



**CIAL**

DUTYFREE AND  
RETAIL SERVICES LTD.

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**DIRECTORS' REPORT  
&  
FINANCIAL STATEMENTS**

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**2017-18**

## **CIAL DUTYFREE AND RETAIL SERVICES LIMITED**

Regd Office: XI/318 E, Cochin International Airport Buildings, Nedumbasserry

Kochi Airport P.O – 683 111, CIN: U52399KL2016PLC040279

Phone & Fax: 0484 2374154; E - mail: cs@cial.aero

### **NOTICE OF THE ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the 02<sup>nd</sup> Annual General Meeting of CIAL Dutyfree and Retail Services Limited will be held on Saturday, the 29<sup>th</sup> day of September 2018 at 11.00 a.m. at XI/318E, Cochin International Airport Buildings, Nedumbasserry, Kochi Airport P.O., Ernakulam - 683 111, to transact the following business.

#### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2018, 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 Sri. A.M. Shabeer (DIN:0001643446), who retires by rotation and being eligible, offers himself for re-appointment.
3. Appointment of Statutory Auditor and fixation of remuneration:

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

“Resolved that pursuant to Section 139 and other applicable provisions of the Companies Act 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof) the retiring auditors M/s. Krishnamoorthy & Krishnamoorthy, Chartered Accountants, Ernakulam (Firm Registration No:001488S) be and is hereby appointed as the statutory auditor of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors of the Company.”

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

sd/-

**V.J. Kurian**

**Chairman & Managing Director**

**DIN: 0001806859**

Place : Thiruvananthapuram

Date : 28<sup>th</sup> June 2018

#### **Notes:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. 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.

As per the requirement of Secretarial Standard 2, the following information relating to the directors retiring by rotation who are being re-appointed, as contained at item 2 is furnished below:

| Particulars   | Information                       |
|---|-----------------------------------|
| Name  | Sri.A.M. Shabeer (DIN:0001643446) |
| Age   | 56 Years                          |
| Qualification   | Post-graduation                   |
| Experience  | 34 years                          |
| Terms and Conditions of appointment   | As per resolution no.2            |
| Remuneration last drawn   | Nil                               |
| Date of first appointment on Board  | 01 <sup>st</sup> March 2016       |
| Shareholding in Company   | 10 Shares (0.0143%)               |
| Relationship with other Directors, Manager and other Key Managerial Personnel | Nil                               |
| Number of Meetings of Board attended  | 4                                 |
| Other Directorships, Memberships/Chairmanships of Committees of other Boards  | Nil                               |

## CIAL DUTYFREE AND RETAIL SERVICES LIMITED

Regd Office: XI/318 E, Cochin International Airport Buildings, Nedumbasserry Kochi Airport P.O.,  
Ernakulam – 683 111, CIN: U52399KL2016PLC040279. Ph: 0484 2374144.

e-mail: cs@cial.aero website: www.cial.aero

### DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the second Annual Report and the Company's financial statements for the financial year ended 31<sup>st</sup> March 2018.

(Rupees in lakhs)

| Financial Results                                       | From 01.04.2017 to<br>31.03.2018 | From 01.03.2016<br>to 31.03.2017 |
|---|----------------------------------|----------------------------------|
| <b>Total Income</b>                                     | <b>23726.00</b>                  | <b>18491.26</b>                  |
| Less: Administrative & other Expenses                   | 23285.82                         | 18040.33                         |
| <b>Cash Profit / (Loss)</b>                             | <b>440.18</b>                    | <b>450.92</b>                    |
| Less: Depreciation                                      | 8.38                             | 0.00                             |
| <b>Profit / (Loss) before Tax</b>                       | <b>431.80</b>                    | <b>450.92</b>                    |
| Less: Provision for Income Tax (Current & Deferred Tax) | 110.11                           | 179.99                           |
| <b>Profit / (Loss) after Tax</b>                        | <b>321.69</b>                    | <b>270.93</b>                    |
| Add: Other Comprehensive Income                         | 0.00                             | (17.14)                          |
| <b>Net Profit / (Loss) for the year</b>                 | <b>321.69</b>                    | <b>253.79</b>                    |

#### REVIEW OF OPERATIONS

CIAL Dutyfree and Retail Services Limited (CDRSL) was incorporated on 01<sup>st</sup> March 2016 with the major objective to expand the duty free business of CIAL, to several travel destinations spread across the world. The commercial operation of the Company was started from 01<sup>st</sup> June 2016. During the period under review, the net profit after tax has been increased from Rs.253.79 lakhs to Rs.321.69 lakhs, registering a growth of 26.75%.

#### DIRECTORS

The Directors of the Company, as on date are given below:

| Sl.No. | DIN        | Name of the Director | Designation                  |
|--------|------------|----------------------|------------------------------|
| 1.     | 0001806859 | Sri. V.J. Kurian     | Chairman & Managing Director |
| 2.     | 0001643446 | Sri. A.M.Shabeer     | Director                     |
| 3.     | 0007434481 | Sri. Sunil Chacko    | Director                     |

The provisions of Section 149 of the Companies Act 2013 and Rules framed thereunder are not applicable with respect to the appointment of Independent Director and Women Director. Further, the Company is not covered under the provisions of Section 177 and 178 of the Companies Act 2013 with respect to the constitution of various statutory sub - committee(s) of the Board.

No Directors or Key Managerial Personnel of the Company were appointed or resigned during the period under review.

Sri. A.M.Shabeer (DIN: 0001643446) is to retire by rotation at the ensuing AGM and being eligible offer himself for re-appointment. The Board therefore recommends his re-appointment as Director of the Company.

## DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- a) in the preparation of the annual accounts for the year ended 31<sup>st</sup> March 2018, the applicable accounting standards read with requirements set out under Schedule III to the Act, 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 31<sup>st</sup> March 2018 and of the profit of the Company for the period 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 Act 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.

## 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 31<sup>st</sup> March 2018 and no amounts have been transferred to General Reserve Account.

## EXTRACT OF ANNUAL RETURN

Extract of Annual return of the Company in the prescribed Form MGT-9 is annexed herewith as Annexure A to this report.

## MEETINGS OF THE BOARD

Four meetings of the Board of Directors were held during the period under review on 29<sup>th</sup> June 2017, 18<sup>th</sup> September 2017, 16<sup>th</sup> December 2017 and 08<sup>th</sup> March 2018.

The Composition and category of the Directors along with their attendance at Board Meetings for the period ended 31<sup>st</sup> March 2018 are given below:

| Sl. No. | Name of the Director | Category of Director         | No. of Board Meetings  |          |
|---------|----------------------|------------------------------|------------------------|----------|
|         |                      |                              | Held during the tenure | Attended |
| 1       | Sri.V.J. Kurian      | Chairman & Managing Director | 4                      | 4        |
| 2       | Sri.A.M. Shabeer     | Director                     | 4                      | 4        |
| 3       | Sri. Sunil Chacko    | Director                     | 4                      | 4        |

## STATUTORY AUDITOR

M/s. Krishnamoorthy & Krishnamoorthy (Firm Registration No: 001488S), the Statutory Auditors of the Company, hold office till the conclusion of this Annual General Meeting and are eligible for re-appointment. They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and they are not disqualified for re-appointment. The notes on financial statement referred in the auditors' report are self – explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remarks or disclaimer.

