the Board

**Sd/-
Asangba Chuba Ao
Chairman**

**Place: New Delhi
Date : 03-01-2025**



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, 2024.

Place: Delhi
Date: 03-01-2025

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

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 2023-2024 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 indicate to the Auditors:

a) Significant changes in internal control over financial reporting during the year;

b) Significant changes in accounting policies during the year;

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 2024.

For AI Airport Services Limited

Sd/-

Sandeep Malhotra
Chief Financial Officer
PAN: AFWPM3559B

Sd/-

Rambabu Ch.
Chief Executive Officer
PAN: AGVPC9371P

Date: 03-01-2025

Place: New Delhi

AI AIRPORT SERVICES LIMITED (FORMERLY KNOWN AS AIR
INDIA AIR TRANSPORT 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).]

- ix. Rural development projects; and
- x. 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.

AI AIRPORT SERVICES LIMITED
(FORMERLY KNOWN AS AIR INDIA AIR TRANSPORT SERVICES LIMITED)

Annual Report on CSR
Financial Year 2023-24

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 S.K Mishra	Chairman (Ceased to be Chairman w.e.f 01.01.2024)	4	2 (Eligible to attend 2 meetings only)
2.	*Shri Asangba Chuba Ao	Chairman (Chairman w.e.f 01.01.2024)	4	2 (Eligible to attend 2 meetings only)
3.	Smt. Parama Sen	Member (Member from 11.02.2022 to 12.12.2023)	4	0 (Eligible to attend 2 meetings only)
4.	Shri Rahul Jain	Member (Member from 12.12.2023)	4	2 (Eligible to attend 2 meetings only)
5.	Shri. Padam Lal Negi	Member	4	4

* In pursuance of the OM dated 02.02.2024 issued by the MoCA, the CSR Committee of AIASL was reconstituted by the AIASL Board on 5th February 2024 by passing a Circular Resolution bearing No.60, in compliance with the provisions of Section 135 of the Companies Act, 2013, the Rules made thereunder and the guidelines formulated by the Department of Public Enterprises, whereby Shri Satyendra Kumar Mishra ceased as Nominee Director and Chairman on the Board of AIASL and Shri Asangba Chuba Ao, CMD-AIAHL & Joint Secretary, MoCA, had been appointed as Nominee Director on the Board of AIASL w.e.f. 01.01.2024; in addition he has become the Chairman of the CSR Committee w.e.f. 01.01.2024.

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): Nil

7. (a) Two percent of the average net profit of the company as per section 135(5): Nil

(b) Surplus arising out of the CSR projects or programs or activities of the previous financial years: Rs.86,17,558.86/- (Interest earned on Rs.5,38,90,383/- (unspent CSR fund of previous years i.e. until FY 2019-20) by keeping the said unspent CSR funds in FDs till 28.03.2024).

(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.86,17,558.86/-

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

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	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) This is an exceptional case, where during the FY 2020-21 AIASL transferred its unspent CSR fund (accumulated CSR funds of previous years i.e. until FY 2019-20) amounting to Rs.5,38,90,383/- towards Indira Gandhi Rashtriya Uran Academy (IGRUA) for providing scholarships for obtaining Commercial Pilot Training to Economical Weaker Section of Society. During FY 2021-22, no progress was noted in the said ongoing project due to the advent of COVID and other unavoidable reasons. Consequently, during FY 2022-23, the said project was amended/modified in the Board Meeting held on 02.08.2022 based on IGRUA's request. According to the amended project, IGRUA was required to utilize the said CSR funds for the procurement of trainer aircraft, and in lieu of this IGRUA shall extend free-of-cost CPL training to 7 candidates from economically weaker sections of society.

Further, after completing FY 2022-2023, the CSR funds were still lying unutilized with IGRUA. On the backdrop of unutilized money lying in IGRUA Account in the form of FD, AIASL opened an Unspent CSR Account and transferred the CSR unutilized funds (with a surplus) amounting to Rs.5,96,68,779/- (Rs.5,38,90,383+ Rs.57,78,396) from IGRUA Account to Unspent CSR Account of AIASL on 29.04.2023.

(2) Further, as intimated by IGRUA, they could not procure the trainer aircraft since only one bidder participated in the bid which necessitated approval from the Ministry of Civil Aviation, IFD section and so much so the aircraft manufacturer who participated in the bid recently faced numerous issues, resulting casualty. However, IGRUA started imparting Pilot training from August 2023 onwards to 7 no. of EWS candidates selected by IGRUA and brought forward the sensitive issue that if these candidates are not continued to provide training, then it may become a national issue.

(3) The matter was put up before the CSR and Board Meeting and accordingly the Board in its 103rd Board Meeting dated 22nd March, 2024 given the following directions:

(i) To modify once again the current ongoing Project from "Procuring Trainer Aircraft using AIASL CSR Fund (in lieu of which IGRUA was required to impart free of cost training to 7 EWS candidates using IGRUA's internal fund) to its original/amended request of "absorbing the total cost for the completion of Commercial Pilot Training (CPL) and type rating training for 7 EWS Candidates" and enabling IGRUA continue to impart free of Cost complete Pilot training (including type rating, boarding & lodging, etc.,) i.e. by delinking the procurement of trainer aircraft.

(ii) To transfer the complete cost of Pilot training (including type rating, boarding & lodging expense, etc.) for 7 EWS candidates amounting to. Rs.5,93,28,500/- to IGRUA on or before 31.03.2024.

(iii) To transfer the remaining balance amount out of the fixed deposit proceeds (about Rs.29/- Lacs plus any other receipts/refund of the amount from the Bank, if any,) to the Prime Minister's National Relief Fund on or before 30.04.2024.

(4) In view of the directions given by the Board the following actions were taken:

(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 IGRUA on 28.03.2024.

(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 against ongoing projects for the financial year :

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		project duration.	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.	District.						Name	CSR registration number.

*(1) This is an exceptional case, where during the FY 2020-21 AIASL transferred its unspent CSR fund (accumulated CSR funds of previous years i.e. until FY 2019-20) amounting to Rs.5,38,90,383/- towards Indira Gandhi Rashtriya Uran Academy (IGRUA) for providing scholarships for obtaining Commercial Pilot Training to Economical Weaker Section of Society. During FY 2021-22, no progress was noted in the said ongoing project due to the advent of COVID and other unavoidable reasons. Consequently, during FY 2022-23, the said project was amended/modified in the Board Meeting held on 02.08.2022 based on IGRUA's request. According to the amended project, IGRUA was required to utilize the said CSR funds for the procurement of trainer aircraft, and in lieu of this IGRUA shall extend free-of-cost CPL training to 7 candidates from economically weaker sections of society. Further, after completing FY 2022-2023, the CSR funds were still lying unutilized with IGRUA. On the backdrop of unutilized money lying in IGRUA Account in the form of FD, AIASL opened an Unspent CSR Account and transferred the CSR unutilized funds (with a surplus) amounting to Rs.5,96,68,779/- (Rs.5,38,90,383+ Rs.57,78,396) from IGRUA Account to Unspent CSR Account of AIASL on 29.04.2023.

(2) Further, as intimated by IGRUA, they could not procure the trainer aircraft since only one bidder participated in the bid which necessitated approval from the Ministry of Civil Aviation, IFD section and so much so the aircraft manufacturer who participated in the bid recently faced numerous issues, resulting casualty. However, IGRUA started imparting Pilot training from August 2023 onwards to 7 no of EWS candidates selected by IGRUA and brought forward the sensitive issue that if these candidates are not continued to provide training, then it may become a national issue.

(3) The matter was put up before the CSR and Board Meeting and accordingly the Board in its 103rd Board Meeting dated 22nd March 2024 given the following directions:

(i) To modify once again the current ongoing Project from "Procuring Trainer Aircraft using AIASL CSR Fund (in lieu of which IGRUA was required to impart free of cost training to 7 EWS candidates using IGRUA's internal fund) to its original/amended request of "absorbing the total cost for the completion of Commercial Pilot Training (CPL) and type rating training for 7 EWS Candidates" and enabling IGRUA continue to impart free of Cost complete Pilot training (including type rating, boarding & lodging, etc.) i.e. by delinking the procurement of trainer aircraft.

(ii) To transfer the complete cost of Pilot training (including type rating, boarding & lodging expense, etc.) for 7 EWS candidates amounting to. Rs.5, 93, 28,500/- to IGRUA on or before 31.03.2024.



(iii) To transfer the remaining balance amount out of the fixed deposit proceeds (about Rs.29/- Lacs plus any other receipts/refund of the amount from the Bank, if any,) to the Prime Minister's National Relief Fund on or before 30.04.2024.

(4) In view of the directions given by the Board the following actions were taken:

(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 IGRUA on 28.03.2024.

(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

(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 Registrati on number.
1	-	-	-	-	-	-	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): 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.

(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)	-
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the financial year[(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programs or Activities of the previous financial years, if any	Rs.86,17,558.86/-
(v)	Amount available for setoff in succeeding financial years [(iii)-(iv)]	-



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 section 135 (6) (in Rs.)	Amount spent in the Reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 13 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	2020-21	*Nil	-				5,38,90,383
2	2021-22	*Nil	-				5,96,68,779 (5,38,90,383 +5778396)
3	2022-23	*Nil	31,79,441.86	Prime Minister's National Relief Fund	31,79,441.86	28.03.2024	-

***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):

(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.
1.		Imparting Free of Cost Pilot Training to EWS candidate by IGRUA	2020-21	3 years +1 year (year of Commencement of Project)	5,38,90,383	5,93,28,500	5,93,28,500	Completed
	TOTAL				5,38,90,383	5,93,28,500	5,93,28,500	



***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.

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):

As per the CSR provisions stipulated in the Companies Act, 2013, AIASL was not required to spend any fresh CSR Contributions during FY 2023-24.

