



CIAL

DUTYFREE AND
RETAIL SERVICES LTD.

BOARD'S REPORT & FINANCIAL STATEMENTS

2025-26

BOARD OF DIRECTORS

Shri. S Suhas IAS (Chairperson)
Shri. Lenny Sebastian (Managing Director)
Shri. Jayarajan Viswanathan
Shri. Santhosh Sahadevan
Shri. Manu Gopalakrishna Pillai
Shri. Manoj P. Joseph
Shri. Suresh T Narayanan
Smt. Annie Abraham

AUDIT COMMITTEE

Shri. Suresh T Narayanan (Chairperson)
Smt. Annie Abraham
Shri. Jayarajan Viswanathan

CSR COMMITTEE

Shri. Lenny Sebastian (Chairperson)
Shri. Santhosh Sahadevan
Shri. Suresh T Narayanan
Shri. Manoj P. Joseph

NRC COMMITTEE

Shri. Suresh T Narayanan (Chairperson)
Smt. Annie Abraham
Shri. Manu Gopalakrishna Pillai

CHIEF FINANCIAL OFFICER

Smt. Hema Gopalakrishnan

AUDITORS

M/s K J Anto & Co.
Chartered Accountants
Vallon Road, Kadavanthra, Kochi - 682 020

CIAL DUTYFREE AND RETAIL SERVICES LIMITED

CIN: U52399KL2016PLC040279

REGISTERED OFFICE

XI / 318 E, Cochin Airport Buildings
Kochi Airport P O, Ernakulam 683 111
Tel: 0484 - 2374154
Email: cdrslsec@gmail.com
Website: www.cochindutyfree.com

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CIAL DUTYFREE AND RETAIL SERVICES LIMITED

CIN: U52399KL2016PLC040279

Regd. Office: XI/318 E, Cochin International Airport Buildings, Nedumbassery, Kochi Airport - 683 111

Phone: 0484 2610115; e-mail: cdrslsec@gmail.com; Website: www.cochindutyfree.com

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 10th Annual General Meeting of CIAL Dutyfree and Retail Services Limited will be held on **Friday, the 07th August 2026 at 4.00 p.m. at XI/318E, Cochin International Airport Buildings, Cochin International Airport Road, Kochi Airport P.O., Ernakulam - 683 111**, the Registered Office of the Company, to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2026 the Statement of Profit and Loss for the year ended on that date, Annexures and Schedules thereto and the report of the Directors and Auditors of the Company.
2. To appoint a Director in the place of Shri. Santhosh Sahadevan (DIN:10079346) who retires by rotation and being eligible, offer himself for re-appointment.
3. To appoint a Director in the place of Shri. Jayarajan V (DIN:07872989) who retires by rotation and being eligible, offer himself for re-appointment.

SPECIAL BUSINESS

4. Appointment of **Shri. Lenny Sebastian (DIN:11787630)** Executive Director/CIAL as Managing Director of the company for a period of two (2) years with effect from 10th July 2026.

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

“RESOLVED THAT pursuant to the provisions of Section 149,152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or any amendment(s) thereto, or any substitution(s) or any re-enactment(s) made thereof, for the time being in force), Shri. Lenny Sebastian (DIN:11787630) Executive Director / CIAL, who was appointed by the Board of Directors as an Additional Director of the Company with effect from 10th July 2026 and the Company has received a notice in writing from a Member under Section 160 of the Companies Act 2013 proposing his candidature for the office of Director who by virtue of the provisions of Section 161 of the Companies Act, 2013, holds office up to the date of ensuing Annual General Meeting, be and is hereby appointed as Director of the Company, not liable to retire by rotation.”

“RESOLVED THAT in accordance with the provisions of Sections 196,197,198, 203 and any other applicable provisions of the Companies Act,2013 (the “Act”) and the Rules made thereunder read with Schedule V of the Companies Act,2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and all applicable guidelines for managerial remuneration issued by the Central Government from time to time along with the provisions of the Articles of Association of the Company, Shri. Lenny Sebastian Executive Director / CIAL (DIN:11787630) be and is hereby appointed as Managing Director of CIAL Dutyfree and Retail Services Limited (CDRSL), for a period of two (2) years with effect from 10th July,2026.”

“RESOLVED FURTHER THAT he shall be entitled to such salary, allowances and other perquisites as applicable to his cadre, as may be determined by the Board of Directors from time to time.”

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Act, the remuneration payable to Shri. Lenny Sebastian by way of salary, perquisites, commission and other allowance shall not in any event exceed 5% of the net profits of the Company in that financial year”.

“RESOLVED FURTHER THAT in the event of any loss or inadequacy of profits in any financial year of the Company during the tenure of Shri. Lenny Sebastian, the remuneration, perquisites and other allowances shall be governed by the limits prescribed in Section II of Part II of Schedule V to the Act”.

“FURTHER RESOLVED THAT the Board be and are hereby authorized to take all such steps as may be necessary proper or expedient to give effect to this resolution”.

5. Appointment of **Shri. Suresh Thundiparambil Narayanan (DIN:07869073)** as an Independent Director of the Company.

To consider and if thought fit, to pass with or without modifications, the following Resolution as an **Special Resolution**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and 160 read with schedule IV and Section 161(1) read with Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions, of the Companies Act, 2013, if any, the Board of Directors of the Company appointed **Shri. Suresh Thundiparambil Narayanan (DIN: 07869073)** as an Additional Director (Non-Executive-Independent) in their Meetings with effect from 10th July 2026 and Company has received a notice in writing from a Member under Section 160 of the Companies Act 2013 proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided under the Companies Act, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term up to 3 consecutive years with effect from 10th July 2026.

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

6. Appointment of **Smt. Annie Abraham (DIN:08493144)** as an Independent Director of the Company.

To consider and if thought fit, to pass with or without modifications, the following Resolution as an **Special Resolution**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and 160 read with schedule IV and Section 161(1) read with Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions, of the Companies Act, 2013, if any, the Board of Directors of the Company appointed Smt. Annie Abraham (DIN: 08493144) as an Additional Director (Non-Executive-Independent) with effect from 10th July 2026 and the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013, proposing her candidature for the office of Director and who has submitted a declaration that she meets the criteria for independence as provided under the Companies Act, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term up to 3 consecutive years with effect from 10th July 2026.

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

By order of the Board
for **CIAL Dutyfree and Retail Services Limited**

Sd/-

S.Suhas IAS

Chairman

DIN: 08540981

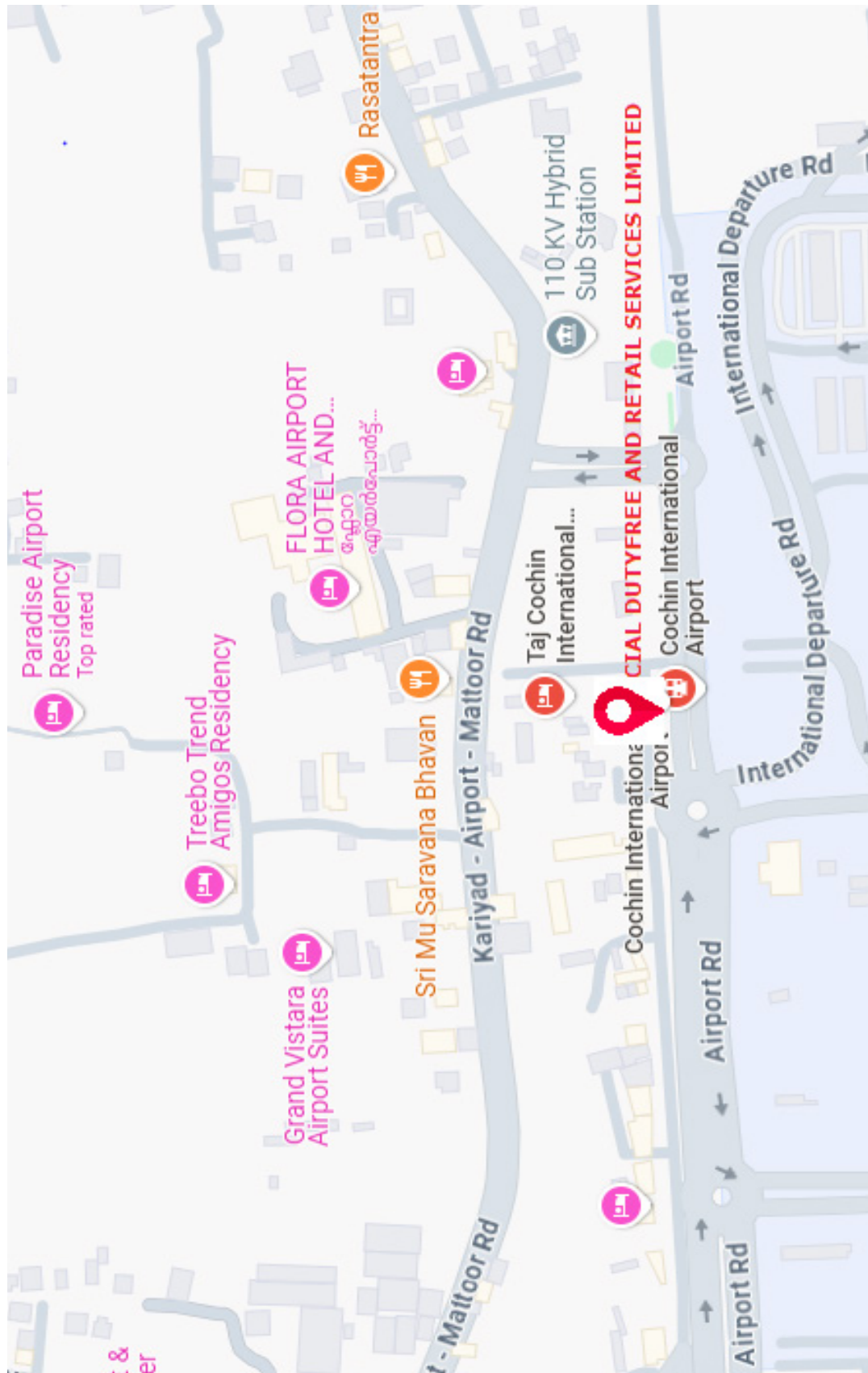
Place : Nedumbassery

Date : 10.07.2026

Notes:

1. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
2. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company.
3. Instrument of proxies, in order to be effective, must be duly filled, stamped, signed and deposited at the Company's registered office not later than 48 hours before the commencement of the meeting.

ROUTE MAP OF ANNUAL GENERAL MEETING VENUE



Explanatory Statement pursuant to Section 102 of the Companies Act 2013

Item No.04

Shri. Lenny Sebastian holding the position of CFO in CDRSL with effect from 28th February 2023. However, vide office order dated 10th June 2026 from holding company CIAL, nominated Shri. Lenny Sebastian (DIN: 11787630) as Managing Director of the Company. Further the Board of Director of CIAL Dutyfree and Retail Services Limited (CDRSL) at their meeting held on 10th July 2026 has approved the proposal to appoint Shri. Lenny Sebastian (DIN:11787630) as Managing Director of CDRSL for a period of two years from 10th July 2026.

The company has received from Shri. Lenny Sebastian(i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014 (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

Shri. Lenny Sebastian is a qualified Chartered Accountant having 34 years' experience. Keeping in view of his rich and vast experience, the Board of Directors is of the opinion that it would be in the interest of the Company to appoint him as Director as well as Managing Director of the Company whose office is not liable to retire by rotation. The Board also believes that his advice and contributions would be of great benefit for the growth of the Company.

None of the Directors except Shri. Lenny Sebastian, the proposed appointee / Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the resolution set forth in item No. 04 for the approval of the members.

Item No. 05 & 06

Pursuant to the provisions of Sections 149, 150, 152, 160 and 161 of the Companies Act, 2013, the Board of Directors, at its meeting held on 10th July 2026, approved the appointment of Shri. Suresh Thundiparambil Narayanan (DIN: 07869073) and Smt. Annie Abraham (DIN: 08493144) as Additional Directors (Independent and Non-Executive) of the Company for a term of three years, with effect from 10th July 2026, subject to the approval of the Members at the ensuing Annual General Meeting.

Shri. Suresh Thundiparambil Narayanan and Smt. Annie Abraham, being eligible for appointment as Independent Directors of the Company, have furnished their consent to act as Directors, the requisite disclosures, and declarations confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, each of them satisfies the conditions specified under the Companies Act, 2013 and the rules made thereunder for appointment as an Independent Director of the Company and is independent of the management.

None of the Directors except Shri. Suresh Thundiparambil Narayanan and Smt. Annie Abraham the proposed appointees/KMP of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the resolution set forth in item No. 05 & 06 for the approval of the members.