**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.

**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 earning and expenditure in foreign currency during the period under review are given below -

|   | (Rupees in lakhs)                |
|---|----------------------------------|
| Foreign Exchange Earnings and outgoings<br>(receipts and payments in USD) | From 01.04.2017<br>to 31.03.2018 |
| a) CIF Value of imports made during the period                            | 10,298.96                        |
| b) Earnings in Foreign Exchange (Export of Goods)                         | 23,629.12                        |
| c) Expenditure in Foreign Currency  | 10298.96                         |

**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 Form AOC-2 as Annexure B to this Report.

**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.

**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.

**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.

**RISK MANAGEMENT**

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.

## 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. 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.
7. 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.
8. During the period under review, there were no companies which have become or ceased to become the subsidiaries, joint ventures or associate companies.
9. The provisions with respect to Section 135 of the Companies Act 2013, pertaining to Corporate Social Responsibility is not applicable.

## 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 2017-18:

- No. of complaints received : Nil
- No. of complaints disposed off : Nil

## 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 the Board**

sd/-

**V J Kurian**  
**Chairman & Managing Director**  
**DIN: 0001806859**

Date : 28<sup>th</sup> June 2018

Place : Thiruvananthapuram

**FORM NO. MGT 9****Extract of Annual Return for the financial year ended 31<sup>st</sup> March 2018**

[Pursuant to Section 92 (3) of the Companies Act 2013 and Rule 12(1) of the Companies (Management & Administration) Rules 2014]

**I. REGISTRATION & OTHER DETAILS:**

|    |  |  |
|----|--|--|
| 1. | CIN  | <b>U52399KL2016PLC040279</b>   |
| 2. | Registration date  | <b>01<sup>st</sup> March 2016</b>  |
| 3. | Name of the Company  | <b>CIAL Dutyfree and Retail Services Limited</b>   |
| 4. | Category/Sub-category of the Company                                       | <b>Public Company /Indian Non-Government Company / Limited by shares</b>                     |
| 5. | Address of the Registered Office & contact details                         | <b>XI/318E, Cochin International Airport Buildings, Kochi Airport P O, Ernakulam 683 111</b> |
| 6. | Whether listed company   | <b>No</b>  |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | <b>Not applicable</b>  |

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the Company shall be stated)**

| Sl. No. | Name and Description of main Products / Services | NIC Code of the Product / Service | % to total turnover of the Company |
|---------|--|-----------------------------------|------------------------------------|
| 1       | Other Retail Sale in non-specialized stores      | 4719                              | NA                                 |

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

| Sl. No. | Name and address of the Company  | CIN / GLN             | Holding / Subsidiary/ Associate | % of Shares held | Applicable section |
|---------|--|-----------------------|---------------------------------|------------------|--------------------|
| 1.      | <b>Cochin International Airport Limited</b><br>Room No.35, 4th Floor<br>GCDA Commercial Complex<br>Marine Drive, Ernakulam - 682 031 | U63033KL1994PLC007803 | Holding                         | 99.90            | 2(46)              |

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of total equity)****i) Category-wise Share Holding.**

| Category of Share holders | No. of Shares held at the beginning of the year |              |              |                   | No. of Shares held at the end of the year |              |              |                   | % Change during the year |
|---------------------------|---|--------------|--------------|-------------------|---|--------------|--------------|-------------------|--------------------------|
|                           | De mat  | Physical     | Total        | % of Total Shares | Demat                                     | Physical     | Total        | % of Total Shares |                          |
| <b>A. Promoters</b>       |   |              |              |                   |   |              |              |                   |                          |
| a) Individual/ HUF        | -   | 70           | 70           | 0.10              | -   | 70           | 70           | 0.10              | -                        |
| b) Central Government     | -   | -            | -            | -                 | -   | -            | -            | -                 | -                        |
| c) State Governments      | -   | -            | -            | -                 | -   | -            | -            | -                 | -                        |
| d) Bodies Corporate       | -   | 70000        | 70000        | 99.90             | -   | 70000        | 70000        | 99.90             | -                        |
| e) Banks / FI             | -   | -            | -            | -                 | -   | -            | -            | -                 | -                        |
| f) Any other              | -   | -            | -            | -                 | -   | -            | -            | -                 | -                        |
| <b>Sub-Total (A)(1)</b>   | -   | <b>70070</b> | <b>70070</b> | <b>100</b>        | -   | <b>70070</b> | <b>70070</b> | <b>100</b>        | -                        |



|  |   |       |       |     |   |       |       |     |   |
|--|---|-------|-------|-----|---|-------|-------|-----|---|
| (2) Foreign  |   |       |       |     |   |       |       |     |   |
| a) NRIs – Individuals  | - | -     | -     | -   | - | -     | -     | -   | - |
| b) Other Individuals   | - | -     | -     | -   | - | -     | -     | -   | - |
| c) Bodies Corporate  | - | -     | -     | -   | - | -     | -     | -   | - |
| d) Banks/FI  | - | -     | -     | -   | - | -     | -     | -   | - |
| e) Any other...  | - | -     | -     | -   | - | -     | -     | -   | - |
| <b>Sub Total(A)(2)</b>   | - | -     | -     | -   | - | -     | -     | -   | - |
| <b>Total Shareholding of promoter(A)=(A)(1)+(A)(2)</b>                           | - | 70070 | 70070 | 100 | - | 70070 | 70070 | 100 | - |
| <b>B. Public Shareholding</b>  |   |       |       |     |   |       |       |     |   |
| a) Mutual Funds / Banks / FI   | - | -     | -     | -   | - | -     | -     | -   | - |
| b) Central Government  | - | -     | -     | -   | - | -     | -     | -   | - |
| c) State Governments   | - | -     | -     | -   | - | -     | -     | -   | - |
| d) Venture Capital Funds   | - | -     | -     | -   | - | -     | -     | -   | - |
| e) Insurance Companies   | - | -     | -     | -   | - | -     | -     | -   | - |
| f) FIIIs   | - | -     | -     | -   | - | -     | -     | -   | - |
| g) Foreign Venture Capital Funds   | - | -     | -     | -   | - | -     | -     | -   | - |
| h) Others (specify)  | - | -     | -     | -   | - | -     | -     | -   | - |
| <b>Sub-total (B)(1)</b>  | - | -     | -     | -   | - | -     | -     | -   | - |
| <b>2. Non-Institutions</b>   |   |       |       |     |   |       |       |     |   |
| <b>a) Bodies Corporates</b>  |   |       |       |     |   |       |       |     |   |
| i) Indian  | - | -     | -     | -   | - | -     | -     | -   | - |
| ii) Overseas   | - | -     | -     | -   | - | -     | -     | -   | - |
| <b>b) Resident Individuals</b>   |   |       |       |     |   |       |       |     |   |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh         | - | -     | -     | -   | - | -     | -     | -   | - |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | - | -     | -     | -   | - | -     | -     | -   | - |
| c) Others  | - | -     | -     | -   | - | -     | -     | -   | - |
| d) Non Resident Indians  | - | -     | -     | -   | - | -     | -     | -   | - |
| <b>Sub-total (B)(2)</b>  | - | -     | -     | -   | - | -     | -     | -   | - |
| Total Public Shareholding (B)=(B)(1)+ (B)(2)                                     | - | -     | -     | -   | - | -     | -     | -   | - |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                           |   |       |       |     |   |       |       |     |   |
| <b>Grand Total (A+B+C)</b>   | - | 70070 | 70070 | 100 | - | 70070 | 70070 | 100 | - |