For AI Airport Services Limited

Sd/-

Asangba Chuba Ao
Chairman of CSR Committee

Sd/-

Rambabu Ch.
Chief Executive Officer

Sd/-

Sandeep Malhotra
Chief Financial Officer

Annex IIA

CFO Certificate under Companies CSR Rules

Date: 04th June, 2024

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,

1. 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 allocated for the Ongoing AIASL-IGRUA CSR Project has been disbursed as advance fees for training of 7 EWS candidates in line with approval of Board in compliance with the applicable regulations and guidelines as prescribed 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.
2. An amount of Rs.5,93,28,500/-[Rs.5,38,90,383+ Rs.54,38,117 (interest)], representing the complete cost of Pilot training, including type rating, boarding & lodging expenses, etc., for the 7 EWS candidates, was transferred to IGRUA on 28.03.2024, as per the revised project scope as approved by Board in meeting dated 22.03.2024 and IGRUA has been directed to provide AIASL the quarterly utilization certificate duly certified by a Practicing Chartered Accountant, duly certifying the utilization of our advance funds transferred to them in the prescribed manner as per the said project and in line with confirmation from IGRUA of utilization of said CSR funds vide letter ref IGRUA:DO:2024: dated 19th March, 2024 along with projected cost breakup for fund utilization as committed by IGRUA.
3. The remaining balance amount from the fixed deposit proceeds, amounting to Rs.31,79,441.86/-, was transferred to the Prime Minister's National Relief Fund on 28.03.2024, in accordance with the recommendations of the CSR Committee and the Board.
4. As per the Board decision, IGRUA being a Government established Flying Training Organisation (FTO) shall be responsible for completing the pilot training in all respect as per their curriculum and accordingly the complete advance fees has been transferred to IGRUA and accordingly AIASL has completed its CSR Project after transferring advance fees of complete pilot training to 7 EWS Candidates, who have already started their training, however the training tenure depend upon so many factors therefore ensuring the completion of training shall remain the responsibility of IGURA. In this respect an undertaking dated [19th March, 2024] has been received from IGRUA, confirming their responsibility to complete the pilot training in all respects as per their curriculum and in terms of projected cost breakup for fund utilization as committed by IGRUA.



5. Given above facts, I, hereby certify that the Unspent CSR funds amounting to Rs. 6,25,07,941.86/-(5,38,90,383 + 8,617,558.86 (Interest)), has been utilised in the manner as approved by the Board in their meetings held from time to time and finally in the meeting dated 22.03.2024:

S.No	Particular	Amount	Date of Transfer
1.	AIASL-CSR-IGRUA- Ongoing Project	Rs.5,93,28,500/- (Rs.5,38,90,383+ Rs.54,38,117* (interest)) *Interest (part) earned on Rs.5,38,90,383/- by keeping the fund in FDs by IGRUA and AIASL till 28.03.2024.	28.03.2024
2.	Transfer to Prime Minister's National Relief Fund (Remaining Unspent CSR Amount)	*Rs.31,79,441.86/- Interest (part) earned on Rs.5,38,90,383/- by keeping the fund in FDs by IGRUA and AIASL till 28.03.2024.	28.03.2024

Further, to ensure proper utilization of CSR funds in terms of Board Directions, IGRUA shall submit a quarterly certificate duly certified by a Chartered Accountant (CA), confirming the utilization of the advance fee transferred by AIASL for training the pilots in accordance with the IGRUA curriculum. This certification process will provide additional check.

Sd/-
Sandeep Malhotra
Chief Financial Officer

Annexure-III
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 March 31, 2024, 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 2023-24 were on an arm's length basis, in the ordinary course of business, which were duly approved by the 99th Board Meeting of the Company held on 19th July 2023. 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	01.04.2023-31.03.2024		
	Manpower services		Revenue	1.02
	Expenditure			
	Reimbursement of cost		Expenditure	5.63
	Interest on outstanding payable		Expenditure	39.07
Alliance Air Aviation Limited (AAAL) (subsidiary of AI Assets Holding Limited)*	Revenue from Operation	01.04.2023-31.03.2024		
	Ground handling revenue		Revenue	269.97
	Supply of manpower services		Revenue	0.25
	Interest on outstanding recoverable		Revenue	114.95
	Expenditure			
	SOD		Expenditure	4.42



AI Engineering Services Limited(subsidiary of AI Assets Holding Limited)*	Revenue from Operation	01.04.2023-31.03.2024		
	Manpower services/ cabin cleaning		Revenue	139
	Interest on outstanding recoverable		Revenue	2.02
	Expenditure			
	Provision for Head Set		Expenditure	34.53
Hotel Corporation of India Limited (Subsidiary of same of AI Assets Holding Limited)	Expenditure	01.04.2023-31.03.2024		
	Staff hotel expenses			5.68
	Festive expenses			0
	Event expenses			0

For & on behalf of the Board

Sd/-
Asangba Chuba Ao
Chairman

Place: New Delhi
Date : 03-01-2025

SECRETARIAL AUDIT REPORT

For The Financial Year Ended March 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
AI Airport Services Limited
(Formerly known as Air India Air Transport Services Limited)
2nd Floor, GSD Building, Air India Complex, Terminal-2,
IGI Airport, New Delhi-110037
CIN: U63090DL2003PLC120790

We report that:

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **AI Airport Services Limited** (Formerly known as Air India Air Transport Services Limited) (hereinafter referred as 'the Company')] having its registered office at 2nd Floor, GSD Building, Air India Complex, Terminal-2, IGI Airport, New Delhi-110037. 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.

Company's Responsibilities

The Company's Management and Board of Directors are responsible for the maintenance of secretarial record under the Companies Act, 2013 and compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards. Further the Company's management and the Board of Directors are also responsible for establishing and maintaining adequate systems and process, commensurate with the size and operations of the Company to identify, monitor and ensure compliances with the applicable laws, rules, regulations and guidelines.

Auditor's Responsibilities Statement

Our responsibility is only to examine and verify those compliances on a test basis and express an opinion on these secretarial records based on our audit.

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.

We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

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.

Limitations

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Secretarial Auditing Standards as prescribed by Institute of Company Secretaries of India (ICSI).

Further, we conducted the secretarial audit by examining the secretarial records including minutes, documents, registers, other records and returns related to the applicable laws on the Company etc. received via electronic means. The management has confirmed that the records submitted to us are the true and correct. We have also relied upon representation given by the management of the Company for certain areas which otherwise requires physical verification.

Basis of Opinion

We have followed the audit practices, secretarial auditing standards and processes as were applicable and appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification in some cases 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. We also believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Report on Secretarial Records and Compliances thereof

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2024 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 **AI Airport Services Limited [(Formerly known as Air India Air Transport Services Limited)]** for the financial year ended on March 31, 2024 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
Not Applicable
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) 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): **Not Applicable**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): **Not Applicable**



- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 [Not applicable to the company during the Audit Period];
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 [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, 2009 [Not applicable to the company during the Audit Period];
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 [Not applicable to the company during the Audit Period]; and (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) Other laws applicable specifically to the Company namely:

- a) The DPE Guidelines.
- b) The Competition Act, 2002.
- c) The Right to Information Act, 2005;
- d) Air Corporations Act, 1953
- e) Airports Authority of India Act, 1994

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to conducting board and general meetings.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards, etc. mentioned above subject to the following observation:

a. *As per DPE guidelines the Time gap between two board meetings is more than three months.*

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. 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.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit by other designated professional.

We further report that during the audit period there were no specific events / corporate actions in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Date : 10.08.2024

Place: New Delhi

**For Amit Agarwal & Associates
(Company Secretaries)**

**Sd/-
CS Amit Agrawal
Partner
CP No. 3647, MNo.5311
UDIN: F005311F000947703**

This report is to be read with my letter of even date which is annexed as an "**Annexure-A**" and forms an integral part of this report.

ANNEXURE- A

To,
The Members,
AI Airport Services Limited
(Formerly known as Air India Air Transport Services Limited)
2nd Floor, GSD Building, Air India Complex, Terminal-2,
IGI Airport, New Delhi-110037
CIN: U63090DL2003PLC120790

My Secretarial Audit Report of even date is to be read along with this letter:

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and process 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. I believe that the process and practices, I have followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the management representations about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability nor of the efficacy of the effectiveness with which the management has conducted the affairs of the Company.

Date : 10.08.2024
Place: New Delhi

For Amit Agrawal & Associates
(Company Secretaries)

Sd/-
CS Amit Agrawal
Partner
CP No. 3647, MNo.5311
UDIN: F005311F000947703



MANAGEMENT REPLY TO THE OBSERVATIONS OF THE SECRETARIAL
AUDITOR FOR FY 2023-24

Sl. No.	Audit Observations	Management Reply
A	As per DPE guidelines, the time gap between two board meetings is more than three months.	<p>This is a statement of fact.</p> <p>The time gap between the two meetings exceeded 3 months' time in the 4th quarter (i.e. January-March, 2024) as the meeting was held on 03.11.2023 in the 3rd quarter (i.e. October-December 2023) and the subsequent meeting was held on 16.02.2024.</p> <p>The said meeting could not be conducted within 3 months' time i.e. on or before 01.02.2024 due to non-clarity on the Composition of the Board of Directors of AIASL. Further, the clarity on the Composition of the Board had been received on 02.02.2024, and accordingly, the Board Meeting was convened on 16.02.2024</p>





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 2024

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 03.01.2025.

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 2024 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.