By order of the Board
for **CIAL Dutyfree and Retail Services Limited**

Sd/-

S.Suhas IAS

Chairman

DIN: 08540981

Place : Nedumbassery

Date : 10th July 2026

As per the requirement of Secretarial Standard - 2, the following information relating to the Directors who is being appointed / re-appointed as contained at items 02 to 06 is furnished below:

Particulars	Information	
Name	Shri. Santhosh Sahadevan (DIN: 10079346)	Shri. Jayarajan V (DIN: 07872989)
Age	52 Years	55 Years
Qualification	B.Tech & MBA	MBA & LLB
Experience	27 Years	30 Years
Terms and Conditions of appointment	As per resolution item No.2	As per resolution No.3
Remuneration last drawn	Nil	Nil
Date of first appointment on Board	28 th February 2023	01 st March 2021
Shareholding in Company	Nil	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel	Nil	Nil
Number of Meetings of Board attended	4	4
Other Directorships, Memberships / Chairmanships of Committees of other Boards	Member - CSR Committee	Chairman - Audit Committee

Particulars	Information
Name	Shri. Lenny Sebastian (DIN: 11787630)
Age	58 Years
Qualification	Chartered Accountant
Experience	34 Years
Terms and Conditions of appointment	As per the resolution No.4
Remuneration last drawn	Nil
Date of first appointment on Board	10 th July 2026
Shareholding in Company	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel	Nil
Number of Meetings of Board attended	NA
Other Directorships, Memberships / Chairmanships of Committees of other Boards	Nil

Particulars	Information	
Name	Shri Suresh Thundiparambil Narayanan (DIN: 07869073)	Smt. Annie Abraham (DIN: 08493144)
Age	50 Years	72 Years
Qualification	Chartered Accountant	Chartered Accountant
Experience	21 Years	33 Years
Terms and Conditions of appointment	As per the resolution No.5	As per the resolution No.6
Remuneration last drawn	Nil	Nil
Date of first appointment on Board	10 th July 2026	10 th July 2026
Shareholding in Company	Nil	Nil

Relationship with other Directors, Manager and other Key Managerial Personnel	Nil	Nil
Number of Meetings of Board attended	NA	NA
Other Directorships, Memberships / Chairmanships of Committees of other Boards	1. TCL Ceramics Limited Director 2. P I T Solutions Limited Director	1. CIAL Infrastructure Limited- Director

By order of the Board
for **CIAL Dutyfree and Retail Services Limited**

Sd/-

S.Suhas IAS

Chairman

DIN:08540981

Place : Nedumbassery

Date : 10.07.2026

ATTENDANCE SLIP

(To be presented at the entrance)

Name	
Address	
Folio No. / DP ID Client ID No.	
Name of First named Member/Proxy/ Authorised Representative	
No. of Shares held	

I/We certify that I am a registered shareholder/ Proxy/Authorized Representative for the registered Shareholder of the Company and hereby record my presence at the 10th Annual General Meeting of the Company to be held on Friday, the 7th August 2026 at 04:00 pm at the registered office of the Company at XI/318 E, Cochin International Airport Buildings, Nedumbassery, Kochi Airport - 683 111.

Signature of the Shareholder/ Proxy/ Authorized Representative

Note:

Please fill this attendance slip and hand it over at the entrance of the hall.

CIAL DUTYFREE AND RETAIL SERVICES LIMITED

Regd. Office: XI/318 E, Cochin International Airport Buildings, Nedumbassery, Kochi Airport P.O - 683 111

Phone & Fax: 0484 2374154; e-mail: cdrslsec@gmail.com CIN: U52399KL2016PLC040279

Form No: MGT – 11 PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	U52399KL2016PLC040279		
Name of the Company	CIAL Dutyfree and Retail Services Limited		
Registered Office	XI/318 E, Cochin Airport Buildings, Kochi Airport P O, Ernakulam 683 111		
Name of the Member(s)			
Registered Address			
e-mail ID			
Folio No		DP ID	

I/We, being the member(s) of ----- shares of the above named company, hereby appoint

1.	Name		Signature
	Address		
	e-mail ID		
	or failing him		
2.	Name		Signature
	Address		
	e-mail ID		
	or failing him		
3.	Name		Signature
	Address		
	e-mail ID		

as my/our proxy to attend and vote (on poll) for me/us and on my or our behalf at the 10th Annual General Meeting of the Company to be held on Friday, the 07th August 2026 at 4.00 pm at the registered office of the Company and at any adjournment thereof in respect of such resolution as are indicated below:

Resolutions

SI No	Resolutions	For	Against
1	To receive, consider and adopt the audited financial statements of the company for the financial year ended 31 st March 2026 and the report of the Directors and Auditors thereon		
2	To appoint a Director in the place of Shri. Santhosh Sahadevan (DIN: 10079346) who retires by rotation and being eligible, offer himself for re-appointment		
3	To appoint a Director in the place of Shri. Jayarajan V (DIN: 07872989) who retires by rotation and being eligible, offer himself for re-appointment		
4	Appointment of Shri. Lenny Sebastian (DIN: 11787630) Executive Director/CIAL as Managing Director of the company for a period of two (2) years with effect from 10 th July, 2026		
5	Appointment of Shri. Suresh Thundiparambil Narayanan (DIN: 07869073) as an Independent Director of the Company for a period of three years		
6	Appointment of Smt. Annie Abraham (DIN: 08493144) as an Independent Director of the Company for a period of three years		

Signed this ----- day of ----- 2026

Signature of shareholder: -----

Signature of Proxy holder(s) :-----

affix Re.1
revenue
stamp

Note: The form of proxy in order to be effective should be duly completed and deposited at the registered Office of the company, not less than 48 hours before the commencement of the meeting.

CIAL DUTYFREE AND RETAIL SERVICES LIMITED

CIN: U52399KL2016PLC040279

Regd. Office: XI/318 E, Cochin International Airport Buildings, Kochi Airport P.O - 683 111

Phone: 0484 2610115; e-mail: cdrslsec@gmail.com; Website: www.cochindutyfree.com

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 10th Annual Report and the Company's financial statements for the financial year ended 31st March 2026.

1. FINANCIAL RESULTS

(Rupees in lakhs)

Particulars	2025-26	2024-25
Total Income	33599.19	32121.35
Less: Administrative & other expenses	32939.41	31315.25
Profit before Interest, Depreciation, Exceptional items & Tax	659.78	806.10
Less: Interest	191.26	178.87
Less: Depreciation	100.78	98.89
Profit before Exceptional items & Tax	367.74	528.34
Exceptional items	0	0
Profit before Tax	367.74	528.34
Less: Provision for Tax	112.30	165.15
Profit after Tax	255.44	363.19
Add: Other Comprehensive Income (net of taxes)	0	0.00
Profit for the year	255.44	363.19

2. REVIEW OF OPERATIONS

The global duty-free markets in airports have seen significant growth, driven by increased international travel and rising consumer spending on luxury goods. These markets offer travellers the opportunity to purchase items free from local import taxes and duties, often at reduced prices. Popular categories include perfumes, cosmetics, alcohol, tobacco, and high-end fashion. Major airport hubs in regions like Asia-Pacific, Europe, and the Middle East are key players, leveraging their strategic locations and high passenger volumes. The duty-free sector also adapts to changing consumer preferences, integrating digital innovations and personalized shopping experiences to attract and retain customers. The duty-free markets in Indian airports have experienced robust growth, fueled by the country's burgeoning middle class and an increase in international travel.

The Cochin Dutyfree Shop at Cochin International Airport Limited (CIAL) plays a pivotal role in enhancing the travel experience for passengers and boosting the region's economy. As the first greenfield airport in India built under a public-private partnership, CIAL has set high standards in infrastructure and services. Cochin Dutyfree is a prominent hub, strategically located in both the arrivals and departures areas, offers a wide array of products including international and domestic brands of liquor, cosmetics, perfumes, and local handicrafts. Its competitive pricing and diverse product range cater to the growing number of international travellers passing through the airport. The development of the Cochin Duty-Free Shop aligns with CIAL's vision of providing world-class amenities and contributing to the overall growth of the aviation sector in Kerala, making it a crucial component of the airport's commercial strategy.

The total revenue for the year ended 31st March 2026 was Rs. 33599.19 Lakhs. The Company earned an operating profit of Rs. 659.78 lakhs during the financial year 2025-26, compared to an operating profit of Rs. 806.10 lakhs reported for the financial year 2024-25. After accounting for interest on borrowed funds and depreciation, your company achieved a cash profit of Rs. 367.74 lakhs during the financial year 2025-26, as against cash profit of Rs. 528.34 lakhs in the financial year 2024-25. The Company has recorded a net profit of Rs. 255.44 lakhs in the financial year 2025-26, compared to a net profit of Rs. 363.19 lakhs for the previous financial year.

3. DIRECTORS

The Directors of the Company,

Sl.No.	DIN	Name of the Director	Designation
1.	08540981	Shri. S.Suhas IAS	Chairman
2.	01581503	Shri. Saji Kodankandath George (upto 30 th June 2026)	Managing Director
3	11787630	Shri. Lenny Sebastian (w.e.f 10 th July 2026)	Managing Director
4.	07872989	Shri. Jayarajan Viswanathan	Director
5.	10079346	Shri. Santhosh Sahadevan	Director
6.	10084794	Shri. Manu Gopalakrishna Pillai	Director
7.	10087313	Shri. Sojan Koshy (upto 10 th July 2026)	Director
8.	10818014	Shri. Manoj P Joseph	Director
9.	08493144	Smt. Annie Abraham (w.e.f. 10 th July 2026)	Additional Director
10.	07869073	Shri. Suresh Thundiparambil Narayanan (w.e.f. 10 th July 2026)	Additional Director

Shri. Saji K. George (DIN: 01581503), Managing Director of the Company, tendered his resignation from the office of Managing Director as well as from the Directorship of the Company, with effect from 30th June 2026. The Board considered and accepted his resignation with effect from the said date.

Shri. Sojan Koshy (DIN: 10087313), Director of the Company, tendered his resignation from the Directorship of the Company, with effect from 10th July 2026. The Board considered and accepted his resignation with effect from the said date.

Vide Office Order No. CIAL/MD/ORD/2025-26/06 dated 10th June 2026, the Holding Company, Cochin International Airport Limited (CIAL), nominated Shri. Lenny Sebastian, Executive Director & CFO/CDRSL, as the Managing Director of CDRSL. Accordingly, the 44th Meeting of the Board of Directors of the Company, held on 10th July 2026, approved the appointment of Shri. Lenny Sebastian as the Additional Director and Managing Director of the Company for a period of two (2) years with effect from 10th July 2026, subject to the approval of members of the company at their Annual General Meeting. Consequently, Shri. Lenny Sebastian was relieved from the position of Chief Financial Officer of CIAL Dutyfree and Retail Services Limited with effect from 30th June 2026.

The 44th meeting of Board of Directors held on 10th July 2026, approved the appointed Smt. Hema Gopalakrishnan as Chief Financial Officer of Company.

The 39th meeting of the Board of Directors of CDRSL held on 20th June 2025, appointed Shri. Rajiv Warriar as the Company Secretary of the Company w.e.f. 1st July 2025. Subsequently, vide Office Order No. CIAL/MD/ORD/2025-26/06 dated 10th June 2026, the Holding Company, CIAL, transferred Shri. Rajiv Warriar and appointed him as the Company Secretary of CIAL. Consequently, Shri. Rajiv Warriar was relieved of his duties as Company Secretary of CDRSL with effect from 30th June 2026. Thereafter, Shri. Dipu George, Company Secretary of CIASL, was appointed as the Company Secretary of CDRSL as an additional charge with effect from 1st July 2026.

The Board of Directors of the Company, at its 44th Meeting held on 10th July 2026, approved the appointment of Smt. Annie Abraham (DIN: 08493144) and Shri. Suresh Thundiparambil Narayanan (DIN: 07869073) as Additional Directors (Independent and Non-Executive) of the Company for a term of three (3) years, with effect from 10th July 2026, subject to the approval of the members at the ensuing Annual General Meeting.

Shri. Santhosh Sahadevan (DIN: 10079346) and Shri. Jayarajan V (DIN:07872989) retire by rotation and being eligible offer themselves for reappointment at this Annual General Meeting. The Board therefore recommends their reappointment as Directors of the Company.

Necessary resolutions for their appointment have been included in the Notice of Annual General Meeting.

Other than the above, there were no changes in the Board of Directors and Key Managerial Person (KMP) during the financial year 2025 - 26 and thereafter.

Directors' Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(5) of the Companies Act 2013:

- a) in the preparation of the annual accounts for the financial year ended 31st March 2026, the applicable accounting standards and the instructions provided under Schedule III of the Companies Act 2013 have been followed and there are no material departures from the same.
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2026 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) the Directors have prepared the annual accounts on a 'going concern' basis.
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

4. DIVIDEND AND TRANSFER TO RESERVES

Your Directors have considered it financially prudent in the long-term interests of the Company to reinvest the profits into the business of the Company to build a strong reserve base for the growth of the business. No dividend has therefore been recommended for the year ended 31st March 2026 and no amounts have been transferred or is proposed to be carried to any Reserve Account.