**ii) Shareholding of Promoter-**

| Sl. No       | Shareholder's Name                   | Shareholding at the beginning of the year |                                  |  | Shareholding at the end of the year |                                  |  | % change in Shareholding during the year |
|--------------|--------------------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
|              |                                      | No. of Shares                             | % of total Shares of the Company | % of Shares Pledged / encumbered to total Shares | No. of Shares                       | % of total Shares of the Company | % of Shares Pledged / encumbered to total Shares |  |
| 1            | Cochin International Airport Limited | 70000                                     | 99.90                            | --   | 70000                               | 99.90                            | --   | --                                       |
| 2            | A Chandrakumaran Nair                | 10  | 0.0143                           | --   | 10                                  | 0.0143                           | --   | --                                       |
| 3            | A M Shabeer                          | 10  | 0.0143                           | --   | 10                                  | 0.0143                           | --   | --                                       |
| 4            | Jose Thomas Periappuram              | 10  | 0.0143                           | --   | 10                                  | 0.0143                           | --   | --                                       |
| 5            | Sunil Chacko                         | 10  | 0.0143                           | --   | 10                                  | 0.0143                           | --   | --                                       |
| 6            | Saji K George                        | 20  | 0.0285                           | --   | 20                                  | 0.0285                           | --   | --                                       |
| 7            | Jacob T Abraham                      | 10  | 0.0143                           | --   | 10                                  | 0.0143                           | --   | --                                       |
| <b>Total</b> |                                      | <b>70070</b>                              | <b>100.00</b>                    | <b>--</b>  | <b>70070</b>                        | <b>100.00</b>                    | <b>--</b>  | <b>--</b>                                |

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

| Particulars   | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---|---|----------------------------------|---|----------------------------------|
|   | No. of Shares                             | % of total Shares of the Company | No. of Shares                           | % of total shares of the Company |
| At the beginning of the year  | 70070                                     | 100                              | 70070                                   | 100                              |
| Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc.): | NIL                                       |                                  |   |                                  |
| At the end of the year  | 70070                                     | 100                              | 70070                                   | 100                              |

## iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs): Not Applicable

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

## v) Shareholding of Directors and Key Managerial Personnel

| Sl. No. | Name of the Shareholder(s) | Shareholding at the beginning of the year |                                  | Date wise increase / decrease in shareholding |                                  | Shareholding at the end of the year |                                  |
|---------|----------------------------|---|----------------------------------|---|----------------------------------|-------------------------------------|----------------------------------|
|         |                            | No of Shares                              | % of total Shares of the Company | No of Shares                                  | % of total Shares of the Company | No of Shares                        | % of total Shares of the Company |
| 1       | V. J. Kurian               | -   | -                                | -   | -                                | -                                   | -                                |
| 2       | A M Shabeer                | 10  | 0.0143                           | -   | -                                | 10                                  | 0.0143                           |
| 3       | Sunil Chacko               | 10  | 0.0143                           | -   | -                                | 10                                  | 0.0143                           |

## V. INDEBTEDNESS - (Rupees in lakh)

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

|  | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                  |                 |          |                    |
| i) Principal Amount  | -                                | -               | -        | -                  |
| ii) Interest due but not paid                              | -                                | -               | -        | -                  |
| iii) Interest accrued but not due                          | -                                | -               | -        | -                  |

|   |   |   |   |   |
|---|---|---|---|---|
| <b>Total (i+ii+iii)</b>                                 | - | - | - | - |
| <b>Change in Indebtedness during the financial year</b> |   |   |   |   |
| Addition  | - | - | - | - |
| Reduction   | - | - | - | - |
| <b>Net change Indebtedness</b>                          | - | - | - | - |
| <b>At the end of the financial year</b>                 |   |   |   |   |
| i) Principal Amount                                     | - | - | - | - |
| ii) Interest due but not paid                           | - | - | - | - |
| iii) Interest accrued but not due                       | - | - | - | - |
| <b>Total (i+ii+iii)</b>                                 | - | - | - | - |

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Rupees in lakhs)

| Sl No.                 | Particulars of Remuneration   | Sri.V.J.Kurian<br>Chairman & Managing<br>Director<br>(DIN: 0001806859) | Total<br>Amount |
|------------------------|---|--|-----------------|
| 1                      | Gross salary  | -  | -               |
|                        | (a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961 | -  | -               |
|                        | (b) Value of perquisites u/s 17(2) of Income-Tax Act, 1961                          | -  | -               |
|                        | (c) Profits in lieu of salary under section 17(3) of Income- Tax Act, 1961          | -  | -               |
| 2                      | Stock Option  | -  | -               |
| 3                      | Sweat Equity  | -  | -               |
| 4                      | Commission  |  |                 |
|                        | - as % of profit  | -  | -               |
|                        | - others, specify...  | -  | -               |
| 5                      | Others, please specify  | -  | -               |
| <b>Total (A)</b>       |   | -  | -               |
| Ceiling as per the Act |   | -  | -               |

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

| SI. No | Particulars of Remuneration                  | Name of the Directors             |                                   | Total Amount |
|--------|--|-----------------------------------|-----------------------------------|--------------|
| 1      | Independent Directors                        | -                                 | -                                 | -            |
|        | Fee for attending board/ committee meetings  | -                                 | -                                 | -            |
|        | Commission                                   | -                                 | -                                 | -            |
|        | Others, please specify                       | -                                 | -                                 | -            |
|        | Total (1)                                    | -                                 | -                                 | -            |
| 2      | Other Non-Executive Directors                | A.M. Shabeer<br>(DIN: 0001643446) | Sunil Chacko<br>(DIN: 0007434481) | -            |
|        | Fee for attending board / committee meetings | -                                 | -                                 | -            |
|        | Commission                                   | -                                 | -                                 | -            |
|        | Others, please specify                       | -                                 | -                                 | -            |
|        | Total (2)                                    | -                                 | -                                 | -            |
|        | <b>Total (B) = (1+2)</b>                     | -                                 | -                                 | -            |
|        | Total Managerial Remuneration                | -                                 | -                                 | -            |
|        | Overall Ceiling as per the Act               | Nil                               |                                   |              |

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

(Rupees in thousands)

| SI No. | Particulars of Remuneration   | Key Managerial Personnel |                         | Total Amount |
|--------|---|--------------------------|-------------------------|--------------|
|        |   | CFO (Nil)                | Company Secretary (Nil) |              |
| 1      | Gross salary  | -                        | -                       | -            |
|        | (a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961 | -                        | -                       | -            |
|        | (b) Value of perquisites u/s 17(2) of Income-Tax Act, 1961                          | -                        | -                       | -            |
|        | (c) Profits in lieu of salary under section 17(3) of Income- Tax Act, 1961          | -                        | -                       | -            |
| 2      | Stock Option  | -                        | -                       | -            |
| 3      | Sweat Equity  | -                        | -                       | -            |
| 4      | Commission<br>- as % of profit<br>- others, specify...                              | -                        | -                       | -            |
| 5      | Others, please specify  | -                        | -                       | -            |
|        | <b>Total (C)</b>  | -                        | -                       | -            |

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

| Type                                | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------|-------------------|---|------------------------------|------------------------------------|
| <b>A. COMPANY</b>                   |                              |                   |   |                              |                                    |
| Penalty                             | -                            | -                 | -   | -                            | -                                  |
| Punishment                          | -                            | -                 | -   | -                            | -                                  |
| Compounding                         | -                            | -                 | -   | -                            | -                                  |
| <b>B. DIRECTORS</b>                 |                              |                   |   |                              |                                    |
| Penalty                             | -                            | -                 | -   | -                            | -                                  |
| Punishment                          | -                            | -                 | -   | -                            | -                                  |
| Compounding                         | -                            | -                 | -   | -                            | -                                  |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |   |                              |                                    |
| Penalty                             | -                            | -                 | -   | -                            | -                                  |
| Punishment                          | -                            | -                 | -   | -                            | -                                  |
| Compounding                         | -                            | -                 | -   | -                            | -                                  |

for and on behalf of the Board of Directors

sd/-

**V.J Kurian**

**Chairman & Managing Director**

DIN: 0001806859

Date : 28<sup>th</sup> June 2018

Place : Thiruvananthapuram

## Annexure D

## 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 the Companies Act 2013 including certain arm's length transactions under third proviso thereto.