Place: New Delhi
Date: 07.03.2025

For on behalf of the
Comptroller and Auditor General of India
Sd/-
(Pramod Kumar)
Addl. Dy. CAG (Infrastruture)

INDEPENDENT AUDITORS' REPORT

**To
The Members of AI AIRPORT SERVICES LIMITED
Report on the Audit of the Financial Statements**

Opinion

We have audited the accompanying financial statements of AI AIRPORT SERVICES LIMITED ("The Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 March 31, 2024, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

1. We draw attention to Note 52 to the financial statements, M/s Uniq Data Solutions Private Limited (UDSPL), implementor of ERP accounting software (Odoo) has unilaterally suspended the ERP accounting software on 15th June, 2024 against which Company has filed the suit against M/s UDSPL (matter is under sub judice). Due to unavailability of ERP accounting software, Company has prepared its financials from the accounting data extracted from the said ERP on June 8, 2024 after passing closing entries.
2. We draw attention to Note 36 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.116.97 million has been booked as Interest on overdue payments of group companies under "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 7 to the financial statements, the Company has inventories consisting of stores and spares gross amounting to Rs. 22.50 million (Provision of Rs. 2.94 million has been made for obsolescence of such inventories). These inventories were transferred from Air India Limited and AI 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.
4. We draw attention to Note 44 to the financial statements, the Company has provided interest amounting to Rs. 39.07 million 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.
5. We draw attention to Note 32 to the financial statements, amounts receivables and payables to the various parties are subject to confirmation and reconciliation.
6. We draw attention to Note 30 to the financial statements, the Company has corrected prior period errors by restating the affected financial statements line items for the prior year.

Our opinion is not modified in respect of above matters.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the 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 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 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 charge with governance and take necessary actions as applicable under the relevant law and regulation.

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

The Company's Management and 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 financial statements that give a true and fair view of the state of affairs, profit and loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act.



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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the 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 in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of material accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes 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 financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

Report on Other Legal and Regulatory Requirements

1. 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-A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, 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 2(h)(vi) below on reporting under rule 11(g) of the Companies (Audit and Auditor's) rule 2015 and the point no. 1 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 available with management. As disclosed in Note 52 to the financial statements, the books of accounts available with the management were extracted from the ERP accounting Software.



- (d) In our opinion, the aforesaid financial statements comply with the accounting standards 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 5 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, since it is a Government Company.
- (f) As per notification number 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
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-B".
- (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, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statement. Refer Note 28 to the financial statements.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - 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 that has 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 declared or paid during the year by the company.

vi) Based on our examination, the company, w.e.f April 1, 2023, has used an accounting ERP software "Odoo" developed by Ms. Uniq data Solutions Private Limited (who was also responsible for handling the back-end IT support for the said ERP software), for maintaining its books of account. As represented to us by the management, audit trail feature of the said software was enabled and operated throughout the year, however due to the fact that the said ERP software was suspended as disclosed in Note 52 of the financial statements and in absence of audit trail control report we are unable to verify and comment whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature been tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

3. As required by Section 143(5) of the Act and as per directions issued by Comptroller and Auditor General of India, the actions taken thereon and its impact on the accounts and financial statements of the Company, refer to our separate report in "Annexure C".

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

Sd/-
CA Amit Kumar Singh
Partner
Membership No.532180
UDIN: 2532180BMIYVJ1477

Place : New Delhi
Date : 03-01-2025

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in “Paragraph-1” under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of AI AIRPORT SERVICES LIMITED of even date)

- I. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of intangibles assets.
 - (b) Property, Plant and Equipment have not been physically verified by the management during the year hence, we are unable to comment on the discrepancies.
 - (c) The Company does not own any immovable properties, therefore paragraph 3 (i) (c) of the said order is not applicable to the company.
 - (d) The company has not revalued its' Property, Plant and Equipment or intangible assets during the year therefore paragraph 3(i)(d) of the said order is not applicable to the company.
 - (e) No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) According to the information & explanation given to us, inventory has been physically verified by management during the year, In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification conducted by the Company.
(b) 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 been sanctioned working capital limit in excess of 5 Crores, 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. 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. 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 of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not made any investments or provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the said 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 thereunder, to the extent applicable. Accordingly, paragraph 3 (v) of the said order is not applicable to the company.
- vi. The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. 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) According to information and explanations given to us and our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods and Service Tax, Duty of Customs, Cess and any other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, the undisputed amounts payable in respect of the above were in arrears as at March 31, 2024 for a period of more than six months from the date on which they become payable, are as follows:

Name of statute	Nature of dues	Amount in Million	Period to which amount relates	Date of payment
Provident Fund Act, 1952	Provident fund	35.38	FY 2022-23	Not paid
Employee State Ins, 1948	ESIC	5.12	FY 2022-23	Not paid
Professional Tax	Professional tax	4.52	Earlier years and FY 2022-23	Not paid



- (b) According to the records of the Company, there are no dues referred to in sub-clause (a) above as at 31st March 2024, which have not been deposited with the appropriate authorities on account of any dispute, except as mentioned below:

Name of the statute	Nature of Dues	in Million	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax and interest	19.18	AY 2013-14	CIT (Appeals)
Income Tax Act, 1961	Income tax	6.60	AY 2017-18	CIT (Appeals)
Income Tax Act, 1961	Income tax	6.29	AY 2017-18	CIT (Appeals)
Income Tax Act, 1961	Income tax	5.40	AY 2017-18	NFAC
Income Tax Act, 1961	Income tax	80.76	AY 2018-19	CIT (Appeals)
Income Tax Act, 1961	Income tax and Interest	200.25*	AY 2020-21	CIT (Appeals)
Goods and Service Tax Act, 2017(Maharashtra)	Goods and Service Tax and Interest	526.89	FY 2017-2020	First Appellate Authority
Goods and Service Tax Act, 2017(RAJASTHAN)	Goods and Service Tax and Interest	1.40	FY 2017-2020	First Appellate Authority
Goods and Service Tax Act, 2017 (GOA)	Goods and Service Tax and Interest	13.24	FY 2017-2018	First Appellate Authority
Goods and Service Tax Act, 2017(KERALA)	Penalty	5.71	FY 2018-2019	First Appellate Authority
Goods and Service Tax Act, 2017(Bihar)	Goods and Service Tax and Interest	1.95	FY 2018-2019	First Appellate Authority
Goods and Service Tax Act, 2017(Bihar)	Goods and Service Tax and Interest	1.14	FY 2017-18	First Appellate Authority
Goods and Service Tax Act, 2017 (Bihar)	Goods and Service Tax and Interest	31.18	FY 2020-21	First Appellate Authority
Goods and Service Tax Act, 2017 (Delhi)	Goods and Service Tax and Interest	7.96	FY 2017-21	First Appellate Authority
Goods and Service Tax Act, 2017 (Karnataka)	Goods and Service Tax and Interest	0.40	FY 2018-19	First Appellate Authority
Goods and Service Tax Act, 2017 (Punjab)	Goods and Service Tax and Interest	29.48	FY 19-21	First Appellate Authority



Goods and Service Tax Act, 2017 (Tamil Nadu)	Goods and Service Tax and Interest	37.26	FY 2018-19	First Appellate Authority
Goods and Service Tax Act, 2017 (Tamil Nadu)	Goods and Service Tax and Interest	138.15	FY 2019-20	First Appellate Authority
Goods and Service Tax Act, 2017 (Uttar Pradesh)	Goods and Service Tax and Interest	51.49	FY 2019-20	First Appellate Authority
Goods and Service Tax Act, 2017 (West Bengal)	Goods and Service Tax and Interest	1.12	FY 2018-19	First Appellate Authority
Goods and Service Tax Act, 2017 (West Bengal)	Goods and Service Tax and Interest	84.13	FY 2019-20	First Appellate Authority
Goods and Service Tax Act, 2017 (Assam)	Goods and Service Tax and Interest	5.45	FY 2018-19	First Appellate Authority
Goods and Service Tax Act, 2017 (Chandigarh)	Goods and Service Tax and Interest	0.001	FY 2018-19	First Appellate Authority
Goods and Service Tax Act, 2017 (Chhattisgarh)	Goods and Service Tax and Interest	0.22	FY 2019-20	First Appellate Authority
Goods and Service Tax Act, 2017 (Chhattisgarh)	Goods and Service Tax and Interest	0.27	FY 2020-21	First Appellate Authority
Goods and Service Tax Act, 2017 (Odisha)	Goods and Service Tax and Interest	11.50	FY 2019-20	First Appellate Authority
Goods and Service Tax Act, 2017 (Maharashtra)	Goods and Service Tax and Interest	6.73	FY 2020-22	First Appellate Authority

* ₹ 82.65 million amount has been deposited as self-assessment tax on October 16, 2021.

- viii. 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 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 wilful defaulter by any bank or financial institution or government or any government authority.



- (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 did not have any term loans outstanding during the year hence, the requirement to report on clause (ix) (C) of the Order is not applicable to the Company.
- (d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (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 paragraph 3 (x) (b) of the said order is not applicable to the company.
- xi. (a) According to the information and explanation given to us and based on our examination, we report that no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle-blower complaints received during the year by the Company.
- 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, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. a) In our opinion the Company has an adequate internal audit system commensurate with the size and the 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. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with director's and hence reporting under paragraph 3 (xv) of the said order is not applicable to the Company.
- xvi. a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. hence reporting under paragraph 3 (xvi)(a) of the said order is not applicable to the Company.

- b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable to the Company.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi) (C) of the Order is not applicable.
- d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- xvii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred any cash losses during the financial year covered by our audit and in the previous financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, requirement to report under paragraph 3 (xviii) of the said order is not applicable to the company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, 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. The provision of Section 135 of the Companies Act, 2013 relating to expenditure to be done on CSR activities is not applicable to the company as the average net profits of the last three years are negative owing to losses incurred in financial year 2020-21.
- xxi. There is no subsidiary, associate, or joint venture of the Company, therefore consolidation of accounts not applicable to the company therefore paragraph 3 (xxi) of the said order is not applicable to the company.

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

Sd/-
CA Amit Kumar Singh
Partner

Membership No.532180
UDIN: 2532180BMIYVJ1477

Place : New Delhi
Date : 03-01-2025

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

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 March 31, 2024, 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 as specified under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by 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 control system with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls with Reference to these Financial Statements

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for

external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with the 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; (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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 March 31, 2024:

- (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 property, plant & equipment 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) No scrap register is maintained w.r.t property, plant and equipment (Ramp Equipments & Others)
- (g) Records of procurement of material by MMD are not fully automated and maintained manually.
- (h) Records of Ramp Assistance Form (RA Forms) issued are not fully automated and maintained manually.
- (i) Due to suspension of ERP Accounting Software, the depreciation is calculated in excel.
- (j) Non restoration of the suspended ERP accounting software led to IT controls not being tested.