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

The Independent Directors have given the statement of declaration that they meet the criteria of independence as provided in the sub-section (6) of section 149 of the Companies Act, 2013. The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act. The Board of Directors confirms that the Independent Directors also met the criteria of expertise, experience and integrity in terms of Rule 8 of the Companies (Accounts) Rules, 2014. The Online Proficiency Self-Assessment Test has to be qualified by both Independent Directors within a period of two years from the date of registration with the IICA. Both Independent Directors have qualified the Online Proficiency Self-Assessment Test.

6. ANNUAL RETURN

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act read with Companies (Management and Administration) Rules 2014, the Annual Return of the Company in Form MGT-7 has been uploaded on the Company's website www.cochindutyfree.com

7. MEETINGS OF THE BOARD

Four meetings of the Board of Directors were held during the period under review on 20th June 2025, 17th October 2025, 13th February 2026 and 27th March 2026.

The Composition and category of the Directors along with their attendance at Board Meetings for the period ended 31st March 2026 are given below:

Sl. No.	Name of the Director	Category of Director	No of Board Meetings	
			Held during the tenure	Attended
1	Shri. Suhas S IAS	Chairman	4	4
2	Shri. Saji Kodankandath George	Managing Director	4	4
3	Shri. Manoj P Joseph	Director	4	4
4	Shri. Jayarajan Viswanathan	Director	4	4
5	Shri. Santhosh Sahadevan	Director	4	4
6	Shri. Manu Gopalakrishna Pillai	Director	4	4
7	Shri. Sojan Koshy	Director	4	3

8. STATUTORY AUDITOR

With the recommendation of the Audit Committee, the Board of Directors at their meeting held on 21st June 2024 has approved the appointment of M/s. K.J Anto & Co, Chartered Accountants, Ernakulam (Firm Registration No:014162S) as Statutory Auditors of the Company for a period of five years. Further the 8th Annual General Meeting of the Company held on 01st August 2024 has also approved the same.

Explanations by the Board on qualification in Audit Report

- a. The Statutory auditor pointed out that, the Company does not have any Independent Directors on its Board of Directors as required under Section 149 of the Companies Act, 2013. Consequently, the Company is in non-compliance with Section 177 and Section 178 of the Companies Act, 2013 regarding the mandatory constitution, composition, and majority requirements of the Audit Committee and the Nomination and Remuneration Committee, respectively, along with other board committees mandated under the Act. Further, the related party transactions disclosed in the financial statements, as required under the applicable accounting standards, are not in compliance with the provisions of Sections 177 and 188 of the Companies Act, 2013.

The Board clarified that, the 44th Meeting of Board of Directors of the Company held on 10th July 2026 has approved the appointment of Smt. Annie Abraham (DIN: 08493144) and Shri. Suresh Thundiparambil Narayanan (DIN:07869073) as Independent Director of the Company for a period of three years. Accordingly, all mandatory committees such as Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee of the Board has reconstituted in accordance with the provision of the Companies Act 2013 and complied all the provisions of Sections 135, 177 and 178 of the Companies Act, 2013. Further, necessary steps are being taken to ensure that all transactions with related parties are placed before the Audit Committee for prior approval or subsequent modification/ratification, as applicable, in accordance with the provisions of the Companies Act, 2013.

- b. Income Tax demands pending appeal for Assessment Year 2023-24 amounting to Rs. 116.52 lakhs. The details of the Income Tax Demand is disclosed in the Note 35 to the financial statements as contingent liability.

9. INTERNAL AUDITOR

The Board of Directors of your Company at the meeting held on 21st June 2024 has appointed M/s. Elias George & Company, Chartered Accountants, Ernakulam (Firm Registration No:000801S) as Internal Auditor for a period of 5 years pursuant to the provisions of Section 138 of the Companies Act, 2013.

10. DISCLOSURES

Corporate Social Responsibility Committee (CSR Committee)

As per the requirement of Section 135 of Companies Act 2013, Companies (Corporate Social Responsibility Policy) Rules 2014 and Schedule VII (activities to be included in the CSR Policies), the Company has constituted a Corporate Social Responsibility Committee at the Board level to monitor the CSR activities.

The CSR policy of the Company is available in the following link:<https://www.cochindutyfree.com/Userfiles/CochinDutyFree/file/CSR-Policy.pdf>.

The Annual Report on CSR activities setting out a brief outline of the CSR policy and the initiatives undertaken by the Company on CSR activities for the financial year 2025-26 is enclosed as **Annexure A**

Audit Committee

The composition of Audit Committee as on 31st March 2026 is stated below

SI.No.	Name of the Member	Designation
1	Shri. Jayarajan Viswanathan	Chairman
2	Shri. Manu Gopalakrishna Pillai	Member
3	Shri. Santhosh Sahadevan	Member

All the recommendations made by the Audit Committee were accepted by the Board during the period under review.

Terms of reference of the Audit Committee

- (i) the recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (ii) review and monitor the auditor's independence and performance and effectiveness of audit process;
- (iii) examination of the financial statement and the auditors' report thereon;
- (iv) approval or any subsequent modification of transactions of the Company with related parties;
- (v) scrutiny of inter-corporate loans and investments;
- (vi) valuation of undertakings or assets of the Company, wherever it is necessary;
- (vii) evaluation of internal financial controls and risk management systems;
- (viii) monitoring the end use of funds raised through public offers and related matters.

Two meetings of the Audit Committee were held during the period under report on 20th June 2025 and 13th February 2026. The composition and category of the members along with their attendance at the Audit Committee meetings are given below:

SI. No.	Name of the Member	Category of Member	No. of Audit Committee Meetings	
			Held during the period	Attended
1.	Shri. Jayarajan Viswanathan	Non-Executive Director	2	2
2.	Shri. Manu Gopalakrishna Pillai	Non-Executive Director	2	2
3.	Shri. Santhosh Sahadevan	Non-Executive Director	2	2

However, the 44th Meeting of Board of Directors of Company held on 10th July 2026, has reconstituted the Audit Committee, with the following members

SI No	Name of the Members	Designation
1	Shri. Suresh Thundiparambil Narayanan	Chairman- Independent
2	Smt. Annie Abraham	Member- Independent
3	Shri. Jayarajan Viswanathan	Member

Nomination and Remuneration Committee

The 44th Meeting of Board of Directors of Company held on 10th July 2026, has appointed two independent Directors and constituted NRC Committee, with the following members, in accordance with the applicable provision of the Act 2013

SI No	Name of the Members	Designation
1	Shri. Suresh Thundiparambil Narayanan	Chairman- Independent
2	Smt. Annie Abraham	Member- Independent
3	Shri. Manu G	Member

The purpose of constituting the Nomination and Remuneration Committee is to formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board, a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees by striking a balance between the interest of the Company and the Shareholders and other matters as provided under Section 178 of the Companies Act, 2013.

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT 2013

During the year under review, the Company has not made any loans, guarantees or investments falling under the purview of Section 186 of the Companies Act, 2013 other than as disclosed in financials.

12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

The Company operates in the building leased out by CIAL. Therefore, the energy conservation measures undertaken by CIAL and the consequent energy savings will have a significant impact in reducing the power consumption of the company. There are no activities relating to technology absorption in connection with operations of the Company. The earnings and expenditure in foreign currency during the period under review are given below:

(₹ in Lakhs)

Foreign Exchange Earnings and outgoings (receipts and payments)	From 01.04.2025 to 31.03.2026
a) CIF Value of imports made during the year	14736.38
b) Earnings in Foreign Exchange (Export of Goods)	2358.23
c) Expenditure in Foreign Currency	13481.84

13. SECRETARIAL AUDITORS

As required under Section 204 of the Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel Rules 2014), the Company is required to appoint a Secretarial Auditor for auditing the secretarial and related records to ensure compliances of various legislations applicable to the Company and to provide a report in this regard. The Board of Directors of your Company has appointed M/s SVJS & Associates, Practicing Company as Secretarial Auditor of the Company for the financial year 2025-26 and the Secretarial Audit Report in Form MR-3 is attached as **Annexure B** to this report.

Explanations by the Board on qualification in Secretarial Audit Report

The Company has not appointed Independent Directors as required under Section 149 of the Companies Act, 2013, read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Consequently, the provisions of Sections 135, 177, and 178 have not been complied with. Further also stated that the Related party transactions were not approved at properly constituted audit committee.

The Board clarified that, the 44th Meeting of Board of Directors of the Company held on 10th July 2026 has approved the appointment of Smt. Annie Abraham (DIN: 08493144) and Shri. Suresh Thundiparambil Narayanan (DIN:07869073) as Independent Director of the Company for a period of three years. Accordingly, all mandatory committees such as Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee of the Board has reconstituted in accordance with the provision of the Companies Act 2013 and complied all the provisions of Sections 135, 177 and 178 of the Companies Act, 2013.

The Board further clarified that the Nomination and Remuneration Policy will be formulated and placed before the Board for consideration and approval at a subsequent meeting. Further, necessary steps are being taken to ensure that all transactions with related parties are placed before the Audit Committee for prior approval or subsequent modification/ratification, as applicable, in accordance with the provisions of the Companies Act, 2013.

14. RELATED PARTY TRANSACTIONS

Related Party Transactions in terms of Ind AS - 24 are set out in the Notes forming part of the accounts. These transactions are not likely to have a conflict with the interest of the Company. All the related party transactions are negotiated on arm's length basis and are intended to protect the interest of the Company. Disclosure of particulars of contracts / arrangements entered into by the Company with related parties are given in eForm AOC-2 as **Annexure C** to this Report.

15. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Personnel and industrial relations were cordial and satisfactory during the year under review. There were no employees of the Company who have drawn remuneration in excess of the limits set out under Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

16. SECRETARIAL STANDARDS OF ICSI

The Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government.

17. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

18. RISK MANAGEMENT

The Company has implemented a risk management policy. In addition the Company has adequate system of business risk evaluation and management, to ensure stable & sustainable business growth and to promote pro-active approach in evaluating and resolving the risks associated with the business. The Company has identified the potential risks such as financial risk, legal & statutory risks and the internal process risk and has put in place appropriate measures for its mitigation. At present, the Company has not identified any element of risk which may threaten the existence of the Company.

19. GENERAL

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

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. Change in the nature of the business of the Company.
5. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
6. During the period under review no frauds were reported by the Auditors of the Company.
7. The Company is not required to maintain cost records as specified by the Central Government under Sub – Section (1) of Section 148 of the Companies Act 2013.
8. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
9. There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this report.
10. The Company has no subsidiary, associate companies or joint ventures. During the period under review, there were no companies which have become or ceased to become the subsidiaries, joint ventures or associate companies.
11. The Company has not made any application and no proceedings are pending under the Insolvency and Bankruptcy Code 2016 (31 of 2016) during the year under review.
12. The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions are not applicable to CDRSL.

20. DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013.

The Company has an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2025-26:

- No. of complaints received : Nil
- No. of complaints disposed off : Nil
- No. of Case pending more than 90 days : Nil

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company is in compliance with the provisions relating to the Maternity Benefit Act, 1961 (including any amendments thereto), and has ensured that statutory benefits such as paid maternity leave, nursing breaks, and all other entitlements under the Act are duly provided to eligible employees.

21. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Personnel and industrial relations were cordial and satisfactory during the year under review.

Being an unlisted company, the provisions of section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are not applicable.

Number of employees as on the closure of financial year

Female	: 2
Male	: 8
Transgender	: 0
Total	: 10

22. ACKNOWLEDGEMENTS

Your Directors take this opportunity to express deep sense of appreciation to Central and State Governments, Central Customs, Bureau of Immigration, Contractors, Management and staff of Cochin International Airport and shareholders for their continued support, guidance, patronage and encouragement. The Board expresses its sincere appreciation for the dedicated services rendered by Officers and other staff of the Company at all levels. The Board also places on record its gratitude to the shareholders and customers for their greater motivation and confidence reposed on us.

for and on behalf of Board of Directors
for **CIAL Dutyfree and Retail Services Limited**

Sd/-

S.Suhas IAS

Chairman

DIN: 08540981

Place : Nedumbassery

Date : 10.07.2026

Annexure A

Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2025 - 26.