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

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

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

| Sl.No. | Name of the related party            | Nature of relationship | Nature of contracts / arrangements / transactions | Duration of the contracts / arrangements / transactions | Salient terms of the contracts or arrangements or transaction including the value, if any  | Date of approval by CIAL Board | Amount paid as advance, if any |
|--------|--------------------------------------|------------------------|---|---|--|--------------------------------|--------------------------------|
| 1      | Cochin International Airport Limited | Holding                | Royalty and Lease Rentals payable to CIAL         | N.A.  | Royalty payable to CIAL shall be at the rate of 45% of the sales revenue and lease rentals shall be at the rate of Rs.10 per square feet. The amount of service tax payable will be extra. | 18.09.2017                     | Nil                            |

for and on behalf of the Board

sd/-

V J Kurian

Chairman & Managing Director

DIN : 0001806859

Date : 28<sup>th</sup> June 2018

Place : Thiruvananthapuram

**Krishnamoorthy & Krishnamoorthy**  
Chartered Accountants

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF CIAL DUTYFREE AND RETAIL SERVICES LIMITED**

#### **Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of CIAL Dutyfree and Retail Services Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2018, the Statement of Profit and Loss, including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates



**Krishnamoorthy & Krishnamoorthy**  
Chartered Accountants

made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2018 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements:**

1. As required by the Companies (Auditor's Report) Order 2016 ("the order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2018 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"; and
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 4.30 to the financial statements.

**Krishnamoorthy & Krishnamoorthy**  
Chartered Accountants

- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. – Refer Note 4.31 to the financial statements.
- iii) The Company did not have any amount to be transferred to the Investor Education and Protection Fund by the Company.
- iv) The disclosures requirements relating to holding as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30th December 2016 which are not relevant to these Standalone financial statements, hence reporting under this clause is not applicable.

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

Place : Cochin -16  
Date : 22.06.2018

Sd/-  
**CA. K T Mohanan**  
Partner (M.No: 201484)

**Krishnamoorthy & Krishnamoorthy**  
Chartered Accountants

**ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT**

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

- i)
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
  - b) We are informed that these fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
  - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company does not have any immovable properties and hence not commented upon.
- ii) We are informed that physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on such verification.
- iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act 2013. Accordingly, paragraphs (iii) (a) (b) and (c) of CARO 2016 are not applicable.
- iv) In our opinion and according to the information and explanations given to us, the Company has not made any loans and investments and has not provided any guarantees and securities to the parties covered under Section 185 of the Companies Act 2013 and hence not commented upon.
- v) According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the Rules framed there under. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.
- vi) As per the information and explanation given to us, the Central Government has not prescribed maintenance of cost records under sub section (1) of Section 148 of the Companies Act 2013.
- vii) According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Customs Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities during the year. There are no arrears of outstanding undisputed statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us and based on the records of the Company examined by us, there are no dues of income tax or sales tax or Goods and Service Tax or wealth tax or service tax or 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 31<sup>st</sup> March 2018.
- viii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, the Company

**Krishnamoorthy & Krishnamoorthy**

Chartered Accountants

has not obtained any loans from banks, financial institution, Government and debenture holders during the year.

- ix) According to the information and explanations given to us, we report that there is no term loan availed by the Company and has not raised any moneys by way of initial public offer and further public offer (including debt instruments) and hence not commented upon.
- x) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, no fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, the Company has not paid / provided any managerial remuneration during the year. Accordingly, paragraph 3(xi) of the CARO 2016 Order is not applicable to the Company and hence not commented upon.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the CARO 2016 Order is not applicable to the Company and hence not commented upon.
- xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence reporting requirements under clause 3(xiv) are not applicable to the Company and not commented upon.
- xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its Directors or persons connected with them, and hence provisions of Section 192 of the Companies Act 2013 are not applicable.
- xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

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

Sd/-

**CA. K T Mohanan**

Partner (M.No: 201484)

Place : Cochin -16

Date : 22.06.2018

**Krishnamoorthy & Krishnamoorthy**  
Chartered Accountants

**ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT**  
**(Referred to in Paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)**

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of CIAL Dutyfree and Retail Services Limited ("the Company") as of 31<sup>st</sup> March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

**Krishnamoorthy & Krishnamoorthy**

Chartered Accountants

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 unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sd/-

**CA. K T Mohanan**  
Partner (M.No: 201484)

Place : Cochin -16

Date : 22.06.2018

**PART I : BALANCE SHEET**  
**CIAL DUTYFREE AND RETAIL SERVICES LIMITED**  
**BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2018**

(Rupees in '000)

| Particulars                         | Note No: | 31.03.2018        | 31.03.2017        |
|-------------------------------------|----------|-------------------|-------------------|
| <b>I. ASSETS</b>                    |          |                   |                   |
| <b>Non Current Assets</b>           |          |                   |                   |
| Fixed Assets                        |          |                   |                   |
| (i) Tangible Assets                 | 4.1      | 2,191.75          | -                 |
| Income Tax Taxes (Net)              | 4.2      | 128,393.75        | 95,095.48         |
| Deferred Tax Assets (Net)           | 4.3      | 958.60            | -                 |
| <b>Current Assets</b>               |          |                   |                   |
| Inventories                         | 4.4      | 416,547.49        | 390,069.84        |
| Financial assets                    |          |                   |                   |
| (i) Cash & Cash equivalents         | 4.5      | 67,464.39         | 56,890.80         |
| (ii) Bank Balances other than (i)   | 4.6      | 24,072.23         | 50.00             |
| (iii) Other Financial Assets        | 4.7      | 1,361.72          | 2.98              |
| Other current assets                | 4.8      | 190,461.64        | 5,613.96          |
| <b>Total Assets</b>                 |          | <b>831,451.57</b> | <b>547,723.06</b> |
| <b>II. EQUITY &amp; LIABILITIES</b> |          |                   |                   |
| <b>Equity</b>                       |          |                   |                   |
| Equity Share Capital                | 4.9      | 700.70            | 700.70            |
| Other Equity                        | 4.10     | 57,548.86         | 25,379.33         |
| <b>Liabilities</b>                  |          |                   |                   |
| <b>Non Current Liabilities</b>      |          |                   |                   |
| Financial Liabilities               |          |                   |                   |
| (i) Other financial liabilities     | 4.11     | 322.63            | 116.12            |
| Other non current liabilities       | 4.12     | 35.49             | 36.61             |
| <b>Current Liabilities</b>          |          |                   |                   |
| Financial Liabilities               |          |                   |                   |
| (i) Trade Payables                  | 4.13     | 653,637.22        | 392,917.23        |
| (ii) Other financial liabilities    | 4.14     | 97,851.05         | 98,213.47         |
| Other current liabilities           | 4.15     | 21,355.62         | 30,359.61         |
| <b>Total Equity and Liabilities</b> |          | <b>831,451.57</b> | <b>547,723.06</b> |