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 March 31, 2024, 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/-
CA Amit Kumar Singh
Partner
Membership No.532180
UDIN: 2532180BMIYVJ1477

Place : New Delhi

Date : 03-01-2025



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, 2024 and we are submitting our comments based on direction issued by Comptroller and Audit General of India, according to best of 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 2023-24 issued by the Comptroller & Auditor General of India under Section 143(5) of the Companies Act, 2013

S. No.	Directions	Auditor's Remark
1.	Whether the company has system in place to process all the accounting transactions through IT system? 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>The Company has system for accounting transactions through IT system. However, on 15.06.2024 M/s Uniq Data Solutions Private Limited (UDSPL), implementor of accounting ERP accounting software had suspended the ERP accounting software which has not been restored till the signing of the audit report.</p> <p>Due to unavailability of ERP accounting software, Company has prepared its financials after passing closing entries to the Trial Balance extracted from the ERP on 8th Jun, 2024 along with complete ledger accounts.</p> <p>It has been observed that adequacy of design of information technology (IT) general and application controls that prevent the information system from providing complete and accurate information consistent with financial reporting objectives needs to be strengthened.</p> <p>We refer our remarks given in our separate Report in "Annexure B" - Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of sub-section (3) of Section 143 of the Act for further details.</p>



2.	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)	According to the information and explanations given to us, this clause is not applicable to the company for the FY 2023-24.
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, this clause is not applicable to the company for the FY 2023-24

**MANAGEMENT REPLIES TO THE AUDITOR'S REPORT ON THE FINANCIAL
STATEMENT OF AI AIRPORT SERVICES LIMITED FOR THE FINANCIAL YEAR 2023-24**

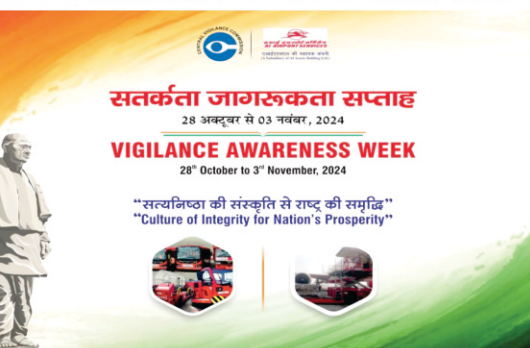
STATUTORY AUDITOR'S REPORT

Sr. No.	Point of Qualification	Management Reply
	Emphasis of Matter	
1.	We draw attention to note 52 to the financial statement, M/s Uniq data solution private limited (UDSPL), implementer of ERP accounting software (Odoo) has unilaterally suspended the ERP accounting software on 15th 2024 against which company has filed the suit against M/s UDSPL as per the contract entered with UDSPL (matter is under sub judice). Due to unavailability of ERP accounting software. Company has prepared its financials From the accounting data extracted on June 8, 2024 after passing closing entries.	This is a statement of fact.
2.	We draw attention to the note 36 to the Financial Statements, the company is charging interest at the rate of 9% p.a on overdue balance receivables in respect of group companies, namely, AI Engineering Services Ltd (AIESL) and Alliance Air Aviation Limited (AAL). During the audit period, interest on overdue payments of group companies under "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 has already been recovered from said Companies for past years and is fully recoverable for the year under audit as well.
3.	We draw attention to Note 7 to finance statement, the company has inventories consisting of stores and spares gross amounting to Rs. 22.50 million (provision of Rs. 2.94 million has been made for obsolescence of such inventories). These inventories are transferred from Air India Limited and AI 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 used and is at-least equal to the carrying value in the books based on the confirmation received from the used (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 obsolescence of such inventories.



4.	We draw attention to Note 44 to the financial statements, the company has provided interest amounting to Rs.39.07 million 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 we have with other Group Companies.
5.	We draw to Note 32 to the financial statements, amounts receivable and payables to the various parties are subject to confirmation and reconciliation.	We did sent to all the Third Party Airlines for Balance Confirmation as on 31.03.2024, 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.
6.	We draw attention to Note 30 to the financial statements, the company has corrected prior period errors by resting he affected financial statements line items for the prior year.	This is a statement of fact.





BALANCE SHEET AS AT MARCH 31, 2024

Amount in millions unless otherwise stated

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023 (Restated)#
Assets			
1. Non-current assets			
(a) Property, plant and equipment	2 (a)	3,086.50	2,934.47
(b) Intangible assets	2 (b)	2.12	-
(c) Intangible assets under development	2 (c)	14.54	2.15
(d) Financial assets			
(i) Other financial assets	3	1,065.47	1,299.16
(e) Income tax assets (net)	4	649.98	487.68
(f) Deferred tax assets (net)	5	790.79	970.48
(g) Other non-current assets	6	16.71	23.74
Total non-current assets		5,626.10	5,717.69
2. Current Assets			
(a) Inventories	7	19.56	22.97
(b) Financial assets			
(i) Trade receivables	8	5,437.94	4,071.44
(ii) Cash and cash equivalents	9	71.81	520.43
(iii) Bank balances other than cash and cash equivalents (ii) above	10	10.00	1.73
(iv) Other financial assets	11	48.73	100.96
(c) Other current assets	12	181.94	144.75
Total current assets		5,769.97	4,862.28
Total assets		11,396.06	10,579.97
Equity and liabilities			
1. Equity			
(a) Equity share capital	13	1,384.24	1,384.24
(b) Other equity	14	3,217.40	2,686.58
Total equity		4,601.64	4,070.82
Liabilities			
2. Non-current liabilities			
(a) Financial liabilities			
(i) Other financial liabilities	15	47.78	72.48
(b) Provisions	16	2,384.43	2,413.54
Total non-current liabilities		2,432.21	2,486.02
3. Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	17	10.56	2.30
Total outstanding dues of creditors other than micro enterprises and small enterprises	17	2,328.28	1,619.33
(ii) Other financial liabilities	18	710.29	1,185.56
(b) Provisions	19	617.58	859.04
(c) Other current liabilities	20	695.50	356.89
Total current liabilities		4,362.22	4,023.12
Total liabilities		6,794.43	6,509.15
Total equity and liabilities		11,396.06	10,579.97

Material accounting policies, key accounting estimates and judgements 1

See accompanying notes to the financials statements 2-55

Refer note 30 for details regarding the restatement as a result of error or omission

As per our report of even date attached

For Bansal & Co LLP
Chartered Accountants

Firm Registration No: 001113N/N500079

Sd/-

Amit Kumar Singh
Partner

Membership No: 532180
UDIN: 25532180BMIYVJ1477

Place: New Delhi

Date: 03-01-2025

For and on behalf of the Board of Directors

Sd/-

Asangba Chuba Ao

Chairman
DIN: 08086220

Sd/-

Sandeep Malhotra
Chief Financial Officer

On Sanctioned ML
Shashi Bhadoola
Company Secretary

Sd/-

Padam Lal Negi

Director
DIN: 10041387

Sd/-

Rambabu Ch.
Chief Executive Officer

Statement of Profit and Loss for the year ended March 31, 2024

Amount in millions unless otherwise stated

Particulars	Note No.	Year Ended March 31, 2024	Year Ended March 31, 2023 (Restated)#
1 Income			
Revenue from operations	21	8,426.17	8,944.73
Other income	22	333.61	378.25
Total income		8,759.78	9,322.98
2 Expenses			
Employee benefits expense	23	5,958.11	5,161.82
Finance costs	24	81.76	149.21
Depreciation and amortization expenses	25	289.00	283.79
Other expenses	26	1,659.86	2,755.19
Total expenses		7,988.73	8,350.01
3 Profit/ (Loss) before tax (1-2)		771.05	972.97
4 Tax expenses	43		
(i) Current tax		187.09	235.77
(ii) Short provision for tax relating to previous years		-	-
(iii) Deferred tax		179.70	113.93
Total tax expenses		366.79	349.70
5 Profit/(loss) after tax for the year (3-4)		404.26	623.27
6 Other comprehensive income			
Items that will not be reclassified to profit or loss (net of tax)			
- Remeasurement of employee benefits obligations		126.55	(3.92)
Total other comprehensive income		126.55	(3.92)
7 Total comprehensive income/(loss) for the year (5+6)		530.81	619.35
8 Earnings/(loss) per equity share (of ₹ 10/- each)			
(i) Basic	27	2.92	4.50
(ii) Diluted	27	2.92	4.50

Material accounting policies, key accounting estimates and judgements 1

See accompanying notes to the financials statements 2-55

Refer note 30 for details regarding the restatement as a result of error or omission

As per our report of even date attached

For Bansal & Co LLP
Chartered Accountants
Firm Registration No: 001113N/N500079

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Amit Kumar Singh
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DIN: 10041387

Sd/-
Sandeep Malhotra
Chief Financial Officer

Sd/-
Rambabu Ch.
Chief Executive Officer

Place: New Delhi
Date: 03-01-2025

On Sanctioned ML
Shashi Bhadoola
Company Secretary

Audited Statement of Changes in Equity for the year ended March 31, 2024

Part A Equity Share Capital

Amount in millions unless otherwise stated

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

Balance as at April 1, 2022	Changes in equity share capital during the year	Balance as at March 31, 2023
1,384.24	-	1,384.24

B Other equity

Particulars	Reserves & surplus	Other comprehensive income	Total
	Retained earnings		
Balance as at April 1, 2022	1,840.16	227.01	2,067.16
Profit/ (Loss) for the period	623.27	-	623.27
Rounding off difference	0.07	-	0.07
Remeasurement of employee benefits obligations	-	(3.92)	(3.92)
Balance as at March 31, 2023 (Restated)	2,463.49	223.09	2,686.58
Balance as at April 1, 2023	2,463.49	223.09	2,686.58
Profit/ (Loss) for the period	404.26	-	404.26
Rounding off difference	-	-	-
Remeasurement of employee benefits obligations	-	126.55	126.55
Balance as at March 31, 2024	2,867.76	349.64	3,217.40