1.	Brief outline on CSR Policy of the Company	Please read section: Corporate Social Responsibility (CSR) Committee in the Board's Report
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2. The composition and category of the members as on 31st March 2026 are given below:

Sl. No.	Name of Directors Designation / Nature of Directorship	Category of Directors	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
a	Shri. Saji K George, Chairperson - Executive Director	Managing Director	2	2
b	Shri. Santhosh S, Member - Non - Executive Director	Non-Executive Director		2
c	Shri. Sojan Koshy, Member - Non - Executive Director	Non-Executive Director		1

The Current composition of CSR Committee

Sl.No.	Name of Director Designation / Nature of Directorship	Category of Member
a	Shri. Lenny Sebastian	Executive Director- Chairman
b	Shri. Santhosh S	Non - Executive Director
c	Shri. Manoj P Joseph	Non - Executive Director
d	Shri. Suresh T Narayanan	Independent Director

The CSR committee was reconstituted on 10th July 2026

3.	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.	https://www.cochindutyfree.com/Userfiles/CochinDutyFree/file/CSR-Policy.pdf
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4.	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules 2014, if applicable (attach the report).	Not applicable.
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5.	(a) Average net profit of the company as per Section 135(5)	13,10,06,000
	(b) Two percent of average net profit of the Company as per Section 135(5)	26,20,120
	(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
	(d) Amount required to be set off for the financial year, if any	1,80,671
	(e) Total CSR obligation for the financial year	24,39,449

6.	(a) Amount spent on CSR Projects (both ongoing projects and other than ongoing Projects)	24,50,596
	(b) Amount spent in Administrative Overheads	Nil
	(c) Amount spent on Impact Assessment, if applicable	Nil
	(d) Total amount spent for the Financial Year	24,50,596

6. (e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
24,50,596	Not applicable		Not applicable		

(f) Excess amount for set off, if any:

Sl. No	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	26,20,120
(ii)	Total amount spent for the Financial Year	24,50,596
(iii)	Total CSR obligation for the financial year after set off excess spend of previous year	24,39,449
(iv)	Excess amount spent for the financial year	11,147
(v)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(vi)	Amount available for set off in succeeding financial years	11,147

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Balance Amount in Unspent CSR Account under Section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any	Amount remaining to be spent in succeeding financial years. (in ₹)	Deficiency, if any
No Unspent amount for the preceding three financial years							

8. Whether any capital assets have been created or acquired through CSR spent in the financial year (asset-wise details): No

9	Specify the reason(s), if the Company has failed to spend two percent of the average net profits as per Section 135(5).	Not Applicable
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Place : Nedumbassery
Date : 10.07.2026

sd/-
Lenny Sebastian
Managing Director and Chairman of CSR Committee

Annexure B

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members

CIAL DUTYFREE AND RETAIL SERVICES LIMITED

XI/ 318 E, COCHIN INTERNATIONAL AIRPORT BUILDING,

COCHIN INTERNATIONAL AIRPORT ROAD, KOCHI AIRPORT P.O,

KERALA, INDIA, 683111

We, SVJS & Associates, Company Secretaries, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CIAL DUTYFREE AND RETAIL SERVICES LIMITED [CIN: U52399KL2016PLC040279]** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2026 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder
- (iii) The Management has identified and confirmed the following laws as specifically applicable to the Company:
 1. Foreign Exchange Management Act, 1999
 2. The Customs Act, 1962
 3. The Airports Authority of India Act, 1994
 4. The Foreign Trade (Development and Regulation) Act, 1992

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

- (i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India

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 observations:

- *Having achieved a turnover of more than one hundred crore rupees, the Company has not appointed two independent directors in accordance with Section 149 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014.*

- *Having achieved a turnover of more than three hundred crore rupees, the company has not appointed a woman director in accordance with section 149 of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014.*
- *The Company has not constituted a Nomination and Remuneration Committee and does not have a Nomination and Remuneration Policy in line with Section 178 of the Companies Act, 2013.*
- *The CSR Committee does not contain an Independent Director in line with Section 135 of the Companies Act, 2013.*
- *The Audit Committee does not consist of a majority of independent Directors in line with Section 177 of the Companies Act, 2013.*
- *Related party transactions were not approved at properly constituted audit committee.*

We further report that:

Subject to the aforesaid, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors and 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 is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

There were no dissenting views on any decisions of the Board, as recorded in the Minutes of Board meetings.

We further report that as represented by the Management and relied upon by us, 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 during the audit period there were no instances of:

- Public/Right/Preferential issue of shares / debentures/sweat equity.
- Redemption / buy-back of securities.
- Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013
- Merger / amalgamation / reconstruction.
- Foreign technical collaborations.

This report is to be read with **Annexure A** of even date and the same forms an integral part of this report.

Peer Review Certificate No.6215/2024

UDIN: F003067H000796904

For SVJS & Associates

Company Secretaries

CS Vincent P. D.

Managing Partner

FCS: 3067, CP No: 7940

Annexure A

Place : Kochi

Date : 10th July 2026

ANNEXURE TO THE SECRETARIAL AUDIT REPORT OF EVEN DATE

To

The Members

CIAL DUTYFREE AND RETAIL SERVICES LIMITED

XI/ 318 E, COCHIN INTERNATIONAL AIRPORT BUILDING,

COCHIN INTERNATIONAL AIRPORT ROAD, KOCHI AIRPORT P.O.,

Kerala, India, 683111

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of the secretarial records is the responsibility of the management of the Company. Our responsibility as Secretarial Auditors is to express an opinion on these records, based on our audit.
2. During the 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 process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards etc. is the responsibility of management. Our examination was limited to the verification of the procedures and compliances on test basis.
6. While forming an opinion on compliance and issuing the Secretarial Audit Report, we have also taken into consideration the compliance related actions taken by the Company after 31st March 2026 but before the issue of the Report.
7. We have considered actions carried out by the Company based on independent legal/professional opinion as being in compliance with law, wherever there was scope for multiple interpretations.
8. 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.

Peer Review Certificate No.6215/2024

UDIN: F003067H000796904

For SVJS & Associates

Company Secretaries

CS Vincent P. D.

Managing Partner

FCS: 3067, CP No: 7940

Place : Kochi

Date : 10th July 2026

Form 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 Companies Act, 2013 including certain arm's length transaction under fourth proviso thereto.

Name of the Company: CIAL Dutyfree and Retail Services Limited

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

Sl. No.	Particulars	Details
1	Corporate identity number (CIN) or any other registration number	Nil
2	Name (s) of the related party	Nil
3	Nature of relationship	Nil
4	Nature of contracts / arrangements / transaction	Nil
5	Duration of the contracts / arrangements / transactions	Nil
6	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
7	Justification for entering into such contracts or arrangements or transactions	Nil
8	Date of approval by Board	Nil
9	Amount paid as advance, if any	Nil
10	Date on which the resolution was passed in General Meeting as required under first proviso to Section 188	Nil
11	SRN of MGT-14	NA

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

SL No	Particulars	Details
1	Corporate identity number (CIN)	U63033KL1994PLC007803
2	Name (s) of the related party	Cochin International Airport Limited ("CIAL")
3	Nature of relationship	Holding Company
4	Nature of contracts/arrangements/transactions	Royalty, Lease Rentals & benefits to deputed staff
5	Duration of contracts/arrangements/transactions	Yearly/ As per contract
6	Salient terms of the contracts or arrangements or transactions including actual/expected contractual amount	- Royalty payable to CIAL shall be @ 36% of the sales revenue - During the period under review, CDRSL paid Rs. 11,667.61 lakhs to CIAL as royalty. - During the period under review, CDRSL paid Rs. 110.74 lakhs to CIAL as lease rentals
7	Date of approval by Board (DD/MM/YYYY)	26/03/2024 (03/35)
8	Amount paid as advance, if any	Nil

By order of the Board
for **CIAL Dutyfree and Retail Services Limited**
sd/-

Suhas S IAS
Chairman

DIN: 08540981

Place : Nedumbassery

Date : 10th July 2026

K J Anto & Co.
Chartered Accountants

Vishnu Building, 55/1828 B, K.P. Vallon Road, Kadavanthra, Kochi-682020
Ph. No: 0484-4302013, 9072511211
E-mail - kjcauditors@gmail.com

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CIAL DUTYFREE AND RETAIL SERVICES LIMITED

Report on the Ind AS Financial Statements:

OPINION:

We have audited the accompanying Ind AS financial statements of CIAL Duty Free and Retail Services Limited (the Company), which comprise the Balance Sheet as at 31st March, 2026, 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 ended, and a summary of the significant accounting policies and other explanatory information. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the 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 31st March 2026 and its profits, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

BASIS OF OPINION:

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

EMPHASIS OF MATTERS:

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

- a. Note 35 to the financial statements regarding, Income Tax demands pending appeal for Assessment Year 2023-24 amounting to Rs. 116.52 lakhs the ultimate outcome of the above cannot be determined at this stage.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON:

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Boards' Report including Annexures to Boards' Report, Business Responsibility Report, Corporate Governance, and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements, and our auditor's report thereon.

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

K J Anto & Co.
Chartered Accountants

Vishnu Building, 55/1828 B, K.P. Vallon Road, Kadavanthra, Kochi-682020
Ph. No: 0484-4302013, 9072511211
E-mail - kjacauditors@gmail.com

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and in doing so consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is no material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE IND AS FINANCIAL STATEMENTS:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act 2013 (the Act) with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued there under.

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

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

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

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS:

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

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

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

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Chartered Accountants

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- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 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.

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 of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A, enclosed herewith, a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. We report that the Company does not have any Independent Directors on its Board of Directors as required under Section 149 of the Companies Act, 2013. Consequently, the Company is in non-compliance with Section 177 and Section 178 of the Companies Act, 2013 regarding the mandatory constitution, composition, and majority requirements of the Audit Committee and the Nomination and Remuneration Committee, respectively, along with other board committees mandated under the Act.
3. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- e. On the basis of the written representations received from the Directors by the Company and taken on record in the meeting of the Board of Directors, none of the Directors is disqualified as on 31st March 2026 from being appointed as a Director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, no remuneration is paid by the Company to its directors during the year.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company does not have any pending litigations which would impact its financial position - Refer Note. 56 to the financial statements.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. - Refer Note. 58 to the financial statements.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv) (a) The Management has represented that, to the best of its 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 or entity, including foreign entity (Intermediaries), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Company shall,

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whether 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 have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) The Company has not declared or paid dividend during the year and hence reporting under Rule 11(f) is not applicable for the financial year ended 31st March 2026.
- vi) Company's Board of Directors is responsible for implementation of an accounting software which is compliant with proviso to Rule 3(1) and Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2026, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **K.J. Anto & Co**

Tinu Anto K.

Partner (M.209914)
Chartered Accountants

Firm ICAI RegNo.014162S
UDIN:26209914URZZZA9729

Place : Kochi
Date : 10th July 2026

K J Anto & Co.
Chartered Accountants

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ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

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

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

(i) In respect of Companies Property, Plant and Equipment's and Intangible assets:

- a) i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
- ii) The Company has maintained proper records showing full particulars of intangible assets.
- b) We are informed that these property, plant and equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company do not hold any landed properties requiring title deeds except for the leasehold right over land and the immovable properties, as disclosed in Note No. 3 on Plant, Property and Equipment, to the financial statements.
- d) According to the information and explanations given to us and on the basis of our examination of books of accounts and other relevant documents of the Company, the Company has not revalued its Property, Plant and Equipment (including Right to use Assets) or Intangible Assets or both during the year.
- e) As informed to us, there are no proceedings that have initiated or are pending against the Company for holding any Benami Property under Benami Transactions (Prohibition) Act 1988 and rules made thereunder.

(ii) In respect of its inventories:

- a) As informed to us, physical verification of inventory has been conducted at reasonable intervals by the Management during the year and as reported to us, no material discrepancies were noted on such verification. According to the information and explanations given to us the Company has physically verified all inventory items and it is found to be in order.
- b) According to the explanations and information given to us, the Company has been sanctioned working capital limits in excess of Rs. 500 lakhs in aggregate, from banks on the basis of security of current assets during the year. Since as per the terms of sanction, no quarterly returns or statements needs to be submitted to the Bank, the question of reporting on whether such reports are in agreement with the books of accounts is not applicable.

(iii) In respect of Loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act 2013:

- a) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act 2013. Accordingly, paragraphs (iii)(a) to (c) of CARO 2020 are not applicable.
- b) The Company has not made any investments, provided guarantees or given security and thus the terms and conditions of the grant are not prejudicial to the Company's interest.

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- c) Since Company has not granted loans and advances in the nature of loans, schedule of repayment of principal and payment of interest is not applicable to the Company.
- d) Company has not provided any loans or advances to group entities and to others and so there is no outstanding balance as at the end of reporting period.
- e) The Company has not renewed or extended or granted fresh loan to settle the over-dues of existing loans given to the same parties.
- f) The 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. Hence, reporting under clause 3(iii)(f) is not applicable.

(iv) In respect of Loans, Investments, Guarantees and Security whether provisions of Section 185 and 186 of the Companies Act 2013 have been complied with:

In our opinion and according to the information and explanations given to us, the Company has not made any investments, loans requiring the compliance of the provisions of Section 185 and 186 of the Companies Act 2013 during the year of report. The Company has not provided any guarantees and securities to the parties covered under Section 185 of the Act. Accordingly, paragraph (iv) of CARO 2020 is not applicable.

(v) In respect of deposits accepted or accepted amounts which are deemed to be deposit, whether the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed thereunder, and the nature of contravention if any:

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

(vi) In respect of maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act 2013 and whether or not such accounts and records have been so made and maintained.

The Central Government of India has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Companies Act for any activities of the Company and according paragraph 3 (vi) of the order not applicable.