See accompanying notes to the financial statements

For and on behalf of the Board of Directors

As per our separate report of even date attached

sd/-  
**V.J. Kurian**  
 Managing Director  
 (DIN:0001806859)

sd/-  
**A.M. Shabeer**  
 Director  
 (DIN:0001643446)

sd/-  
**Sunil Chacko**  
 Director  
 (DIN:0007434481)

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

sd/-

**C.A. K T Mohanan**  
 Partner (M.No: 201484)

Place: Kochi  
 Date : 22.06.2018

**Part II : STATEMENT OF PROFIT & LOSS**  
**CIAL DUTYFREE AND RETAIL SERVICES LIMITED**  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2018**

|             |  | (Rupees in '000) |                               |                                 |
|-------------|--|------------------|-------------------------------|---------------------------------|
| Particulars |  | Note No:         | For the year ended 31.03.2018 | For the period ended 31.03.2017 |
|             | <b>Income:</b>   |                  |                               |                                 |
| I.          | Revenue from Operations  | 4.16             | 2,363,619.59                  | 1,817,785.94                    |
| II.         | Other Income   | 4.17             | 8,980.58                      | 31,339.82                       |
| III.        | <b>Total Income (I+II)</b>   |                  | <b>2,372,600.16</b>           | <b>1,849,125.76</b>             |
| IV.         | <b>Expenses:</b>   |                  |                               |                                 |
|             | Purchase of Stock in Trade   |                  | 1,093,518.46                  | 1,228,048.80                    |
|             | Change in Inventories of stock in trade  | 4.18             | (26,477.65)                   | (390,069.84)                    |
|             | Employee Benefits  | 4.19             | 70,274.12                     | 53,643.85                       |
|             | Finance Costs  | 4.20             | 11.48                         | 97.81                           |
|             | Depreciation and amortisation expenses   | 4.1              | 837.65                        | -                               |
|             | Other Expenses   | 4.21             | 1,191,255.51                  | 912,312.81                      |
|             | <b>Total Expenses (IV)</b>   |                  | <b>2,329,419.57</b>           | <b>1,804,033.43</b>             |
| V           | <b>Profit before Tax (III-IV)</b>  |                  | <b>43,180.59</b>              | <b>45,092.33</b>                |
| VI          | <b>Tax expense:</b>  |                  |                               |                                 |
|             | a. Current tax   |                  | 11,969.65                     | 17,999.00                       |
|             | b. Deferred tax  |                  | (958.60)                      | -                               |
|             | Total Tax Expense (VI)   | 4.22             | 11,011.06                     | 17,999.00                       |
| VII         | <b>Profit for the year (V-VI)</b>  |                  | <b>32,169.53</b>              | <b>27,093.33</b>                |
| VIII        | <b>Other comprehensive income</b>  |                  |                               |                                 |
|             | a) Items that will not be reclassified to profit or loss                                     |                  | -                             | (1,714.00)                      |
|             | b) Income tax relating to items that will not be reclassified to profit or loss              |                  | -                             | -                               |
| IX          | <b>Total comprehensive income for the period (Profit/ Loss + Other Comprehensive Income)</b> |                  | <b>32,169.53</b>              | <b>25,379.33</b>                |
| X           | <b>Earnings Per Equity Share</b>   | 4.23             |                               |                                 |
|             | a) Basic (in ₹)  |                  | 45.91                         | 37.03                           |
|             | b) Diluted (in ₹)  |                  | 45.91                         | 37.03                           |

See accompanying notes to the financial statements

For and on behalf of the Board of Directors

As per our separate report of even date attached

sd/-  
**V.J. Kurian**  
 Managing Director  
 (DIN:0001806859)

sd/-  
**A.M. Shabeer**  
 Director  
 (DIN:0001643446)

sd/-  
**Sunil Chacko**  
 Director  
 (DIN:0007434481)

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

sd/-  
**C.A. K T Mohanan**  
 Partner (M.No: 201484)

Place: Kochi  
 Date : 22.06.2018



**STATEMENT OF CHANGES IN EQUITY**  
**CIAL DUTYFREE AND RETAIL SERVICES LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2018**

**A Equity Share Capital**

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

| Particulars                                     | Number in '000 | Rs. in '000   |
|---|----------------|---------------|
| <b>Balance at April 1, 2017</b>                 | -              | -             |
| Changes in equity share capital during the year |                |               |
| (a) Shares issued during the year               | -              | -             |
| <b>Balance at March 31, 2018</b>                | -              | -             |
| Changes in equity share capital during the year | 70.07          | 700.70        |
| <b>Balance at March 31, 2018</b>                | <b>70.07</b>   | <b>700.70</b> |

**B Other Equity (Rupees in '000)**

| Particulars  | Retained Earnings | Other Comprehensive Income | Total            |
|--|-------------------|----------------------------|------------------|
| <b>Balance at April 1, 2017</b>                            | <b>25,379.33</b>  |                            | <b>25,379.33</b> |
| Profit for the year  | 32,169.53         |                            | 32,169.53        |
| Other comprehensive income for the year, net of income tax | -                 |                            | -                |
| <b>Total Comprehensive Income for the year</b>             | <b>32,169.53</b>  |                            | <b>32,169.53</b> |
| <b>Balance at March 31, 2018</b>                           | <b>57,548.86</b>  |                            | <b>57,548.86</b> |

For and on behalf of the Board of Directors

As per our separate report of even date attached

sd/-

**V.J. Kurian**  
 Managing Director  
 (DIN:0001806859)

sd/-

**A.M. Shabeer**  
 Director  
 (DIN:0001643446)

sd/-

**Sunil Chacko**  
 Director  
 (DIN:0007434481)

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

sd/-

**C.A. K T Mohanan**  
 Partner (M.No: 201484)

Place: Kochi

Date : 22.06.2018

## CIAL DUTYFREE AND RETAIL SERVICES LIMITED

XI/318E, CIAL Buildings, Nedumbassery, Ernakulam - 683 111

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2018

(Rupees in '000)