Audited Statement of Cash Flow for the year ended March 31, 2024

Amount in millions unless otherwise stated

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A. Cash flow from operating activities :		
Profit before tax	771.05	972.97
Adjustments for		
Depreciation and amortisation expenses	289.00	283.79
Interest income on fixed deposits	(81.08)	(47.48)
Finance costs	81.76	149.21
Rounding off difference	-	0.07
Expected credit loss allowance/(reversal)	(527.40)	750.06
Loss on sale of duty credit entitlement under SEIS	4.18	-
Assets Written off	-	14.46
Provision for doubtful advances	10.00	5.54
Net unrealised exchange loss/(gain)	24.39	(25.16)
Operating profit/(loss) before working capital changes	571.90	2,103.46
Adjustments for		
(Increase) / decrease in inventory	3.42	36.17
(Increase) / decrease in trade receivables	(863.49)	(1,297.00)
(Increase) / decrease in other current financial assets	64.04	(68.20)
(Increase) / decrease in other current assets	(47.18)	(111.72)
(Increase) / decrease in other non-current assets	7.03	(3.97)
Increase / (decrease) in provisions	(144.02)	361.03
Increase / (decrease) in trade payables	616.35	27.81
Increase / (decrease) in financial liabilities	(499.97)	203.00
Increase / (decrease) in other liabilities	338.61	61.07
Increase / (decrease) in non current financial liabilities	-	-
Cash generated from operations	46.69	1,311.65
Income taxes (paid)/refunded	(349.39)	(273.34)
Net cash generated from operating activities (A)	(302.71)	1,038.32
B. Cash flow from investing activities :		
Purchase of property, plant & equipment, intangibles and intangibles under development	(398.73)	(54.32)
Interest income on fixed deposits	65.09	15.85
Investments in bank deposits	225.43	(1,230.07)
Net cash used in investing activities (B)	(108.21)	(1,268.54)
C. Cash flow from financing activities :		
Finance costs	(37.71)	(25.52)
Net cash used in financing activities (C)	(37.71)	(25.52)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(448.62)	(255.75)
Cash and cash equivalents at the beginning of year	520.43	776.18
Cash and cash equivalents at the end of year (refer note 9)	71.81	520.43

Material accounting policies, key accounting estimates and judgements
See accompanying notes to the financials statements

1
2-55

Notes to Cash Flow Statement:

- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7 "Statement of Cash Flows".
- Previous years figures have been regrouped wherever necessary.
- Cash and cash equivalents includes fixed deposits amounting Rs 2.05 millions (Previous year Rs 1.93 millions) under lien.

As per our report of even date attached

For Bansal & Co LLP
Chartered Accountants
Firm Registration No: 001113N/N500079

Sd/-
Amit Kumar Singh
Partner
Membership No: 532180
UDIN: 25532180BMIYVJ1477

Place: New Delhi
Date: 03-01-2025

For and on behalf of the Board of Directors

Sd/-
Asangba Chuba Ao
Chairman
DIN: 08086220

Sd/-
Padam Lal Negi
Director
DIN: 10041387

Sd/-
Sandeep Malhotra
Chief Financial Officer

Sd/-
Rambabu Ch.
Chief Executive Officer

On Sanctioned ML
Shashi Bhadooia
Company Secretary

Notes forming part of the audited financial statements as on 31st March, 2024

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.

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 Standards) Rules, 2015 (as amended) till the Financial Statement are authorized have been considered in preparing these financial statements. The Financial Statements have been approved for issue in accordance with a resolution of the Board of directors passed in its meeting held on.

B. Material Accounting Policies

The company has prepared these Financial Statements which comprise the Balance Sheet as at March 31, 2024, 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 March 31, 2024.

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 judgments, 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.

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

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.

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.

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 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 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 INDAS 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

Amount in millions unless otherwise stated

Particulars	Office equipments	Ramp equipments	Furniture & fixture	Electrical fittings	Computers	Workshop equipment & instruments	Plant & machinery	Vehicles	Total
Gross carrying amount									
Cost as at April 1, 2022	2.34	6,265.92	1.18	10.86	10.92	2.07	0.07	31.80	6,325.15
Additions	5.84	51.72	-	-	4.75	-	-	1.75	64.07
Disposals	-	(270.61)	-	-	-	-	-	-	(270.61)
Closing gross carrying amount	8.18	6,047.02	1.18	10.86	15.67	2.07	0.07	33.56	6,118.61
Accumulated Depreciation									
Balance as at April 1, 2022	2.00	3,122.12	0.63	6.18	8.25	1.09	0.07	16.17	3,156.50
Additions	0.33	276.82	0.12	1.02	1.52	0.21	-	3.78	283.79
Disposals	-	(256.15)	-	-	-	-	-	-	(256.15)
Closing accumulated depreciation	2.33	3,142.78	0.74	7.20	9.76	1.29	0.07	19.96	3,184.14
Net carrying amount as at March 31, 2023	5.84	2,904.24	0.43	3.66	5.91	0.78	0.00	13.60	2,934.47
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 March 31, 2024*	5.79	3,039.28	0.78	2.67	8.97	1.49	0.00	27.51	3,086.50

*Refer note 33





2 (b). Intangible Assets

Particulars	Intangible
Year ended March 31, 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 March 31, 2024	2.12

2 (c). Intangible assets under development

Particulars	As at March 31, 2024	As at March 31, 2023
Intangible assets under development*	14.54	2.15
	14.54	2.15

* 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, 2024

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

Intangible assets under development aging schedule as on 31st March, 2023

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

3. Other non-current financial assets

Amount in millions unless otherwise stated

Particulars	As at March 31, 2024	As at March 31, 2023
Security deposits*	8.50	8.50
Fixed Deposits more than 12 months	1,056.97	1,290.00
Recoverables from staff	-	0.66
	1,065.47	1,299.16

* Security deposit has been given to Government company.

4. Income tax assets (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance tax and TDS *	649.98	487.68
	649.98	487.68

*net of provisions ₹ 2,172.93 millions (Prev Year ₹ 1,985.84 millions)

5. Deferred tax assets (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities on account of (DTL)		
Depreciation	(210.99)	(189.84)
Total deferred tax liability	(210.99)	(189.84)
Deferred tax asset on account of (DTA)		
Other tax disallowances	1,001.78	1,160.32
Total deferred tax asset	1,001.78	1,160.32
Net deferred tax asset	790.79	970.48

6. Other non-current assets

Particulars	As at March 31, 2024	As at March 31, 2023
Recoverables from staff	16.71	23.74
	16.71	23.74

7. Inventories

Particulars	As at March 31, 2024	As at March 31, 2023
Stores & spares *	22.50	56.11
Less: Provisions	(2.94)	(33.14)
	19.56	22.97

* Valued at lower of cost or net realisable value

8. Trade receivables

Amount in millions unless otherwise stated

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured		
Considered good*	4,060.85	2,662.98
Undisputed having significant increase in credit risk	1,232.02	1,759.42
	5,292.87	4,422.40
Less: Allowance for expected credit loss	1,232.02	1,759.42
	4,060.85	2,662.98
Receivables from group companies	1,377.08	1,408.46
	5,437.94	4,071.44

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

Trade receivable ageing schedule

As at March 31, 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))	-	-	-	-	-	-	(1,232.02)
Net trade receivables	1,191.89	2,564.62	625.62	1,062.86	379.17	845.80	5,437.94

- Ageing for FY 2023-24 has been determined on FIFO basis. (Refer Note 52)

As at March 31, 2023	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	1,103.62	1,679.01	677.54	424.75	186.51	-	4,071.43
Undisputed trade receivable - which have significant increase in credit risk	-	223.50	139.80	99.16	43.54	1,253.43	1,759.42
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))	-	-	-	-	-	-	(1,759.42)
Net trade receivables	1,103.62	1,902.50	817.34	523.91	230.06	1,253.43	4,071.44

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 anagement 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 March 31, 2024	As at March 31, 2023
Balances with banks	71.59	520.23
-In current account	-	-
Cash on hand	0.21	0.20
Fixed deposits with banks with original maturity of less than three months*	71.81	520.43

Particulars	As at March 31, 2024	As at March 31, 2023
* Earmarked balance represents fixed deposits with Dy. Commissioner (sales tax)	0.21	0.20

10. Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed deposits with banks with original maturity more than 3 months but less than 12 months*	10.00	1.73
	10.00	1.73

Particulars	As at March 31, 2024	As at March 31, 2023
* Earmarked balance represents fixed deposits with Dy. Commissioner (goods and service tax)	1.84	1.73

11. Other current financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Other receivables - Unsecured, considered good	48.74	32.75
Entitlement of "Service Export from India Scheme"	22.05	90.25
Less: Allowance for duty credit entitlement under SEIS	(22.05)	(22.05)
	48.73	100.96

12. Other current assets

Particulars	As at March 31, 2024	As at March 31, 2023
Advance to suppliers	174.71	79.98
Less: Allowance for doubtful advances	(25.28)	(15.28)
	149.43	64.70
Prepaid expenses	32.51	79.84
Advance to staff	-	0.21
	181.94	144.75

13. Equity share capital

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

Particulars	No. in millions	As at March 31, 2024	No. in millions	As at March 31, 2023
Authorised capital Equity shares of ₹ 10/- each	1,000.00	10,000.00	1,000.00	10,000.00
Issued capital, subscribed and fully paid up Equity shares of ₹ 10/- each	138.42	1,384.24	138.42	1,384.24
		1,384.24		1,384.24

b. Reconciliation of number of shares

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	138.42	1,384.24	138.42	1,384.24
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	138.42	1,384.24	138.42	1,384.24

c. Terms and conditions

The company has only one class of equity shares having a face value of ₹10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d. Shareholders having more than 5% shareholding

Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	Number	Percentage	Number	Percentage
AI Assets Holding Limited	138.42	100.00%	138.42	100.00%

e. Equity shares held by the holding company:

Name of the shareholder	Relationship	As at March 31, 2024		As at March 31, 2023	
		Number	Amount	Number	Amount
AI Assets Holding Limited	Holding Company	138.42	1,384.24	138.42	1,384.24
Total		138.42	1,384.24	138.42	1,384.24

f. Shareholding of promoters

Name of the promoter	As at March 31, 2024			As at March 31, 2023		
	Number	Percentage	Percentage change during the period	Number	Percentage	Percentage change during the period
AI Assets Holding Limited	138.42	100.00%	-	138.42	100%	-

Note

The number of shares held and percentage of holding represents the shares held in the individual capacity. Promoter here means promoter as defined in the Companies Act, 2013, as amended.

g. Shares issued other than Cash

There were no bonus shares issued and there is an instance of shares being issued for consideration other than cash and no shares have been bought back by the company during the period of five years immediately preceding the date of Balance Sheet.