(vii) In respect of statutory dues:

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

- (a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Customs Duty, Value Added Tax, Cess and any other statutory dues to the appropriate authorities during the year. There are no arrears of outstanding undisputed statutory dues as at the last day of the financial year concerned for a period of more than six months from the date, they became payable.
- (b) According to the information and explanations given to us and based on the records of the Company examined by us, there are no dues of Income Tax or Sales Tax or Service Tax or Goods and Service

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Tax, duty of Customs or duty of Excise or Value Added Tax or Cess, which have not been deposited on account of any dispute as on 31st March 2026, except for non-deduction of tax, the particulars of the same are given below:

Name of the Statute	Nature of Dues	Amount (Lakhs)	Period to which it relates	Forum where dispute is pending
Income Tax Act 1961	Non-Deduction of Tax	116.52	AY 2023-24	Commissioner of Income-Tax Appeals

(viii) Whether any transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961 (43 of 1961), if so, whether the previously unrecorded income has been properly recorded in the books of account during the year:

According to the information and explanations given to us and based on the records of the Company examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961 (43 of 1961).

(ix) In respect of Company defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender:

Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us:

- The Company has not defaulted in repayment of dues to the bank during the year.
- The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.
- The loans taken by the Company have been applied for the purpose for which the loans were obtained.
- The Company has not utilized the funds raised on short term basis for long term purposes.
- The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence clause 3(ix)(f) of the order is not applicable.

(x) In respect of fund raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised and the preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. If not, providing the details:

- According to the information and explanations given to us, and based on the records of the Company examined by us, we report that the Company has not raised any amount by way of issue of shares during the year.
- The Company has not made any preferential allotment or private placement of shares or convertible debentures during the year.

(xi) In respect of reporting on Fraud:

- Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, no fraud by the

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Company or on the Company by the officers and employees of the Company has been noticed or reported during the year, nor have we been informed of any such cases by the Management.

- b) No report under sub-section 12 of Section 143 of Companies Act has been filed by the Auditors in form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.
- c) According to explanations and information given to us, we have considered the effectiveness of whistle blower mechanism in the Company, there are no whistle- blower complaints received by the Company during the year.

(xii) In respect of reporting on Nidhi Company:

In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the CARO 2020 is not applicable to the Company and hence not commented upon.

(xiii) Reporting on Related Party Transactions:

Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, the Company does not have any Independent Directors on its Board of Directors as required under Section 149 of the Companies Act, 2013 and therefore the Company is in non-compliance with Section 177 and Section 178 of the Companies Act, 2013. Hence, the related party transactions disclosed in the financial statements as required by the accounting standards are not in compliance with sections 177 and 188 of the Act.

(xiv) Reporting on Internal Audit:

- a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has an effective Internal Audit system in commensurate with the size and the nature of its business.
- b) Based on our audit procedures performed and the explanations and information provided to us, we have considered the reports of Internal Auditors for the period under audit.

(xv) Reporting on non-cash transactions with Directors:

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

(xvi) In respect of Company required to be registered under Section 45-IA of the Reserve Bank of India Act 1934 and if so, whether the registration has been obtained:

- a) The nature of the business carried out by the Company is such that it is not required to get registered under Section 45-IA of the Reserve Bank of India Act 1934.
- b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934, accordingly the requirement to report on 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.
- d) The Group companies have no CIC as part of the Group.

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(xvii) In respect of reporting of cash losses:

Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, the Company has not incurred cash loss in the Financial Year under report and immediately preceding Financial Year.

(xviii) Reporting on Auditors Resignation:

According to the information and explanations given to us, there is no resignation of Statutory Auditors during the year.

(xix) Reporting on Financial Position:

Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, 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, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no 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) Reporting on CSR Compliance

Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, the Company has spent the CSR amounts for the current Financial Year as per Section 135 of Companies Act 2013. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **K.J. Anto & Co**

Tinu Anto K.

Partner (M.209914)

Chartered Accountants

Firm ICAI RegNo.014162S

UDIN:26209914URZZZA9729

Place : Kochi

Date : 10th July 2026

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Chartered Accountants

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ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

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

Report on the Internal Financial Controls Over Financial Reporting under Clause 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 CIAL Dutyfree and Retail Services Limited (the Company) as on 31st March 2026 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

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

Auditors' Responsibility:

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

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

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

Meaning of Internal Financial Controls over Financial Reporting:

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting:

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

Opinion:

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **K.J. Anto & Co**

Tinu Anto K.

Partner (M.209914)

Chartered Accountants

Firm ICAI RegNo.014162S

UDIN:26209914URZZZA9729

Place : Kochi

Date : 10th July 2026

PART I : BALANCE SHEET
CIAL DUTYFREE AND RETAIL SERVICES LIMITED
BALANCE SHEET AS AT 31st MARCH 2026

(Rupees in lakhs)

Particulars	Note No:	As at 31.03.2026	As at 31.03.2025
I. ASSETS			
Non Current Assets			
Property, plant and equipment	3	14.32	4.57
Right of Use Assets (ROU)	3	293.90	391.87
Intangible Assets	3	-	-
Financial assets			
(i) Other financial assets		-	-
Non current Tax Assets (Net)	4	9.37	9.37
Deferred Tax Assets (Net)	5	1,067.12	623.78
Current Assets			
Inventories	6	5,688.65	6,012.72
Financial assets			
(i) Cash & Cash equivalents	7	448.10	304.96
(ii) Bank Balances other than (i)	8	2,271.48	3,201.24
(iii) Current Investments	9	-	-
(iv) Other Financial Assets	10	89.27	139.33
Current tax assets (Net)	11	97.21	-
Other current assets	12	3,460.15	2,445.67
Total Assets		13,439.57	13,133.51
II. EQUITY & LIABILITIES			
Equity			
Equity Share Capital	13	7.01	7.01
Other Equity	14	4,139.33	3,883.89
Liabilities			
Non Current Liabilities			
Financial Liabilities			
(i) Lease Liabilities	32	245.03	341.14
(ii) Other financial liabilities	15	1,669.63	1,527.07
Other non current liabilities	16	206.11	349.08
Deferred Tax Liabilities (Net)	17	-	-
Current Liabilities			
Financial Liabilities			
(i) Borrowings	18	-	-
(ii) Lease Liabilities	32	96.12	81.05
(iii) Trade Payables			
a) Total outstanding dues of Micro, Small and Medium Enterprises	19	5.20	27.76
b) Total outstanding dues of creditors other than Micro, Small and Medium Enterprises	19	6,641.27	6,029.25
(iv) Other financial liabilities	20	54.75	57.57
Other current liabilities	21	375.12	438.65
Current Tax Liabilities (Net)	22	-	391.04
Total Equity and Liabilities		13,439.57	13,133.51
Basis of preparation, measurement and significant accounting policies	2		

See accompanying notes to the financial statements

For and on behalf of the Board of Directors

sd/-

S. Suhas IAS

Chairman

(DIN: 08540981)

sd/-

Lenny Sebastian

Managing Director

(DIN: 11787630)

sd/-

Hema Gopalakrishnan

Chief Financial Officer

As per our report of even date attached

for **K. J. Anto & Co**

Chartered Accountants

sd/-

CA Tinu Anto K

Partner (M.No. 209914)

Chartered Accountants

Firm Registration No.014162S

UDIN: 26209914URZZZA9729

Place: Nedumbassery

Date : 10th July 2026

PART II : STATEMENT OF PROFIT & LOSS
CIAL DUTYFREE AND RETAIL SERVICES LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2026

(Rupees in lakhs)

Particulars		Note No:	For the year ended 31.03.2026	For the year ended 31.03.2025
I.	Income:			
	Revenue from Operations	23	33,319.81	31,504.75
II.	Other Income	24	279.38	616.60
III.	Total Income (I + II)		33,599.19	32,121.35
IV.	Expenses:			
	Purchase of Stock in Trade		14,898.85	15,925.83
	Change in Inventories of stock in trade	25	324.07	(1,948.37)
	Employee Benefits	26	2,339.26	2,035.11
	Finance Costs	27	191.26	178.87
	Depreciation and amortisation expenses	3	100.78	98.89
	Other Expenses	28	15,377.23	15,302.68
	Total Expenses (IV)		33,231.45	31,593.01
V	Profit before Tax (III-IV)		367.74	528.34
VI	Tax expense:			
	a. Current tax		530.75	778.09
	b. Deferred tax		(443.34)	(623.36)
	c. Adjustment of tax relating to earlier periods		24.89	10.42
	Total Tax Expense (VI)	30	112.30	165.15
VII	Profit for the year (V-VI)		255.44	363.19
VIII	Other comprehensive income			
	a) Items that will not be reclassified to profit or loss		-	-
	b) Income tax relating to items that will not be reclassified to profit or loss		-	-
IX	Total comprehensive income for the period (Profit / Loss + Other Comprehensive Income)		255.44	363.19
X	Earnings per equity share (for continuing operations)	31		
	a) Basic		364.55	518.33
	b) Diluted		364.55	518.33
Basis of preparation, measurement and significant accounting policies		2		

See accompanying notes to the financial statements

For and on behalf of the Board of Directors

sd/-

S. Suhas IAS

Chairman

(DIN: 08540981)

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Lenny Sebastian

Managing Director

(DIN: 11787630)

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Chartered Accountants

Firm Registration No.014162S

UDIN: 26209914URZZZA9729

Place: Nedumbassery

Date : 10th July 2026

CIAL DUTYFREE AND RETAIL SERVICES LIMITED

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31st MARCH 2026

(Rupees in lakhs)

Particulars	For the Year Ended 31.03.2026		For the Year Ended 31.03.2025	
A. Cash Flow from Operating Activities				
Profit before income tax		367.74		528.34
Adjustments for:				
Depreciation	100.78		98.89	
Interest Income	(196.99)		(254.31)	
Income from Mutual Fund	(44.39)		(46.33)	
Unrealised Forex Loss	21.57		(34.34)	
Interest Paid on lease liability	29.69		35.36	
Interest on Borrowings	19.01		37.05	
Creditors Written back	-		(0.04)	
		(70.33)		(163.72)
Operating profit before working capital changes		297.41		364.62
Adjustments for:				
(Increase) / decrease in Inventories	324.07		(1,948.37)	
(Increase)/decrease in Other Current Assets	(1,014.48)		(309.62)	
(Increase)/decrease in Other Financial Assets	50.06		81.18	
Increase/(decrease) in Liabilities & provisions	501.13	(139.22)	1,853.31	(323.50)
Cash generated from operations		158.19		41.12
Direct Tax (payments) / refunds (Net)		(1,043.88)		(210.61)
Net Cash Flow from Operating Activities		(885.69)		(169.49)
B. Cash Flow from Investing Activities				
Purchase of Fixed Assets including Capital work-in-progress	(12.56)		(490.42)	
Purchase of Investments	-		-	
Deposit Invested	929.76		909.62	
Interest received	196.99		254.31	
Income from Mutual Fund	44.39		46.33	
Net Cash Flow from Investing Activities		1,158.58		719.84
C. Cash Flow from Financing Activities				
Payment of Principal portion of lease liabilities	(81.05)		(497.62)	
Interest Paid on lease liability	(29.69)		(35.36)	
Interest on Borrowings	(19.01)		(37.05)	
Net Cash Flow from Financing Activities		(129.75)		(570.03)
Net Increase/(Decrease) in Cash and Cash Equivalents		143.14		(19.68)
Cash and cash equivalents at the beginning of the period				
Cash on hand	4.11		3.94	
Balances with bank	300.85		320.70	
		304.96		324.64
Cash and cash equivalents at the end of the period				
Cash on hand	4.13		4.11	
Balances with bank	443.97		300.85	
Effect of Foreign Exchange Fluctuations	-		-	
		448.10		304.96
Net Increase / (Decrease) as disclosed above		143.14		(19.68)

For and on behalf of the Board of Directors

sd/-

S. Suhas IASChairman
(DIN: 08540981)

sd/-

Lenny SebastianManaging Director
(DIN: 11787630)

sd/-

Hema Gopalakrishnan

Chief Financial Officer

As per our report of even date attached

for **K. J. Anto & Co**

Chartered Accountants

sd/-

CA Tinu Anto K

Partner (M.No. 209914)

Chartered Accountants

Firm Registration No.014162S

UDIN: 26209914URZZZA9729

Place: Nedumbassery

Date : 10th July 2026

CIAL DUTYFREE AND RETAIL SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2026

A Equity Share Capital

Equity shares of ₹10/- each, subscribed and fully paid

Particulars	Number	₹ in lakhs
Balance as at April 1, 2025	70,070.00	7.01
Changes in equity share capital for the year ended 31 st March 2025	-	-
(a) Shares issued during the year	-	-
Balance as at March 31, 2025	70,070.00	7.01
Balance as at April 1, 2025	70,070.00	7.01
Changes in equity share capital during the year	-	-
(a) Shares issued during the year	-	-
Balance as at March 31, 2026	70,070.00	7.01

B Other Equity

(Rupees in lakhs)

Particulars	Retained Earnings	Other Comprehensive Income	Total
Balance at April 1, 2024	3,520.70		3,520.70
Profit / (loss) for the year	363.19		363.19
Other Comprehensive Income	-		-
Balance at March 31, 2025	3,883.89		3,883.89
Balance at April 1, 2025	3,883.89		-
Profit / (loss) for the year	255.44		255.44
Other Comprehensive Income	-		-
Balance at March 31, 2026	4,139.33		4,139.33

For and on behalf of the Board of Directors

sd/-
S. Suhas IAS
Chairman
(DIN: 08540981)

sd/-
Lenny Sebastian
Managing Director
(DIN: 11787630)

sd/-
Hema Gopalakrishnan
Chief Financial Officer

As per our report of even date attached

for **K. J. Anto & Co**
Chartered Accountants

sd/-

CA Tinu Anto K
Partner (M.No. 209914)
Chartered Accountants

Place: Nedumbassery
Date : 10th July 2026

Firm Registration No.014162S
UDIN: 26209914URZZZA9729

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026**1 CORPORATE INFORMATION**

CIAL Duty Free and Retail Services Limited is a public limited Company incorporated and domiciled in India. The Company was incorporated on 1st March 2016 as a subsidiary of Cochin International Airport Limited. The address of its registered office is XI/318E, Cochin International Airport Buildings, Kochi Airport P.O., Ernakulam District, PIN-683111 and the principal place of business is located in Nedumbassery, Kochi-683111.