| Particulars   | For the period<br>01.04.2017 to 31.03.2018 | For the period<br>01.03.2016 to 31.03.2017 |
|---|--|--|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                      |  |  |
| <b>Profit before income tax</b>                                 | 43,180.59                                  | 45,092.33                                  |
| <b>Adjustments for:</b>   |  |  |
| Remeasurements of defined benefit Plans                         | -  | (1,714.00)                                 |
| Depreciation  | 837.65                                     | -  |
| Interest Income   | 2,229.09                                   | -  |
| <b>Operating profit before working capital changes</b>          | <b>46,247.33</b>                           | <b>43,378.33</b>                           |
| <b>Adjustments for:</b>   |  |  |
| (Increase)/decrease in Inventories                              | (26,477.65)                                | (390,069.84)                               |
| (Increase)/decrease in Trade receivables                        | -  | -  |
| (Increase)/decrease in Pre-payments and Other receivables       | (186,206.42)                               | (5,616.94)                                 |
| Increase/(decrease) in Liabilities & provisions                 | 251,558.98                                 | 521,643.03                                 |
| <b>Cash generated from operations</b>                           | <b>85,122.24</b>                           | <b>169,334.58</b>                          |
| Direct Tax Payments   | (45,267.93)                                | (113,094.48)                               |
| <b>Net Cash Flow from Operating Activities</b>                  | <b>39,854.31</b>                           | <b>56,240.10</b>                           |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                      |  |  |
| Purchase of Fixed Assets including Capital work-in-progress     | (3,029.40)                                 | -  |
| Interest received   | (2,229.09)                                 | -  |
| <b>Net Cash Flow from Investing Activities</b>                  | <b>(5,258.49)</b>                          | <b>-</b>                                   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                      |  |  |
| Proceeds from issue of Share Capital                            | -  | 700.70                                     |
| Proceeds from Long-Term Borrowing                               | -  | -  |
| Proceeds from Short-Term Borrowing                              | -  | -  |
| Repayment of Long-Term Borrowing                                | -  | -  |
| <b>Net Cash Flow from Financing Activities</b>                  | <b>-</b>                                   | <b>700.70</b>                              |
| <b>Net increase/(decrease) in cash and cash equivalents</b>     | <b>34,595.82</b>                           | <b>56,940.80</b>                           |
| <b>Cash and cash equivalents at the beginning of the period</b> | <b>56,940.80</b>                           | <b>-</b>                                   |
| <b>Cash and cash equivalents at the end of the period</b>       | <b>91,536.62</b>                           | <b>56,940.80</b>                           |

For and on behalf of the Board of Directors

As per our separate report of even date attached

sd/-  
**V.J. Kurian**  
Managing Director  
(DIN:0001806859)

sd/-  
**A.M. Shabeer**  
Director  
(DIN:0001643446)

sd/-  
**Sunil Chacko**  
Director  
(DIN:0007434481)

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

sd/-  
**C.A. K T Mohanan**  
Partner (M.No: 201484)

Place: Kochi  
Date : 22.06.2018

## 1 COMPANY OVERVIEW:

CIAL Dutyfree and Retail Services Limited is a public limited company incorporated and domiciled in India. The Company was incorporated on 1<sup>st</sup> 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.

The financial statements were approved for issue by the Company's Board of Directors on 22/06/2018.

## 2 SIGNIFICANT ACCOUNTING POLICIES:

### 2.1 Basis of Preparation and measurement

#### (i) Compliance with Ind AS

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

The accounting policies are applied consistently to all the periods presented in the financial statements.

#### (ii) Historical Cost Convention

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

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

### 2.2 Use of Estimates and judgment

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

- a) Discount rate used to determine the carrying amount of the Company's defined benefit obligation.
- b) Contingences and commitments

### 2.3 Property, Plant and Equipment

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

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

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

Depreciation is recognised so as to write off the cost of assets (other than 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 profit or loss. Fully depreciated assets still in use are retained in financial statements.

## **2.4 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.

## **2.5 Inventories**

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

## **2.6 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** - Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

**Financial liabilities** - Financial liabilities are measured at amortised cost using the effective interest method.

### **2.7 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.

### **2.8 Leases**

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight line basis in the statement of profit and loss over the lease term.

### **2.9 Claims Receivable**

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

### **2.10 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.

### **2.11 Revenue Recognition**

Sales are recognised on transfer of title of the goods to the customers. Interest income on deposits is recognized on time proportion basis.

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 to that assets net carrying amount on initial recognition.

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

## 2.12 Employee Benefits

The employees of the Company are on the roles of CIAL and is deputed to CIAL Dutyfree Retail Services Limited. The total cost of employee benefits as valued by the actuaries is recovered by CIAL from CIAL Dutyfree Retail Services Limited and the same is charged to the profit and loss account in the subsidiary company.

**i. Short Term Employee Benefits** - 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 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** - The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

**iv. Long Term Employee Benefits** - The Company has a policy on compensated absence which are both accumulating and nonaccumulating 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 Company presents the defined benefit costs in the Statement of Profit and Loss in the line 'Employee benefits expense'.

## 2.13 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.

## 2.14 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.

### 2.15 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 excepted 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.

## 3 RECENT ACCOUNTING PRONOUNCEMENTS

### Standards issued but not yet effective

Ministry of Corporate affairs (MCA) through Companies (Indian Accounting Standards) Amendment Rules 2018 has notified the followig new amendments to Ind AS which the Company has not applied as they are effective subsequent years as mentioned below:

**Ind AS 21:** The effect of change in foreign exchange rates (applicable for annual periods beginning on or after 01.04.2018)

**Ind AS 115:** Revenue from Contracts with customers (applicable for annual periods beginning on or after 01.04.2018)

**Ind AS 116:** Leases (applicable for annual periods beginning on or after 01.04.2019)

**Ind AS - 21:** The effect of change in foreign exchange rates

The amendment clarifies on the accounting of transaction that include receipt or payment of advance consideration in a foreign currency. The appendix clarifies the date of transaction for the purpose of

determining the exchange rates to use on initial recognition of related asset expense or income when an entity has received or paid advance consideration in foreign currency.

The amendment will come into force from 01.04.2018. The Company is evaluating the impact of this amendment on its financial statements.

#### **IndAS 115: Revenue from Contracts with customers**

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standards Ind AS 18 - Revenue, Ind AS 11 - Construction Contracts when it becomes effective.

Ind AS 115 introduces a new framework of 5 step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when an entity transfers control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosure about the nature, amount, timing and uncertainties of revenue and cash flows arising from entities' contracts with customers. The Company is evaluating the requirements of the Ind AS 115 and the effect on the financial statements is being evaluated.

#### **IndAS 116 - Leases**

As IndAS 116 substantially carries forward the lessor accounting requirements in Ind AS 17, a lessor will continue to classify its leases as operating lease or finance lease and to account for those two types of leases differently. Ind AS 116 eliminates the classification of leases for the lessee as either operating leases or finance leases as required by Ind AS 17 and instead introduces a single lease accounting model whereby a lessee is required to recognise assets and liabilities for all leases with a term i.e. greater than 12 months unless the underlying asset is of low value and to recognise depreciation of leased assets separately from interest on leased liabilities in the income statements. Ind AS 116 is effective from 01.04.2019.

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.

4.1

(Rupees in '000)

| Particulars            | Gross Block                  |                          |             | Depreciation                 |   |               |             | Net Block                                 |                      |                      |
|------------------------|------------------------------|--------------------------|-------------|------------------------------|---|---------------|-------------|---|----------------------|----------------------|
|                        | Gross Block as on 01.04.2017 | Addition During the year | Retirement  | Gross Block as on 31.03.2018 | Accumulated depreciation as on 01.04.2017 | Dep. for year | Dep. retir. | Accumulated depreciation as on 31.03.2018 | WDV as on 31.03.2018 | WDV as on 31.03.2017 |
| Computer & Accessories | 0.00                         | 3029.40                  | 0.00        | 3029.40                      | 0.00                                      | 837.65        | 0.00        | 837.65                                    | 2191.75              | 0.00                 |
|                        | <b>0.00</b>                  | <b>3029.40</b>           | <b>0.00</b> | <b>3029.40</b>               | <b>0.00</b>                               | <b>837.65</b> | <b>0.00</b> | <b>837.65</b>                             | <b>2191.75</b>       | <b>0.00</b>          |



**4.2 Non Current Taxes (Net)**

| Particulars           | As at 31.03.2018<br>Rupees in '000 | As at 31.03.2017<br>Rupees in '000 |
|-----------------------|------------------------------------|------------------------------------|
| Other Advances        |                                    |                                    |
| Income Tax Paid (net) | 128,393.75                         | 95,095.48                          |
|                       | <b>128,393.75</b>                  | <b>95,095.48</b>                   |

Income tax paid (net) represents the Advance Tax and Tax Deducted at Source relating to current year.