14. Other equity

Particulars	Reserves & surplus	Other comprehensive income	Total
	Retained earnings		
Balance as at April 1, 2022	1,840.16	227.01	2,067.16
Profit/ (Loss) for the period	623.27	-	623.27
Rounding off difference	0.07	-	0.07
Remeasurement of employee benefits obligations	-	(3.92)	(3.92)
Balance as at March 31, 2023 (Restated)	2,463.49	223.09	2,686.58
Balance as at April 1, 2023	2,463.49	223.09	2,686.58
Profit/ (Loss) for the period	404.26	-	404.26
Rounding off difference	-	-	-
Remeasurement of employee benefits obligations	-	126.55	126.55
Balance as at March 31, 2024	2,867.76	349.64	3,217.40

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 March 31, 2024	As at March 31, 2023
Security deposits from customers	12.97	38.05
Security deposits from vendors	34.81	34.43
	47.78	72.48

16. Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits:		
Leave entitlement	276.18	300.21
Gratuity	696.80	701.88
Medical (refer Note 42)	1,411.45	1,411.45
	2,384.43	2,413.54

17. Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	10.56	2.30
Total outstanding dues of creditors other than micro enterprises and small enterprises*	2,328.28	1,619.33
	2,338.84	1,621.64

* Company has reclassified advances to trade payables and has shown separately.

Trade payable ageing schedule

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(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

- Ageing for FY 2023-24 has been determined on FIFO basis. (Refer Note 52)

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	2.30	-	-	-	2.30
(ii) Others	292.12	700.15	557.45	9.53	60.09	1,619.33
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-	-
Total	292.12	702.45	557.45	9.53	60.09	1,621.64

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 March 31, 2024	As at March 31, 2023
Payable to employees	710.29	1,185.56
	710.29	1,185.56

19. Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
Leave entitlement	45.96	67.61
Gratuity	114.29	159.28
Other provisions		
Provision for other statutory dues	456.84	632.04
Provision for interest on MSME vendors	0.50	0.10
	617.58	859.04

20. Other current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory liabilities	134.30	72.56
Advance from customers	561.20	284.33
	695.50	356.89

21. Revenue from operations

Particulars	Period ended March 31, 2024	Period ended March 31, 2023
A. Revenue from handling services		
Revenue from Air India	2,428.81	2,708.50
Revenue from group companies	464.71	485.69
Revenue from 3rd party handling	3,796.05	4,417.59
Revenue from government parties	224.95	158.38
Revenue from casual handling	458.97	371.84
Total (A)	7,373.49	8,142.00
B. Cargo handling revenue		
APEDA revenue	39.94	29.93
Others	786.01	581.43
Total (B)	825.94	611.36
C. Equipment loaning		
Other	226.73	191.37
Total (C)	226.73	191.37
Total revenue from operations (A+B+C)	8,426.17	8,944.73

Timing of revenue recognition

Particulars	Period ended March 31, 2024	Period ended March 31, 2023
Services transferred at a point in time	8,426.17	8,944.73
Total revenue from contracts with customers	8,426.17	8,944.73

22. Other income

Particulars	Period ended March 31, 2024	Period ended March 31, 2023
Recruitment application money	7.76	5.37
Interest on overdue payments of group companies	116.97	116.67
Interest on overdue payments of other than group companies	25.85	29.72
Interest income on fixed deposit	81.08	47.48
Foreign Exchange Gain (Net)	-	25.16
Profit sharing of HAL-JWG (refer note 31)	17.40	13.70
Provision no longer required written back	-	(0.59)
Duty Credit Entitlement under SFIS	39.46	68.21
Miscellaneous income	45.09	72.54
Total	333.61	378.25

23. Employee benefits expense

Particulars	Period ended March 31, 2024	Period ended March 31, 2023
Salaries and bonus	5,221.26	4,604.70
Contribution to provident and other funds	514.02	395.48
Staff welfare expenses	32.44	7.60
Gratuity	74.35	59.20
Leave encashment	76.23	53.56
Medical benefit expenses	39.82	41.29
Total	5,958.11	5,161.82

24. Finance costs

Particulars	Period ended March 31, 2024	Period ended March 31, 2023
Interest on delayed payment of statutory dues	46.98	13.43
Other interest costs	34.78	135.78
Total	81.76	149.21

25. Depreciation and amortization expense

Particulars	Period ended March 31, 2024	Period ended March 31, 2023
Depreciation on property, plant and equipment	288.96	283.79
Amortization on intangible assets	0.04	-
Total	289.00	283.79

26. Other expenses

Particulars	Period ended March 31, 2024	Period ended March 31, 2023
Handling charges	309.53	265.01
Insurance	54.74	23.44
Repairs & maintenance - others	111.83	83.12
Electricity, heating & fuel	313.01	332.54
Water charges	5.02	5.58
SESF Handling Charges	87.92	22.99
Stores & spares consumption	131.08	136.13
Hire of transport & equipments	87.21	23.23
Loss on sale of duty credit entitlement under SEIS	4.18	-
Write off of assets	-	14.46
Allowance for doubtful advances	10.00	5.54
Allowance for Inventories	-	33.14
Printing & stationary	13.18	9.95
General office expenses	22.35	16.70
Expected credit loss allowance/(reversal)	(527.40)	750.06
Rent expenses	240.48	442.70
Rates and taxes	25.45	474.80
Travelling and conveyance expenses	74.92	60.22
Late fees and penalties	581.34	34.76
Legal and professional expenses	10.22	4.78
Foreign exchange loss (net)	24.39	-
Remuneration to statutory auditor		
- Audit fees	0.75	1.00
- Out of pocket expenses	0.08	0.10
Miscellaneous expenses	79.58	14.94
Total	1,659.86	2,755.19

27. Earnings/(loss) per equity share:

Particulars	Period ended March 31, 2024	Period ended March 31, 2023
Basic/diluted earnings per Share		
Profit/(loss) attributable to equity shareholders (₹ in millions)	404.26	623.27
Weighted average number of equity shares (in millions)	138.42	138.42
Basic and diluted earnings per share (in ₹)	2.92	4.50
Face value per Share (in ₹)	10	10

28. Contingent liabilities, assets & commitments

a) Contingent liabilities

Particulars	Period ended March 31, 2024	Period ended March 31, 2023
Claims against the company not acknowledged as debts:		
- Income tax demands against which the company is in appeals#	318.48	312.19
- GST Demands and Interest on GST demands ##	637.30	296.22
- Others ###	14.91	14.91
Total	970.68	623.32

#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	19.18
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			318.48

GST demands including interest against notices received by the Company

Particulars	FY	Notice Status	Amount
Delhi	2017-2021	GST Notice	7.96
Punjab	2019-2020	GST Notice	29.48
Tamil Nadu	2019-2020	GST Notice	138.15
Uttar Pradesh	2019-2020	GST Notice	51.49
West Bengal	2019-2020	GST Notice	84.13
Chhattisgarh	2019-2021	GST Notice	0.49
Odisha	2019-2020	GST Notice	11.50
Maharashtra	2020-2022	GST Notice	6.73
Total			329.94



Interest on GST demands against which appeal was filed by the company

Particulars	FY	Notice Status	Amount
Maharashtra	2017-2020	Appeal filed	240.72
Goa	2019-2020	Appeal filed	32.56
Rajasthan	2017-2020	Appeal filed	0.78
Bihar	2017-2021	Appeal filed	12.34
Karnataka	2018-2019	Appeal filed	0.19
Tamil Nadu	2018-2019	Application for rectification of order filed	17.65
West Bengal	2018-2019	Appeal filed	0.53
Assam	2018-2019	Appeal filed	2.58
Total			307.35

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	2.30
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	2.30
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			14.91

b. Capital and other long-term commitments:

Capital contract commitments and long-term commitments is ₹ 83.80 millions as on March 31, 2024 (previous year ₹119.50 millions).

Summary of Capital commitments are as below:

Particulars	March 31, 2024	March 31, 2023
Intangible assets	54.08	66.08
Ramp equipments*	21.86	29.65
Computers*	7.86	4.48
Vehicles	-	17.85
Furniture and fixtures	-	0.35
Workshop equipment & instruments	-	0.31
Office equipments	-	0.79
Total	83.80	119.50

* Capital commitments shown as on March 31st, 2024 related to FY 23-24

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. Correction of prior period errors in accordance with Ind AS 8 "Accounting policies, changes in accounting estimates and errors"

During the year, the company undertook a detailed review of Opening Balances and discovered that the below mentioned Line items of financial statements had been incorrectly accounted/disclosed in the prior year. These errors have now been corrected by restating each of the affected financial statements line items for the prior year.

Particulars	As at March 31, 2023		
	As previously reported	Increase/ (decrease)	Restated
Balance sheet (extract)			
Deferred Tax Assets	1,130.35	(159.87)	970.48
Total non-current assets	2,693.82	(159.87)	2,533.95
Total assets	2,693.82	(159.87)	2,533.95
Statement of Profit and loss (extract)#			
Loss before tax	972.97	-	972.97
Current Tax	235.77	-	235.77
Deferred Tax	(45.94)	159.87	113.93
Profit/ (Loss) after tax	783.14	(159.87)	623.27

31. 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 ₹ 17.40 millions has been accounted for as Other Income.