The Company is engaged in the business of running Duty Free Shops in the International Terminal of its parent Company, Cochin International Airport Limited.

2 SIGNIFICANT ACCOUNTING POLICIES:

This Note provides a list of significant accounting policies adopted in the preparation and presentation of these financial statements. These policies have been consistently applied to all the years presented unless otherwise stated.

2.1 Basis of Preparation and measurement**(i) Compliance with Ind AS**

These financial statements are the standalone financial statements of the Company that have been prepared to comply with the Indian Accounting Standards (herein referred to as Ind AS) as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rule, 2015 as amended from time to time and other relevant provisions of the Act. The Accounting Policies are applied consistently to all the periods presented in the Financial Statements.

(ii) Application of Recent Accounting Pronouncements

Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2025, MCA has notified amendments to Ind AS 1 Presentation of Financial Statements, Ind AS 7 Statement of Cash Flows, Ind AS 107 Financial Instruments and Ind AS 12 International Tax Reform, applicable from April 1, 2025. The Company has assessed that there is no significant impact on its financial statements.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has assessed that there is no significant impact on its financial statements.

In August 2025, MCA notified the following amendments to:

- (i) Ind AS 1, Presentation of Financial Statements, applicable w.e.f April 1, 2025 - The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date, and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. This amendment does not have any impact on Company's classification criteria of current and non-current liabilities.
- (ii) Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments - Disclosures, applicable w.e.f April 1, 2025 - The amendment in Ind AS 7 requires to inform users of

financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. These amendments does not have any impact on Company's financial statements.

- (iii) Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This amendment does not have any impact on Company's financial statements.

(iii) Basis of Measurement

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

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

(iv) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

(v) Rounding of amounts

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

2.2 Use of Estimates and judgment

The preparation of financial statements is in conformity with the Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies, reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of the financial statements and the results of operations at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

- i) Recognition and measurement of Company's defined benefit obligation.
- ii) Useful life of Property plant and equipment
- iii) Contingencies and commitments
- iv) Provision for income tax and deferred tax
- v) Fair value measurement of financial assets

2.3 Property, Plant and Equipment (PPE)

PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates. The cost of PPE includes

interest on borrowings (borrowing cost) directly attributable to acquisition, construction or production of qualifying assets subsequent to initial recognition, PPE are stated at cost less accumulated depreciation (other than freehold land, which are stated at cost) and impairment losses, if any.

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

Depreciation is recognised so as to write off the cost of assets (other than freehold land and capital work in progress) less their residual values over the useful lives using the straight-line method ("SLM"). The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. Fully depreciated assets still in use are retained in financial statements.

2.4 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line over their estimated useful life of 3 years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on prospective basis.

2.5. Capital Work In Progress

The cost of Assets not ready for use as at the Balance Sheet date are disclosed under Capital Work-In-Progress. Capital work in progress are carried at cost, comprising of direct cost, related incidental expenses and attributable borrowing cost.

2.6. Impairment

The carrying amounts of assets are reviewed at each balance sheet date to confirm whether there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

2.7 Derecognition:

An item of PPE is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of asset is included in the statement of Profit and Loss in the year in which asset is derecognised.

2.8. Foreign Currency Translation

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

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

2.9 Inventories

Inventories are valued at lower of cost or net realisable value. Cost of inventories comprises of purchase cost and cost of procurement net of taxes, on a weighted average basis.

2.10 Financial Instruments**Initial recognition**

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

Subsequent measurement**Financial Assets****a. Financial assets carried at amortised cost**

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

b. Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c. Financial assets at fair value through statement of Profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Financial Liabilities - Financial Liabilities are measured at amortised cost using the effective interest method

2.11 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of

the amount of the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. These are reviewed at each Separate balance sheet date and adjusted to reflect the correct management estimates.

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

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

2.12 Leases

The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets at the lease commencement date. "

Right-of-use asset (ROU Assets)

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made on or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses the incremental borrowing rate of the parent company as the discount rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.13 Claims Receivable

Claims are accounted for, as and when the same are finally determined / admitted.

2.14 Cash Flow Statement

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

2.15 Revenue Recognition

Revenue from contracts with customers is recognized in accordance with Ind AS 115, on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised services to customers in an amount equal to the consideration we expect to receive in exchange for those products or services.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a

consequence, it does not adjust any of the transaction prices for the time value of money. Revenue is recognised at the point in time at which the performance obligation is satisfied.

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

(i) Sale of goods

Revenue from the sale of goods is recognised when the Company has transferred to the buyer the significant risks and rewards of ownership of the goods.

(ii) Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable except the interest income received from customers for delayed payments which is accounted on the basis of reasonable certainty/ realisation.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset.

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

2.16 Employee Benefits

- i. Employees are on the rolls of CIAL and are assigned to CIAL Dutyfree Retail Services Limited, under a working arrangement. All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and recognised in the period in which the employee renders the related service.
- ii. **Defined Contribution Plans** - The Parent Company makes contributions to Provident Fund, which is a defined contribution plan for employees. The contributions paid/payable under the scheme during the year are charged to the Statement of Profit and Loss for the year.
- iii. **Defined Benefit Plans** - Defined benefit plan covers the obligation of the Company towards the gratuity benefits. For defined benefit plans, the cost of providing benefits is determined using projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Re-measurement, comprising actuarial gains and losses, any change in the effect of the asset ceiling (excluding interest) and the return on plan assets (excluding net interest), is reflected immediately - with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the Statement of Profit and Loss. Past service cost is recognized in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability (asset). Defined benefit costs categorized as follows.

- (i) Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- (ii) Net interest expense or income; and
- (iii) Re-measurement.

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

- iv. Long Term Employee Benefits** - The parent Company has a policy on compensated absence which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absence is determined by Actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absence is recognised in the period in which the absences occur. The parent Company presents the defined benefit costs in the Statement of Profit and Loss in the line 'Employee benefits expense'.

Long Term Employee Benefits is categorised as follows:

- (i) Service Cost
- (ii) Net Interest on the net defined benefit liability (asset)
- (iii) Re-measurements of the net defined benefit liability (asset)

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

- v. Post Retirement Medical Benefit Scheme (PRMBS)** - The Parent Company has a policy of extending in-patient medical insurance coverage to all employees who retire from the services of the Company upon reaching superannuation along with their spouses, without any age limit. This scheme is also applicable to former Managing Directors who served the Company for more than three years along with their spouses, without any age limit. The expected cost of post-retirement medical benefit is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the amount expected to be paid/availed on the entitlement for the retired employees and their spouses as at the Balance Sheet date. The parent Company presents the defined benefit costs in the Statement of Profit and Loss in the line 'Employee benefits expense'.

Long Term Employee Benefits is categorised as follows:

- (i) Service Cost
- (ii) Net Interest on the net defined benefit liability (asset)
- (iii) Re-measurements of the net defined benefit liability (asset)

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

2.17 **Borrowing Cost**

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

2.18 **Earnings per share**

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

2.19 **Taxation**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

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

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

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

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

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

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is

written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.20 Segment Reporting:

Segment disclosures are provided for those components of the company, that engage in business activities from which they may earn revenues and incur expenses, whose operating results are regularly reviewed by management in making operating decisions and for which discrete financial information is available.

Such components (operating segments) are identified on the basis of internal reports that the entity's Chief Operating Decision Maker (CODM) regularly reviews in allocating resources to segments and in assessing their performance.

The aggregation of operating segments is permitted only when the operating segments have characteristics so similar that they can be expected to have essentially the same future prospects (i.e. meeting the specified aggregation criteria).

Reportable segments are identified based on quantitative thresholds of revenue, profit/loss, or assets.

The amounts disclosed for each reportable segment are the measures reported to the CODM, which are not necessarily based on the same accounting policies as the amounts recognised in the financial statements.

2.21 Corporate Social Responsibility (CSR)

The Company has opted to charge its CSR expenditure to its Statement of Profit and Loss.

2.22 Exceptional Items:

Incomes/expenses which are not forming part of regular operations and are material are classified as Exceptional Items and such items are disclosed as separate line item in the statement of Profit and Loss.

2.23 Dividend to Equity Share holders:

Dividend to equity share holders is recognised as a liability and deducted from retained earnings under other equity in the period in which the dividends are approved by the equity share holders in the General Meeting.

For and on behalf of the Board of Directors

sd/-
S. Suhas IAS
Chairman
(DIN: 08540981)

sd/-
Lenny Sebastian
Managing Director
(DIN: 11787630)

sd/-
Hema Gopalakrishnan
Chief Financial Officer

As per our report of even date attached

for **K. J. Anto & Co**
Chartered Accountants

sd/-

CA Tinu Anto K

Partner (M.No. 209914)

Chartered Accountants

Firm Registration No.014162S

UDIN: 26209914URZZZA9729

Place: Nedumbassery
Date : 10th July 2026

3.1 Property, Plant & Equipment

(Rupees in lakhs)

	Gross Block				Depreciation				Net Block	
Particulars	Gross Block as on 01.04.2025	Addition during the year	Retirement	Gross Block as on 31.03.2026	Accumulated depreciation as on 01.04.2025	Depreciation for the year	Depreciation on retired assets	Accumulated depreciation as on 31.03.2026	WDV as on 31.03.2026	WDV as on 31.03.2025
A. Tangible Assets										
Computer & Accessories	32.74	12.12	0.00	44.86	32.74	2.00	0.00	34.74	10.12	0.00
	32.74	0.00	0.00	32.74	32.74	0.00	0.00	32.74	0.00	0.00
Office Equipment	1.50	0.00	0.00	1.50	1.43	0.00	0.00	1.43	0.07	0.07
	1.50	0.00	0.00	1.50	1.29	0.14	0.00	1.43	0.07	0.21
Furniture	5.89	0.44	0.00	6.33	1.39	0.81	0.00	2.20	4.13	4.50
	5.31	0.58	0.00	5.89	0.61	0.78	0.00	1.39	4.50	4.70
Total	40.13	12.56	0.00	52.69	35.56	2.81	0.00	38.37	14.32	4.57
	39.55	0.58	0.00	40.13	34.64	0.92	0.00	35.56	4.57	4.91
B. Intangible Assets										
Software	0.16	0.00	0.00	0.16	0.16	0.00	0.00	0.16	0.00	0.00
	0.16	0.00	0.00	0.16	0.16	0.00	0.00	0.16	0.00	0.00

3.2 Right of Use Assets (ROU)

(Rupees in lakhs)

	Gross Block				Depreciation				Net Block	
Particulars	Gross Block as on 01.04.2025	Addition during the year	Retirement	Gross Block as on 31.03.2026	Accumulated depreciation as on 01.04.2025	Depreciation for the year	Depreciation on retired assets	Accumulated depreciation as on 31.03.2026	WDV as on 31.03.2026	WDV as on 31.03.2025
Warehouse Building	489.84	0	0.00	489.84	97.97	97.97	0.00	195.94	293.90	391.87
	0.00	489.84	0.00	489.84	0.00	97.97	0.00	97.97	391.87	0.00
Total	489.84	0.00	0.00	489.84	97.97	97.97	0.00	195.94	293.90	391.87
	0.00	489.84	0.00	489.84	0.00	97.97	0.00	97.97	391.87	0.00

4 Non Current Tax Assets (Net)

(Rupees in lakhs)

Particulars	As at 31.03.2026	As at 31.03.2025
Non Current Tax Assets (Net of provision)	-	-
Income tax paid against disputed liability (Refer note : 4.1)	9.37	9.37
	9.37	9.37

- 4.1** Represent the amounts paid against the disputed liability for the assessment year 2017-18 which is pending with the appellate authority. The department has adjusted the refunds for the assessment years namely 2023-24 and 2024-25 aggregating to Rs.8.07 lakhs towards the disputed liability of assessment year 2017-18.