**4.3 Deferred Tax Assets (Net)**

| Particulars            | As at 31.03.2018<br>Rupees in '000 | As at 31.03.2017<br>Rupees in '000 |
|------------------------|------------------------------------|------------------------------------|
| Deferred Tax Liability | 103.08                             | 0.00                               |
| Deferred Tax Assets    | 1,061.67                           | 0.00                               |
|                        | <b>958.60</b>                      | <b>0.00</b>                        |

The tax effects of significant temporary differences that resulted in deferred tax liabilities are as follows :

| Particulars   | Opening<br>balance | Recognised in<br>profit or loss | Closing<br>Balance |
|---|--------------------|---------------------------------|--------------------|
| <b>Deferred tax (Liabilities)/Assets in relation to :</b> |                    |                                 |                    |
| Property, plant and equipment                             | -                  | (103.08)                        | (103.08)           |
| Preliminary Expenses                                      | -                  | <b>1,061.67</b>                 | <b>1,061.67</b>    |
| <b>Total</b>  | -                  | <b>958.60</b>                   | <b>958.60</b>      |

**4.4 Inventories: (at lower of cost and net realizable value)**

| Particulars     | As at 31.03.2018<br>Rupees in '000 | As at 31.03.2017<br>Rupees in '000 |
|-----------------|------------------------------------|------------------------------------|
| Stock in Trade  | 416,547.49                         | 390,069.84                         |
| Stores & Spares | 0.00                               | 0.00                               |
|                 | <b>416,547.49</b>                  | <b>390,069.84</b>                  |

**4.5 Cash & Cash Equivalents**

| Particulars               | As at 31.03.2018<br>Rupees in '000 | As at 31.03.2017<br>Rupees in '000 |
|---------------------------|------------------------------------|------------------------------------|
| <b>Balance with Banks</b> |                                    |                                    |
| i) in Current Accounts    | 65,515.81                          | 55,131.06                          |
| ii) in Deposit Accounts   | -                                  | -                                  |
| <b>Cash on hand</b>       | 1,948.57                           | 1,759.74                           |
|                           | <b>67,464.39</b>                   | <b>56,890.80</b>                   |

**4.6 Financial Assets - Bank Balances**

| Particulars               | As at 31.03.2018<br>Rupees in '000 | As at 31.03.2017<br>Rupees in '000 |
|---------------------------|------------------------------------|------------------------------------|
| <b>Balance with Banks</b> |                                    |                                    |
| In Deposit Accounts       |                                    |                                    |
| (i) maturity 3 -12 Months | 24,022.23                          | -                                  |
| (ii) maturity > 12 months | -                                  | -                                  |

|  |                  |              |
|--|------------------|--------------|
| In earmarked Accounts  |                  |              |
| Balance with Banks in Deposit Account held under lien towards Bank Guarantee | 50.00            | 50.00        |
|  | <b>24,072.23</b> | <b>50.00</b> |

**Earmarked Balances:**

Balance with banks in deposit accounts include Rs.56661 (Rs.52982), which are held under lien, out of which the deposit with maturity period exceeding 12 months is of Rs.56661 (Rs. 52982), which is disclosed under Other Non Financial assets.

**4.7 Other Financial Assets**

| Particulars  | As at 31.03.2018<br>Rupees in '000 | As at 31.03.2017<br>Rupees in '000 |
|--|------------------------------------|------------------------------------|
| Interest Accrued on fixed deposits                         | 6.66                               | 2.98                               |
| Other receivables<br>(under contractual rights receivable) | 1,355.05                           | 0.00                               |
|  | <b>1,361.72</b>                    | <b>2.98</b>                        |

**4.8 Other Current Assets**

| Particulars   | As at 31.03.2018<br>Rupees in '000 | As at 31.03.2017<br>Rupees in '000 |
|---|------------------------------------|------------------------------------|
| Advances recoverable in cash or in kind or for value to be received | 5,257.33                           | 556.62                             |
| Balances with Central Excise, Customs & Other Authorities           | 185,204.31                         | 5,057.34                           |
|   | <b>190,461.64</b>                  | <b>5,613.96</b>                    |

**4.8.1** Rs.185204.31(Rs.5057.34) being the Input credit availed on input goods and services for zero rated supply for which refund application has been submitted to appropriate authority and is pending for disposal.

**4.9 Share Capital**

| Particulars   | As at 31.03.2018<br>Rupees in lakhs | As at 31.03.2017<br>Rupees in lakhs |
|---|-------------------------------------|-------------------------------------|
| <b>Authorised:</b><br>5,00,00,000 Equity Shares of Par Value Rs. 10/- each                        | 500,000.00                          | 500,000.00                          |
| <b>Issued and Subscribed and fully paid:</b><br>70070 Equity Shares of Par Value of Rs. 10/- each | 700.70                              | 700.70                              |
|   | <b>700.70</b>                       | <b>700.70</b>                       |

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

| Particulars   | As at 31.03.2018 |        | As at 31.03.2017 |        |
|---|------------------|--------|------------------|--------|
|   | No. of shares    | Rupees | No. of shares    | Rupees |
| No. of shares as at the beginning of the financial year | 70.07            | 700.70 | -                | -      |
| Add: Shares issued during the year                      | -                | -      | 70.07            | 700.70 |
| No. of shares as at the end of the financial year       | 70.07            | 700.70 | 70.07            | 700.70 |

### Terms/Rights attached to Equity 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.

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

| Particulars                       | As at 31.03.2018 |               | As at 31.03.2017 |               |
|-----------------------------------|------------------|---------------|------------------|---------------|
|                                   | %                | No. of Shares | %                | No. of Shares |
| Cochin International Airport Ltd. | 99.90%           | 70,000        | 99.90%           | 70,000        |

### 4.10 Reserves and Surplus

| Particulars   | As at 31.03.2018<br>Rupees in '000 | As at 31.03.2017<br>Rupees in '000 |
|---|------------------------------------|------------------------------------|
| <b>General Reserve</b>  |                                    |                                    |
| Balance as per last Balance Sheet   | 0.00                               | 0.00                               |
| Add: Transfer from Surplus in the Statement of Profit and Loss              | 0.00                               | 0.00                               |
| Closing balance (a)   | <b>0.00</b>                        | <b>0.00</b>                        |
| <b>Surplus</b>  |                                    |                                    |
| Balance as per last Balance Sheet   | 25,379.33                          | 0.00                               |
| Add: Net Profit after tax as per Statement of Profit and Loss               | 32,169.53                          | 25,379.33                          |
| Add/(Less) : Remeasurement of defined employee benefit plans (net of taxes) | -                                  | -                                  |
|   | <b>57,548.86</b>                   | <b>25,379.33</b>                   |
| <b>Amount available for Appropriation</b>                                   |                                    |                                    |
| Less: Appropriations  |                                    |                                    |
| Transfer to General Reserve   | 0.00                               | 0.00                               |
| Proposed Dividend   | 0.00                               | 0.00                               |
| Tax on Proposed Dividend  | 0.00                               | 0.00                               |
| (b)   | 57,548.86                          | 25,379.33                          |
| (a+b)   | <b>57,548.86</b>                   | <b>25,379.33</b>                   |

The Board of Directors of the company has proposed a dividend of Rs.0.00 (NIL) per share for the Financial Year 2017-18.