Name of the joint working Group	AIASL joint working group	
	As at March 31, 2024	As at March 31, 2023
Share of company / ownership interest	50%	50%
Income - company's share	78.60	62.50
Expenditure - company's share	43.80	35.10
Profit - company's share	34.80	27.40
Share of income of joint working groups of the company with HAL	17.40	13.70
Contingent liability	-	-

32. 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 (except AI Engineering Services Limited) 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. 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.

33. 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.

Company has conducted a review of the assets, as per INDAS 36 on reporting date, however no indicators of impairment have been identified.

34. 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 March 31, 2024. 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%

35. 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.

36. 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	2.02
Alliance Air Aviation Limited	114.95
Total	116.97

37. 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.

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, the company had received a license amounting Rs 41.11 millions for FY 2019-20 from Directorate General of Foreign Trade (DGFT) dated February, 08 2024, The company has recognized this license as assets after crediting to other income. Further, company has sold licences received for FY 2018-19 and FY 2019-20 to consultant M/s Shangrila Corporate Services Private Limited and hence there is no licenses held with the company as on 31.03.2024.

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 (Odoo) 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, 2024	As at March 31, 2023
The principal amount remaining unpaid to any supplier as at the end of accounting year;	10.56	2.30
Principal amount overdue more than 45 days	10.56	2.30
The interest due and remaining unpaid to any supplier as at the end of accounting year;	0.50	0.10
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	0.50	0.10
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 ₹441.30 million (previous year: ₹ 327.79 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.

company scheme for Gratuity.

i) Disclosure statement as per Ind AS of gratuity

Particulars	As at March 31, 2024	As at March 31, 2023
Type of benefit	Gratuity	Gratuity
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 01,2023	April 01,2022
Date of reporting	March 31,2024	March 31,2023
Period of reporting	12 months	12 months

a) Assumptions (previous period)

Particulars	As at March 31, 2023	As at March 31, 2022
Expected return on plan assets	N.A.	N.A.
Rate of discounting	7.41%	6.84%
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 March 31, 2024	As at March 31, 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.
Present value of benefit obligation at the beginning of the period	861.16	953.19
Interest cost	63.81	63.35
Current service cost	74.35	59.2
Past service cost	-	-
(Benefit paid directly by the employer)	(125.17)	(218.50)
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	-	-
Actuarial (gains)/losses on obligations - due to change in financial assumptions	8.32	(20.16)
Actuarial (gains)/losses on obligations- due to Experience	(71.38)	24.08
Present value of benefit obligation at the end of the period	811.09	861.16

c) Amount recognized in the balance sheet

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of benefit obligation at the end of the period	(811.09)	(861.16)
Funded status (surplus/ (deficit))	(811.09)	(861.16)
Net (liability)/asset recognized in the balance sheet	(811.09)	(861.16)

d) Net interest cost for current period

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Present value of benefit obligation at the beginning of the period	861.16	953.19
Net liability/(asset) at the beginning	861.16	953.2
Interest cost	63.81	63.35
Net interest cost for current period	63.81	63.35

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

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Current service cost	74.35	59.2
Net interest cost	63.81	63.35
Past service cost	-	-
(Expected contributions by the employees)	-	-
(Gains)/losses on curtailments and settlements	-	-
Net effect of changes in foreign exchange rates	-	-
Expenses recognized	138.16	122.55

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

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Actuarial (gains)/losses on obligation for the period	(63.06)	3.92
Return on plan assets, excluding interest income	0	-
Change in asset ceiling	0	-
Net (income) / expense for the period recognized in OCI	(63.06)	3.92

g) Balance Sheet reconciliation

Particulars	As at March 31, 2024	As at March 31, 2023
Opening net liability	861.16	953.19
Expenses recognized in statement of profit or loss	138.16	122.54
Expenses recognized in OCI	(63.06)	3.92
Net liability / (asset) transfer in	0	0
Net liability / (asset) transfer out	0	0
(Benefit paid directly by the employer)	(125.17)	(218.50)
(Employer's contribution)		
Net liability/(asset) recognized in the balance sheet	811.09	861.16

h) Maturity analysis of the benefit payments

Projected benefits payable in future years from the date of reporting



Particulars	As at March 31, 2024	As at March 31, 2023
1st following year	119.53	159.28
2nd following year	39.21	95.61
3rd following year	131.33	128.78
4th following year	152.14	137.06
5th following year	122.16	116.13
Sum of years 6 to10	668.70	335.76

I) Sensitivity analysis:increase/(decrease)

Particulars	As at March 31, 2024	As at March 31, 2023
Defined benefit obligation on current assumptions	811.09	861.16
Delta effect of +1% and 0.5% change in rate of discounting	(18.65)	(32.87)
Delta effect of -1% change and 0.5% in rate of discounting	19.58	36.11
Delta effect of +1% change in rate of salary increase	38.57	34.81
Delta effect of -1% change in rate of salary increase	(36.15)	(32.77)
Delta effect of +1% and 5% change in rate of employee turnover	8.44	2.60
Delta effect of -1% and 5% change in rate of employee turnover	(11.70)	(2.95)

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 March 31, 2024	As at March 31, 2023
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, 2023	April 01, 2022
Date of reporting	March 31, 2024	March 31, 2023
Period of reporting	12 Months	12 Months

a) Assumptions (previous year)

Particulars	As at March 31, 2023	As at March 31, 2022
Expected return on plan assets	N.A.	N.A.
Rate of discounting	7.40%	6.91%
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 March 31, 2024	As at March 31, 2023
Expected return on plan assets	N.A.	N.A.
Rate of discounting	7.19%	7.40%
Medical cost inflation	5.50%	4.00%
Rate of employee turnover	10% & 2% as Applicable	2.00%
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 March 31, 2024	As at March 31, 2023
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	1411.45	1411.45

d) Change in the fair value of plan assets

Particulars	As at March 31, 2024	As at March 31, 2023
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 March 31, 2024	As at March 31, 2023
Present value of benefit obligation at the beginning of the period	(1,411.45)	(1411.45)
Fair value of plan assets at the end of the period	-	-
Net (liability) / asset recognized in the balance sheet	(1,411.45)	(1411.45)

f) Net interest cost for current year

Particulars	As at March 31, 2024	As at March 31, 2023
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 March 31, 2024	For the Year ended March 31, 2023
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 March 31, 2024	For the Year ended March 31, 2023
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 March 31, 2024	As at March 31, 2023
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 March 31, 2024	As at March 31, 2023
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 March 31, 2024	As at March 31, 2023
Projected benefits payable in future years from the date of reporting		
1st following year	-	64.63
2nd following year	-	64.54
3rd following year	-	71.59
4th following year	-	79.09
5th following year	-	88.26
Sum of years 6 to 10	-	431.80

Sensitivity analysis: increase / (decrease)

Particulars	As at March 31, 2024	As at March 31, 2023
Projected benefit obligation on current assumptions	1411.45	1411.45
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 Actuarial valuation made by the Actuarial 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."

Notes

(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.

Amount in millions unless otherwise stated

43. Income taxes

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

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Current tax expense (A) Current year	187.09	235.77
Short/(excess) provision of earlier years (B) Short provision for tax for earlier years	-	-
Deferred tax expense (C) Origination and reversal of	179.70	113.93
Tax expense recognised in the income statement (A+B+C)	366.79	349.70

(b) Income tax recognised in other comprehensive income

Particulars	Year Ended March 31, 2024			Year Ended March 31, 2023		
	Before tax	Tax (expense)/	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	126.55	-	126.55	(3.92)	-	(3.92)
	126.55	-	126.55	(3.92)	-	(3.92)

(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, 2024	Year Ended March 31, 2023
Profit before tax	771.05	972.97
Enacted tax rate in India	25.168%	25.168%
Expected income tax expense at statutory rate (A)	187.09	235.77
Tax effect of		
Expenses not deductible in determining taxable profits	-	-
Excess provision of tax for earlier years	-	-
Income tax recognized in the statement of profit and loss	187.09	235.77
Impact of deferred tax	179.70	113.93
Income tax recognized in the statement of profit and loss (including deferred tax)	366.79	349.70

(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, 2024	As at March 31, 2023
Deferred tax liabilities	(210.99)	(189.84)
Deferred tax assets	1,001.78	1,160.32
Total	790.79	970.48

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

Particulars	As at March 31, 2023	For the year ended March 31, 2024		As at March 31, 2024
		Recognized through	Recognized through OCI	
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

Particulars	As at April 1, 2022	For the year ended March 31, 2023		As at March 31, 2023
		Recognized through	Recognized through OCI	
Deferred tax balance in relation to				
Property, plant & equipment	(166.59)	(23.25)	-	(189.84)
Provision for employee benefits	710.96	(11.19)	-	699.77
Provision for inventories	-	8.34	-	8.34
Expected credit loss	262.04	190.17	-	452.21
Unabsorbed losses	278.00	(278.00)	-	-
Total	1,084.41	(113.93)	-	970.48

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 2023-24:

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. January 13, 2022)	Holding company

ii. List of Fellow Subsidiary Companies

Sr. No.	Name of 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. Vikram Dev Dutt	Chairman (ceased as CMD effective February 28, 2023)
2	Shri. Satyendra Kumar Mishra	Chairman (appointed as CMD effective March 01, 2023 and ceased as CMD effective January 1, 2024)
3	Shri. Asangba Chuba Ao	Chairman (appointed as CMD effective January,1,2024)
4	Shri. Rambabu Ch.	Chief Executive Officer
5	Shri Satya Narayan Panda	Chief Financial Officer (ceased as CFO & KMP w.e.f. December 31, 2022)
6	Wing Cdr. Sandeep Malhotra (retd)	Chief Financial Officer (Appointed as CFO w.e.f. December 28, 2022 & KMP w.e.f. on February 09, 2023)
7	Smt. Shashi Bhadooia	Company Secretary