5 Deferred Tax Assets (Net) (Rupees in lakhs)

Particulars	As at 31.03.2026	As at 31.03.2025
Deferred Tax Assets	1,067.12	623.78
	1,067.12	623.78

The company has recognised deferred tax assets as it is probable that taxable profits will be available against which the deductible temporary differences can be utilised.

The tax effects of other significant temporary differences that resulted in deferred tax assets are as follows:
(Rupees in lakhs)

Particulars	Opening balance	Adjustment to Retained Earnings	Recognised in profit or loss	Closing Balance
Deferred tax (Liabilities) / Assets in relation to :				
Property, plant and equipment	0.24	-	(0.26)	(0.02)
Leases	(7.63)	-	19.51	11.88
Provision for expenses	631.17	-	424.08	1,055.25
Total	623.78	-	443.34	1,067.11

6 Inventories: (at lower of cost or net realizable value) (Rupees in lakhs)

Particulars	As at 31.03.2026	As at 31.03.2025
Stock in Trade	5,688.65	6,012.72
	5,688.65	6,012.72

- 6.1** Stock in Trade is after accounting the inventory written down. The Inventory write downs are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value and are recognised as expense in the Statement of Profit and Loss.

7 Cash & Cash Equivalents (Rupees in lakhs)

Particulars	As at 31.03.2026	As at 31.03.2025
Balance with Banks		
i) in Current Accounts	443.97	300.85
ii) in Deposit Accounts (maturity < 3 Months)	-	
Cash on hand	4.13	4.11
	448.10	304.96

8 Bank Balances - Others (Rupees in lakhs)

Particulars	As at 31.03.2026	As at 31.03.2025
Balance with Banks		
In Deposit Accounts		
(i) maturity 3-12 Months	2,021.48	2,901.45
(ii) Maturity > 12 months	250.00	299.79
In earmarked Accounts		
Balance with Banks in Deposit Account held under lien with Commercial Tax authorities	-	-
	2,271.48	3,201.24

9 Current Investments (Rupees in lakhs)

Particulars	As at 31.03.2026	As at 31.03.2025
	-	-
	-	-

10 Other Financial Assets (Rupees in lakhs)

Particulars	As at 31.03.2026	As at 31.03.2025
Interest accrued on fixed deposits	65.91	109.04
Accrued Income (Refer note 10.1)	23.36	30.29
	89.27	139.33

10.1 Accrued income includes Rs.23.33 lakhs (PY - Rs.29.17 lakhs) advertisement charges in Duty Free Shop from Federal Bank Ltd recognized on pro-rata accrual basis based on a written contract between the Company and them. As per the terms of contract invoice will be raised at the end of the contract period which is from 01st September, 2025 to 31st August, 2026.

11 Current Tax Assets (Net) (Current) (Rupees in lakhs)

Particulars	As at 31.03.2026	As at 31.03.2025
Current Tax Assets (Net of provision)	97.21	-
	97.21	-

12 Other Current Assets (Rupees in lakhs)

Particulars	As at 31.03.2026	As at 31.03.2025
(a) Advances other than Capital Advances:		
Advances recoverable in cash or in kind or for value to be received.	17.42	17.87
Other receivables (under contractual rights receivable)	2,043.34	1,588.11
Balances with Government Authorities - Tax other than Income Tax	1,399.39	839.69
	3,460.15	2,445.67

12.1 Balances with Government Authorities – Tax Other than Income Tax include GST refund receivables :

Particulars	GST Refund Receivables	Provision for GST Refund Receivables (75%)	Balance of GST Refund Receivables Not Provided
FY 2023-24	1,200.07	900.05	300.02
FY 2024-25	2,143.71	1,607.78	535.93
FY 2025-26	2,246.68	1,685.01	561.67
	5,590.46	4,192.84	1,397.62

13 Share Capital (Rupees in lakhs)

Particulars	As at 31.03.2026	As at 31.03.2025
Authorised: 5,00,00,000 Equity Shares of Par Value Rs. 10/- each	5,000.00	5,000.00
Issued, Subscribed and fully paid up: 70070 Equity Shares of Par Value of Rs. 10/- each, fully paid up	7.01	7.01
	7.01	7.01

13.1 Reconciliation of shares at the beginning and at the end of the financial year

Particulars	As at 31.03.2026		As at 31.03.2025	
	No. of Shares	Rupees (in lakhs)	No. of Shares	Rupees (in lakhs)
No. of shares as at the beginning of the financial year	70,070.00	7.01	70,070.00	7.01
Add: Shares issued during the year	-	-	-	-
No. of shares as at the end of the financial year	70,070.00	7.01	70,070.00	7.01

Rights, preferences and restrictions attached to Shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

13.2 Particulars of Shareholders holding more than 5% shares in the Company

Particulars	As at 31.03.2026		As at 31.03.2025	
	%	No. of Shares	%	No. of Shares
Cochin International Airport Limited	99.90%	70,000	99.90%	70,000

13.3 Disclosure of shareholding by Promoters

Shares held by Promoters at the end of the year			% of change during the year
Name of the Promoter	No. of shares	% of total shares	
1. Cochin International Airport Limited	70000	99.90%	Nil
2. A. Chandrakumaran Nair	10	0.014%	Nil
3. A.M. Shabeer	10	0.014%	Nil
4. Jose Thomas P.	10	0.014%	Nil
5. Sunil Chacko	10	0.014%	Nil
6. Saji Kodankandath George	20	0.029%	Nil
7. Jacob Thattackat Abraham	10	0.014%	Nil

14 Other Equity (Rupees in lakhs)

Particulars	As at 31.03.2026	As at 31.03.2025
General Reserve		
Balance as per last Balance Sheet	-	-
Add: Transfer from Retained Earnings	-	-
Closing balance (a)	-	-
Retained Earnings		
Balance as per last Balance Sheet	3,883.89	3,520.70
Add: Profit (loss) for the year	255.44	363.19
	4,139.33	3,883.89
Less: Appropriations		
a) Transfer to General Reserve	-	-
b) Proposed Dividend	-	-
(b)	4,139.33	3,883.89
(a+b)	4,139.33	3,883.89

14.1 The Board of Directors of the Company has proposed a dividend of Rs. Nil (Nil) per share for the Financial Year 2025-26

15 Other Financial Liabilities (Non Current) (Rupees in lakhs)

Particulars	As at 31.03.2026	As at 31.03.2025
Security Deposits including Retention	1,669.63	1,527.07
	1,669.63	1,527.07

15.1 Security deposit represent the fair value of Rs.20 Crores of deposit received from the procurement and supply management agency of Duty free merchandise as per the agreement entered into for a period of 10 years in September, 2018.

16 Other Non Current Liabilities (Rupees in lakhs)

Particulars	As at 31.03.2026	As at 31.03.2025
Deferred Fair Valuation Gain	206.11	349.08
	206.11	349.08

17 Deferred Tax Liabilities (Net) (Rupees in lakhs)

Particulars	As at 31.03.2026	As at 31.03.2025
	-	-
	-	-

18 Current Borrowings (Rupees in lakhs)

Particulars	As at 31.03.2026	As at 31.03.2025
a) Other Unsecured Loans:		
Buyers credit - Federal Bank	-	-
Buyer's Credit-HDFC Bank	-	-
	-	-

19 Trade Payables (Rupees in lakhs)

Particulars	As at 31.03.2026	As at 31.03.2025
Total outstanding dues of Micro, Small and Medium Enterprises	5.20	27.76
Total outstanding dues of creditors other than Micro, Small and Medium Enterprises		
- Related Parties	1,769.94	2,861.11
- Others	4,871.33	3,168.14
	6,646.47	6,057.01

- 19.1** There is no defined credit period. The dues are settled based on the credit policy extended by the vendors. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

Disclosure of payable to vendors as defined under the “Micro, Small and Medium Enterprise Development Act, 2006” is based on the information available with the Company regarding the status of registration of vendors, there are no amounts overdue to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

19.2 Ageing Schedule for Trade Payables (Rupees in lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Total Dues	Less than 1 year	1-2 years	2-3 years	More than 3 year
Undisputed dues of					
(i) MSMEs	5.20	5.20	-	-	-
(ii) Related Parties	1,769.94	1,769.94	-	-	-
(iii) Others	4,871.33	4,845.72	6.13	0.39	19.09
TOTAL	6,646.47	6,620.86	6.13	0.39	19.09

20 Other Financial Liabilities (Current) (Rupees in lakhs)

Particulars	As at 31.03.2026	As at 31.03.2025
Security Deposits including Retention	54.75	57.57
	54.75	57.57

21 Other current liabilities (Rupees in lakhs)

Particulars	As at 31.03.2026	As at 31.03.2025
a) Advances		
Deferred Revenue arising from security deposits	124.26	123.85
b) Others		
Statutory Dues	225.21	274.97
Others	25.65	39.83
	375.12	438.65

22 Current tax Liabilities (Net) (Rupees in lakhs)

Particulars	As at 31.03.2026	As at 31.03.2025
Income Tax (Net of Tax Paid)	-	391.04
	-	391.04

23 Revenue from operations (Rupees in lakhs)

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Sale of Products:		
Sale of Duty Free Products	37,325.84	35,057.19
Less: Discount allowed as per invoice	6,486.76	5,919.92
sub-total	30,839.08	29,137.27
Other Operating Income:		
Discount received	2,480.73	2,367.48
Total Revenue from Operations	33,319.81	31,504.75

24 Other Income (Rupees in lakhs)

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Interest Income on Financial Assets carried at amortised cost:		
Interest Income	241.38	307.24
Others:		
Fair valuation gain / loss	142.56	106.46
Foreign Exchange Rate Variance (net)	(419.81)	(145.03)
Insurance claim received	0.29	0.59
Other non-operating income	314.96	347.34
	279.38	616.60

25 Change in Stock in Trade (Rupees in lakhs)

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Opening Stock in Trade	6,012.72	4,064.35
Less: Closing Stock in Trade	5,688.65	6,012.72
Changes in stock in trade	324.07	(1,948.37)

26 Employee Benefits Expenses (Rupees in lakhs)

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Salaries and Allowances	2,128.25	1,836.81
Contribution to Funds	166.69	151.21
Staff Welfare	44.32	47.09
	2,339.26	2,035.11

27 Finance Costs (Rupees in lakhs)

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Interest Expense		
(i) On Borrowings	19.01	37.05
(ii) On lease liabilities (Refer Note 32)	29.69	35.36
Other borrowing Cost		
(i) Unwinding of discount on security deposits	142.56	106.46
(ii) Interest on others	-	-
	191.26	178.87

28 Other Expenses (Rupees in lakhs)

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Royalty paid to CIAL (Refer Note No. 29.1)	11,667.61	11,022.82
Management Fees (Duty Free Shop)	1,028.12	950.81
Other Administrative Charges	315.08	233.34
Advertisement and Sales Promotion expenses	385.22	293.57
Housekeeping Expenses	6.81	79.14
Security Charges	17.64	16.24
Corporate Social Responsibility expenses (Refer Note No. 29.2)	24.51	25.00
Insurance	9.82	9.26
Professional and Consultancy charges	12.29	9.77
Auditor's Remuneration (Refer Note No. 29.3)	4.15	4.00
Consumption of Stores, Spares & Consumables	0.62	0.25
Damaged inventory	2.40	6.35
Rates and Taxes	192.87	123.89
Repairs and Maintenance	0.48	1.45
Travelling and Conveyance	23.91	18.13
Vehicle running and maintenance	0.69	0.82
Loss on GST Refund	1,685.01	2,507.84
	15,377.23	15,302.68

29.1 Royalty paid to CIAL (Rupees in lakhs)

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Sales	37,325.84	35,057.19
Advertisement revenue	2,634.69	2,486.01
	39,960.53	37,543.20

Less: Adjustments		
Discount to customers	6,345.41	5,803.44
Commission on net sales	1,028.12	950.81
Net balance	32,587.00	30,788.95
Adjustment of forex	-	-
	32,587.00	30,788.95
Service charge to CIAL	11,667.61	11,022.82
% to turnover	35.80%	35.80%

29.2 Corporate Social Responsibility ('CSR')

The details of amount required to be spend and the amount utilised are given below:

(Rupees in lakhs)

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
a) Gross Amount required to be spent by the Company during the year :		
i) Annual CSR allocation for the year	26.20	23.19
ii) Carry forward from Previous year	(1.81)	-
Total	24.39	23.19
b) Amount spent during the year:		
i) By contribution to the Trust	-	-
ii) Contribution to CM's Relief Fund	-	-
iii) By other than the above	-	-
: Paid to Ammakilikoodu for construction of 3 houses	-	15.00
: Paid to Kadungalloor service co-operative Bank Ltd for setting up dialysis centre	-	10.00
: Paid to Faith India Foundation for establishing Child Development Centre	3.51	-
: Paid to Kerala State Nirmithi Kendra for the construction of Community Hall	21.00	-
Total	24.51	25.00
(Excess) / Shortfall at the end of the year	(0.12)	(1.81)

29.3 Auditor's Remuneration

(Rupees in lakhs)

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Statutory Audit Fees	3.25	3.25
Tax Audit Fees	0.75	0.75
Others	0.15	-
Total	4.15	4.00

30 The Income tax expense for the year can be reconciled to the accounting profit as follows:

(Rupees in lakhs)

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Profit before tax	367.74	528.34
Income tax expense calculated at 25.168% (2024 - 25 @ 25.168%)	92.55	132.97
- Effect of expenses that are not deductible in determining taxable profit	38.53	25.61
- Others	(18.78)	6.57
Income tax expense recognised in profit or loss	112.30	165.15

Impact of tax rate change: The Company elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019. Accordingly, the Company has re-measured its Deferred Tax Assets on the basis of the rate prescribed in the said section. The full impact of this change has been recognised in the statement of Profit & Loss for the year.