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

- No loans or credit transactions were outstanding with directors or officers of the company or their relatives at the end of the year.
- 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 March 31, 2024	Year ended March 31, 2023
AI Engineering Services Limited	Revenue from operations		
	Manpower services/ cabin cleaning	139.00	204.08
	Interest on outstanding recoverable	2.02	21.87
	Expenditure		
	Headset services	34.53	12.42
Alliance Air Aviation Limited	Revenue from operations		
	Ground handling revenue	269.97	281.49
	Supply of manpower services	0.25	0.59
	Interest on outstanding recoverable	114.95	94.80
	Expenditure		
Hotel Corporation of India Limited (HCIL-Centaur)	Staff on duty expenditure and other expenditure	4.42	1.25
	Expenditure		
	Staff hotel expenses	5.68	7.52
	Festive expenses	-	2.27
AI Assets holding Limited (AIAHL)	Event expenses	-	1.93
	Revenue from operations		
	Manpower services	1.02	1.52
	Expenditure		
	Reimbursement of cost	5.63	6.38
	Interest on outstanding payable	39.07	35.69

(ii) Outstanding balances

Name of the party	Receivable/payable	As at March 31, 2024	As at March 31, 2023
AI Assets Holding Limited	Payable	(472.44)	(434.86)
AI Engineering Services Limited	Receivable	68.61	(6.62)
Alliance Air Aviation Limited	Receivable	1,378.91	1,290.47
Hotel Corporation of India Limited (HCIL-Centaur)	Payable	(4.30)	(5.58)

D. Compensation to key management personnel:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Short-term employee benefits	8.10	7.48
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Total compensation to key management personnel	8.10	7.48

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

Amount in millions unless otherwise stated

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, 2024	Note no.	Non-current	Current	Total	Routed through profit & loss					Routed through OCI					Carried at amortised cost	Total amount
					Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total				
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 cashequivalents	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	

Financial assets and liabilities as at March 31, 2023	Note no.	Non-current	Current	Total	Routed through profit & loss					Routed through OCI					Carried at amortised cost	Total amount
					Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total				
Financial assets																
Trade receivables	8	-	4,071.44	4,071.44	-	-	-	-	-	-	-	-	-	4,071.44	4,071.44	
Other financial assets	3 & 11	1,299.16	100.96	1,400.12	-	-	-	-	-	-	-	-	-	1,400.12	1,400.12	
Cash and cash equivalents	9	-	520.43	520.43	-	-	-	-	-	-	-	-	-	520.43	520.43	
Bank balances other than cash and cash equivalents	10	-	1.73	1.73	-	-	-	-	-	-	-	-	-	1.73	1.73	
Total financial assets		1,299.16	4,694.56	5,993.72										5,993.72	5,993.72	
Financial liabilities																
Trade payables	17	-	1,621.64	1,621.64	-	-	-	-	-	-	-	-	-	1,621.64	1,621.64	
Other financial liabilities	15 & 18	72.48	1,185.56	1,258.04	-	-	-	-	-	-	-	-	-	1,258.04	1,258.04	
Total financial liabilities		72.48	2,807.20	2,879.68										2,879.68	2,879.68	

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.

45. Financial instruments – Fair values and risk management (continued..)

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 March 31, 2024	As at March 31, 2023
All parties including government company and group company		
(a) Past due not exceeding 6 months	1.64%	4.73%
(b) Past due exceeding 6 months but not exceeding 1 year	3.27%	9.46%
(c) Past due exceeding 1 year but not exceeding 3 years	9.82%	18.93%
(d) Past due exceeding 3 years	100%	100%
Government company	NA	NA
Group company	NA	NA
Other parties past due upto three years	NA	NA
Other parties past due more than three years	NA	NA
Specific credit risk impairment on individual basis	100%	100%

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

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	1,759.43	1,009.37
Add : Allowance for trade receivable which have significant increase in credit risk	(527.40)	750.06
Less : Specific credit risk impairment on individual basis		-
Balance as at the end of the year##	1,232.02	1,759.43

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 March 31, 2024 applying simplified approach for trade and other contractual receivables from the parties amounting to ₹ 1,232.02 million (previous year ₹ 1759.43 million).

(ii) Liquidity risk management

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 March 31, 2024 applying simplified approach for trade and other contractual receivables from the parties amounting to ₹ 1,232.02 million (previous year ₹ 1759.43 million).

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, 2023: 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 March 31, 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

As at March 31, 2023

Particulars	Carrying amount	Contractual cash flows			Total
		Upto 1 year	1-5 years	More than 5 years	
Financial assets					
Non-current					
Other financial assets	1,299.16	1,299.16	-	-	1,299.16
Current					
Trade receivable	4,071.44	4,071.44	-	-	4,071.44
Cash & cash equivalents and other bank balances	522.17	522.17	-	-	522.17
Other financial assets	100.96	100.96	-	-	100.96

45. Financial instruments – Fair values and risk management (continued..)

(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 March 31, 2024; as at March 31, 2023; are as below:

Particulars	As at March 31, 2024		As at March 31, 2023	
	USD	INR	USD	INR
Financial assets				
Current				
Trade receivable	5.31	442.73	3.94	323.50
Cash & cash equivalents and bank balances	0.01	1.17	-	0.00
Total financial assets	5.32	443.90	3.94	323.50
Financial liabilities				
Current				
Trade payables	0.01	1.16	0.02	1.84
Other financial liabilities	-	-	-	-
Total financial liabilities	0.01	1.16	0.02	1.84

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 March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Receivable				
USD/INR	22.20	16.17	(22.20)	(16.17)
Payable				
USD/INR	(0.06)	(0.09)	0.06	0.09

46. Ratios

Current ratio

Particular	As at March 31, 2024	As at March 31, 2023
Total current assets	5,769.97	4,862.28
Total current liabilities	4,362.22	4,023.12
Ratio	1.32	1.21
% change	9.44%	-12.19%
Reason	Due to Increase in Current assets as compared to last year	

Debt equity ratio

Particular	As at March 31, 2024	As at March 31, 2023
Total debt	-	-
Shareholder's equity	4,601.64	4,070.82
Ratio	-	-
% change	-	-

Debt service coverage ratio

Particular	As at March 31, 2024	As at March 31, 2023
EBIT	-	-
Total debt	-	-
Ratio	-	-
% change	-	-

Return on equity ratio

Particular	As at March 31, 2024	As at March 31, 2023
Net profit for the year	404.26	623.27
Average stakeholders' equity	4,601.64	4,070.82
Ratio	8.79%	15.31%
% change	-42.62%	-291.33%
Reason	Due to decrease in profit during the year owing to decrease in revenue from operations	

Inventory turnover ratio

Particular	As at March 31, 2024	As at March 31, 2023
Cost of goods sold	134.49	172.29
Average inventory	21.26	41.06
Ratio	632.49	419.66
% change	50.71%	240.94%
Reason	Due to decrease in inventories during the year	

Trade receivable turnover ratio

Particular	As at March 31, 2024	As at March 31, 2023
Revenue from operations	8,426.17	8,944.73
Average trade receivables	4,754.69	3,785.38
Ratio	1.77	2.36
% change	-25.00%	22.23%

Trade payable turnover ratio

Particular	As at March 31, 2024	As at March 31, 2023
Other expenses	1,659.86	2,755.19
Average trade payable	990.12	1,026.63
Ratio	1.68	2.68
% change	-37.53%	89.34%
Reason	Due to decrease in average trade payables during the year	

Net capital turnover ratio

Particular	As at March 31, 2024	As at March 31, 2023
Revenue from operations	8,426.17	8,944.73
Working capital	1,407.75	839.16
Ratio	5.99	10.66
% change	-43.85%	85.00%
Reason	Due to decrease in revenue as compared to previous year	

Net profit ratio

Particular	As at March 31, 2024	As at March 31, 2023
Profit for the year	404.26	623.27
Revenue from operation	8,426.17	8,944.73
Ratio	4.80%	6.97%
% change	-31.15%	-293.79%
Reason	Due to decrease in profit earned during the year	

Return on capital employed

Particular	As at March 31, 2024	As at March 31, 2023
Profit before exceptional item, finance cost & tax	852.82	1,122.18
Capital employed	7,033.85	6,556.84
Ratio	12.12%	17.11%
% change	-29.16%	269.71%
Reason	Due to decrease in profit before finance cost and tax	

Return on investment

Particular	As at March 31, 2024	As at March 31, 2023
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

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Foreign exchange earnings	2,174.56	1,960.48
Foreign exchange expended (for import payments)	(150.97)	(3.03)
Net foreign exchange earnings	2,023.59	1,957.45

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.



Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Amount required to be spent by the company during the year	-	-
Amount of expenditure incurred	-	-
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		

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, 2024 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 March 31, 2024	For the year ended March 31, 2023
Air India Limited	2,786.79	2,845.63

51. IND AS 116 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.

52. Suspension of Accounting ERP software by Software Implementor

M/s Uniq Data Solutions Private Limited (UDSPL), implementor of accounting ERP software (Odoo) 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).

Due to unavailability of software (not in control of the company), Company has prepared its financials after passing few closing entries manually to make the Trial Balance as final one which was downloaded from Odoo on 8th Jun, 2024 along with complete ledger accounts.

53. Additional regulatory information required by Schedule III

(I) Details of benami property held

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 and on behalf of the Board of Directors

For Bansal & Co LLP

Chartered Accountants

Firm Registration No: 001113N/N500079

Sd/-

Amit Kumar Singh

Partner

Membership No: 532180

Place: New Delhi

UDIN: 25532180BMIYVJ1477

Place: New Delhi

Date: 03-01-2025

Sd/-

Asangba Chuba Ao

Chairman

DIN: 08086220

Sd/-

Sandeep Malhotra

Chief Financial Officer

Sd/-

Padam Lal Negi

Director

DIN: 10041387

Sd/-

Rambabu Ch.

Chief Executive Officer

On Sanctioned ML

Shashi Bhadoo

Company Secretary





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AI AIRPORT SERVICES