31 Basic and Diluted Earnings per Share (EPS), of face value Rs.10/- has been calculated as under:

(Rupees in lakhs)

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025	For the year ended 31.03.2024
Basic & Diluted:			
Numerator			
Net Profit / (Loss) for the year	255.44	363.19	1,644.35
Denominator			
Weighted average number of equity shares outstanding during the year	70,070.00	70,070.00	70,070.00
Earnings per Share - Basic (in Rupees)	364.55	518.33	2,346.72
- Diluted (in Rupees)	364.55	518.33	2,346.72

32 Disclosure under Ind AS 116

Effective April 1, 2019, the Company adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the ROU asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

The following is the summary of practical expedients elected on initial application :

1. Applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term on the date of initial application
2. Excluded the initial direct costs from the measurement of the ROU asset at the date of initial application.
3. The weighted average incremental borrowing rate applied to lease liabilities is 7.70%.

The changes in the carrying value of ROU assets for the year ended 31st March 2026 are as follows :

(Rupees in lakhs)

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Balance as at 01 st April 2025	391.87	-
Additions		489.84
Finance Cost accrued during the period	29.69	35.36
Deletion	-	
Depreciation	(97.97)	(97.97)
Balance as at 31st March 2026	293.90	391.87

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

The movement in lease liabilities during the year ended 31st March 2026 is as follows :

(Rupees in lakhs)

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Balance as at 01 st April 2025	422.19	-
Additions		489.84
Finance Cost accrued during the period	29.69	35.36
Deletion		
Payment of lease liabilities	(110.74)	(103.01)
Balance as at 31st March 2026	341.15	422.19

The break-up of current and non-current lease liabilities as at 31st March 2026 is as follows :

(Rupees in lakhs)

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Current lease liabilities	96.12	81.05
Non-current lease liabilities	245.03	341.14
Total	341.15	422.19

33

Disclosure of transactions with related parties as required by Ind AS 24 on Related Party Disclosures as prescribed by Companies (Accounting Standards) Rules as notified by NCA pursuant to Section 133, read with companies (Indian Accounting Standards) Rules 2015.

RELATED PARTY DISCLOSURES

A. Name of the related party and nature of relationship

a) Holding Company

Cochin International Airport Limited

b) Fellow Subsidiaries

Air Kerala International Services Limited

Cochin International Aviation Services Limited

CIAL Infrastructures Limited

c) Enterprise with significant influence

Kerala Waterways and Infrastructures Limited
 CIAL Taxi Operators Co-operative Society Limited

d) Key Managerial Personnel

Shri. S. Suhas IAS - Chairman
 Shri. Saji K. George - Managing Director (upto 30th June, 2026)
 Shri. Lenny Sebastian - Managing Director (w.e.f. 01st July, 2026)
 Shri. Lenny Sebastian - Chief Financial Officer (upto 30th June, 2026)
 Smt. Hema Gopalakrishnan - Chief Financial Officer (w.e.f. 01st July 2026)
 Shri. Rajiv K Warriar - Company Secretary (upto 30th June, 2026)

e) Key Managerial Personnel of Holding Company

Shri. S. Suhas IAS - Managing Director
 Shri. Saji K. George - Company Secretary (upto 30th June, 2026)
 Shri. Saji Daniel - Chief Financial Officer
 Shri. Rajiv K Warriar - Company Secretary (from 01st July 2026)

B. Transactions with related parties**a) With Holding Company****(Rupees in lakhs)**

Particulars	Year Ended 31.03.2026	Year Ended 31.03.2025
Cochin International Airport Limited		
Debit for meeting Expenses	347.65	330.52
Fee to CIAL	11,667.61	11,022.82
Lease Rent	110.74	103.01
Amount of long term benefits paid to deputed staff from CIAL	207.99	90.39
Others	0.18	-
Amount Outstanding as at 31.03.2026		
Cochin International Airport Limited	1,769.94	2,861.11

b) Details of transactions with key managerial personnel**(Rupees in lakhs)**

Particulars	Current Year	Previous Year
Salary, Allowances & other benefits		
i) To Shri Lenny Sebastian, Chief Financial Officer	66.80	64.19
ii) To Shri Rajiv K, Company Secretary from 1 st July 2025	19.84	-

c) Details of Transactions with Enterprise with significant influence**(Rupees in lakhs)**

Particulars	Current Year	Previous Year
(i) CIAL Taxi Operators Co-operative Society Limited	0.19	0.18

d) Details of transactions with Fellow subsidiary**(Rupees in lakhs)**

Particulars	Current Year	Previous Year
(i) Cochin International Aviation Services Limited	0.43	1.32

- 34** As per the agreement entered into with the holding Company, vide agreement dated 29th June, 2017 as amended from time to time, the holding Company has appointed the Company as the exclusive concessionaire for duty free business at Cochin International airport limited on a concessionaire fee of 36% on net sales. The facilities provided include exclusive premises and facilities for duty free operations and providing infrastructural support. To the extent of provision created towards gratuity and other benefits payable to employees on a working arrangement basis, is reimbursed to the Parent Company on the basis of claim raised on an yearly basis.

- 35** **The details of Provisions and Contingent Liabilities are as under. (Disclosed in terms of Ind AS - 37 on Provisions, Contingent Liabilities & Contingent Assets)**

(Rupees in lakhs)

Particulars	Year Ended 31.03.2026	Year Ended 31.03.2025
Claims against the Company not acknowledged as debts		
1. Income Tax Demands pending appeal		
AY 2017 - 18	6.51	6.51
Rs.9.37 lakhs (PY 1.30 lakhs) has been remitted against the demand and appeal has been filed		
AY 2023-24	116.52	116.52
(Rs 1.02 lakhs has been remitted against the demand in April 2025 and appeal has been filed)		

- 36** As per the arrangement with holding company, the staff requirement of the Company is managed through a working arrangement. In respect of employees in the aforesaid working arrangement with the holding company, the Provision for Long Term employee benefits due to such employees is recognised as long term benefits in the holding company and considered as employee benefits in the subsidiary based on the invoice received from Holding company.

- 37** **Additional Information** (Rupees in lakhs)

Particulars	Year Ended 31.03.2026	Year Ended 31.03.2025
a) CIF Value of imports made during the year	14,736.38	15,772.69
b) Earnings in Foreign Exchange (Export of Goods)	2,358.23	2,109.21
c) Expenditure in Foreign Currency	13,481.84	13,723.51

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

Products and services from which reportable segments derive their revenues

The Company is operating in one single segment of running duty free retail shop at Cochin International Airport. Information reported to the chief operating decision maker (CODM) for the purpose of resource allocation and assessment of segment performance focuses on the type of goods or services delivered or provided. No operating segments have been aggregated in arriving at the reportable segments of the company.

No client individually accounted for more than 10% of the revenues in the year ended March 31, 2026 and March 31, 2025.

39 Ratios

Particulars	Numerator	Denominator	As at 31.03.2026	As at 31.03.2025	Variance
Current Ratio	Current assets	Current liabilities	1.68	1.72	-0.04
Debt - Equity Ratio	Total Debt (represents lease liabilities)	Shareholder's Equity	0.08	0.11	-0.03
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	19.34	14.26	5.08
Return on Equity (ROE)	Net Profits after taxes	Average Share- holder's Equity	6.16%	9.33%	-0.03
Inventory turnover ratio	Revenue	Inventory	2.60	2.77	-0.17
Trade receivables turnover ratio	Revenue	Average Trade Receivable	-	-	-
Trade payables turnover ratio	Purchases of services and other expenses	Average Trade Payables	3.71	8.05	-4.34
Net capital turnover ratio	Revenue	Working Capital	8.04	8.10	-0.06
Net profit ratio	Net Profit	Revenue	0.76%	1.13%	-0.00
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed	8.87%	13.58%	-0.05
Return on Investment (ROI)	Income generated from investments	Time weighted average investments	6.16%	9.33%	-0.03

Note: Variance in debt-service coverage is due to non-availment of buyers credit facility

40 Disclosure under Ind AS 23

Amount of borrowing cost capitalized during the year - Nil(Nil).

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

42 Disclosure requirements in accordance with amendment to schedule III vide notification dated 24th March 2021 have been incorporated, as the same is made applicable from 1st April 2021 incorporating the same for the previous year.

43 Details of benami property in which proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rule made thereunder has been provided hereunder:

- Details and year of acquisition of such property Nil
- Amount of property Nil
- Details of Beneficiary Nil
- If the property is disclosed in books, reference in the balance sheet Nil
- If the property is not in the books, then the facts shall be disclosed with reasons Nil
- Where there are proceedings against the Company under this law as an abettor of the transaction or as the transferor, then the details shall be provided: Nil
- Nature of proceedings and Company's stand thereon: Nil

44 Charge Details

Details of Registration or satisfaction of charge not registered with ROC beyond the time period are disclosed along with reasons thereof: All charges registered with ROC - NIL

45 Title deed of Immovable property not held in the name of Company

Details of all those immovable properties whose title deed are not in the name of the company, except those immovable properties in which the company is lessee and lease agreement are executed -NIL

46 Borrowing from Banks and Financial Institutions

- a) During the year, the Company has borrowed funds from Banks/FI (being current assets as collateral security).
- (b) No funds have been advanced, loaned or invested (either from borrowed funds or share premium or any other source or kind of funds) by the Company to or in any other person or entity including foreign entity (intermediaries) with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the Company (ultimate beneficiary). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether directly or indirectly lend or invest in other person or entities identified by or on behalf of the Company (ultimate beneficiary) or provide any guarantee, security or the like on behalf of the ultimate beneficiary

47 Wilful Defaulter: The Company is not declared as wilful defaulter by any bank or financial institution during the year.

48 Transactions with Struck off Companies: The management confirm that the Company had no transaction with any struck off companies during the year.

49 Loans & advances to Directors / KMP / Related Parties: No loans and advances given to Directors / KMP / Related Parties during the year.

50 Scheme of arrangement: Not applicable.

51 Compliance with number of layers of companies: Complied

52 Undisclosed Income: There are no transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

53 Details of Crypto Currency or Virtual Currency: The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

54 The Finance Act 2023 amended explanation to Sec.17(3) of the CGST Act on 1st October, 2023 which resulted in treating the sale of goods in the arrival terminal as exempted turnover, the resultant effect of the amendment will reduce the refund of input GST proportionately. Management has obtained legal opinion that the refund can be claimed and the Company has filed Refund Application claiming refund of GST paid on input and input services. Refund Application filed before the authority has been rejected. Against this the Company has filed a writ before the Hon'ble High Court of Kerala and the same has been admitted. Pending final disposal by the High Court, the Management although hopeful of receiving the refund in full from the authority has as a matter of abundant caution, decided to make a provision of 75% of the refund receivable for the years 2023-24, 2024-25 and 2025-26 refer note 12.1.

- 55** An amount of Rs.106.12 (in Lakhs) (Previous Year – Nil) have been written off as “Employee Benefit Expenses” during the year towards Post Retirement Medical Benefit Scheme (PRMBS) for the employees.
- 56** **Litigation:** The Company has no pending litigations.
- 57** CIAL has entered into an agreement with the Company for the operation of duty-free retail activities, which has been renewed for the period from April 1, 2024, to March 31, 2029.
- 58** The Company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- 59** Figures have been rounded off to the nearest rupee in lakhs. Previous year figures, unless otherwise stated are given within brackets and have been re-grouped and recast wherever necessary to be in conformance with current year’s layout.

Signatures to Note 1 to 59 forms integral part of accounts.

For and on behalf of the Board of Directors

sd/-
S. Suhas IAS
Chairman
(DIN: 08540981)

sd/-
Lenny Sebastian
Managing Director
(DIN: 11787630)

sd/-
Hema Gopalakrishnan
Chief Financial Officer

As per our report of even date attached

for **K. J. Anto & Co**
Chartered Accountants

sd/-

CA Tinu Anto K

Partner (M.No. 209914)

Chartered Accountants

Firm Registration No.014162S

UDIN: 26209914URZZZA9729

Place: Nedumbassery

Date : 10th July 2026