### 4.11 Other Non Current Financial Liabilities

| Particulars                           | As at 31.03.2018<br>Rupees in '000 | As at 31.03.2017<br>Rupees in '000 |
|---------------------------------------|------------------------------------|------------------------------------|
| Security Deposits including Retention | 322.63                             | 116.12                             |
|                                       | <b>322.63</b>                      | <b>116.12</b>                      |

**4.12 Other Non Current Liabilities**

| Particulars                  | As at 31.03.2018<br>Rupees in '000 | As at 31.03.2017<br>Rupees in '000 |
|------------------------------|------------------------------------|------------------------------------|
| Deferred Fair Valuation Gain | 35.49                              | 36.61                              |
|                              | <b>35.49</b>                       | <b>36.61</b>                       |

**4.13 Trade Payables**

| Particulars   | As at 31.03.2018<br>Rupees in '000 | As at 31.03.2017<br>Rupees in '000 |
|---|------------------------------------|------------------------------------|
| Total outstanding dues of creditors other than MSME | 56,978.95                          | 31,995.59                          |
| Due to Related Party                                | 596,658.27                         | 360,921.64                         |
|   | <b>653,637.22</b>                  | <b>392,917.23</b>                  |

There is no define credit period. The dues are settled based on 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 terms.

There are no amount overdue to any enterprises which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act 2006.

The Company has taken steps to identify the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act 2006. Based on the information available there are no balances/interest payable to suppliers at the year end.

**4.14 Other Financial Liabilities**

| Particulars                           | As at 31.03.2018<br>Rupees in '000 | As at 31.03.2017<br>Rupees in '000 |
|---------------------------------------|------------------------------------|------------------------------------|
| Security Deposits including Retention | 97,851.05                          | 98,213.47                          |
|                                       | <b>97,851.05</b>                   | <b>98,213.47</b>                   |

**4.15 Other Current Liabilities**

| Particulars                  | As at 31.03.2018<br>Rupees in '000 | As at 31.03.2017<br>Rupees in '000 |
|------------------------------|------------------------------------|------------------------------------|
| Revenue Received in advance  |                                    |                                    |
| Deferred Fair Valuation Gain | 28.72                              | 0.28                               |
| Other Payables               |                                    |                                    |
| Statutory Dues               | 20,815.21                          | 29,588.15                          |
| Others Current Liabilities   | 511.68                             | 771.18                             |
|                              | <b>21,355.62</b>                   | <b>30,359.61</b>                   |

**4.16 Revenue from operations**

| Particulars                          | As at 31.03.2018<br>Rupees in '000 | As at 31.03.2017<br>Rupees in '000 |
|--------------------------------------|------------------------------------|------------------------------------|
| <b>Sale of Products</b>              |                                    |                                    |
| Sale of Duty Free Products           | 2,363,619.59                       | 1,817,785.94                       |
| <b>Total Revenue from Operations</b> | <b>2,363,619.59</b>                | <b>1,817,785.94</b>                |

**4.17 Other Income**

| Particulars                           | As at 31.03.2018<br>Rupees in '000 | As at 31.03.2017<br>Rupees in '000 |
|---------------------------------------|------------------------------------|------------------------------------|
| Interest Income                       | 2,229.09                           | 5,944.77                           |
| Fair valuation gain - Retention Money | 11.48                              | 0.00                               |
| Foreign Exchange Rate Variance (net)  | 2,353.26                           | 24,422.75                          |
| Other non-operating income            | 4,386.75                           | 972.30                             |
|                                       | <b>8,980.58</b>                    | <b>31,339.82</b>                   |

**4.18 Change in Stock in Trade:**

| Particulars                      | As at 31.03.2018<br>Rupees in '000 | As at 31.03.2017<br>Rupees in '000 |
|----------------------------------|------------------------------------|------------------------------------|
| Opening Stock in Trade           | 390,069.84                         | 0.00                               |
| Less:                            |                                    |                                    |
| Closing Stock in Trade           | 416,547.49                         | 390,069.84                         |
| <b>Changes in stock in trade</b> | <b>26,477.65</b>                   | <b>390,069.84</b>                  |

**4.19 Change in Stock in Trade:**

| Particulars  | As at 31.03.2018<br>Rupees in '000 | As at 31.03.2017<br>Rupees in '000 |
|--|------------------------------------|------------------------------------|
| Employee Secondment charges to holding company<br>(Refer Note No.4.27) | 70,274.12                          | 53,643.85                          |
|  | <b>70,274.12</b>                   | <b>53,643.85</b>                   |

**4.20 Finance Costs**

| Particulars                                    | As at 31.03.2018<br>Rupees in '000 | As at 31.03.2017<br>Rupees in '000 |
|--|------------------------------------|------------------------------------|
| Interest Expenses:                             | 0.00                               | 97.54                              |
| Other borrowing Cost                           |                                    |                                    |
| (i) Unwinding of discount on security deposits | 11.48                              | 0.28                               |
|  | <b>11.48</b>                       | <b>97.81</b>                       |

**4.21 Other Expenses**

| Particulars                             | As at 31.03.2018<br>Rupees in '000 | As at 31.03.2017<br>Rupees in '000 |
|---|------------------------------------|------------------------------------|
| Royalty paid to CIAL                    | 1,028,794.26                       | 785,486.99                         |
| Management Fees (Duty Free Shop)        | 76,011.66                          | 65,877.69                          |
| Discount allowed (Duty Free Shop) (Net) | 48,315.78                          | 16,918.33                          |
| Bank Charges                            | 7,496.80                           | 5,746.42                           |
| Rental Charges                          | 6,835.42                           | 5,950.03                           |
| Housekeeping Expenses                   | 6,193.28                           | 4,824.89                           |
| Miscellaneous Expenses                  | 5,443.19                           | 4,650.28                           |
| Advertisement and Publicity             | 4,602.32                           | 1,351.96                           |

|   |                     |                   |
|---|---------------------|-------------------|
| Rates and Taxes                             | 1,936.47            | 32.75             |
| Safety, Security & Immigration Expenses     | 1,729.36            | 1,286.41          |
| Consumption of Stores, Spares & Consumables | 1,230.66            | 7,045.24          |
| Professional and Consultancy charges        | 769.95              | 167.25            |
| Insurance                                   | 614.57              | 3,582.13          |
| Repair to Plant, Equipment                  | 515.00              | 1,837.43          |
| Travelling and Conveyance                   | 501.33              | 513.92            |
| Postage and Telephone                       | 124.90              | 120.26            |
| Auditor's Remuneration (Refer Note 4.24)    | 100.00              | 90.00             |
| Vehicle running and maintenance             | 32.34               | 51.08             |
| Repairs to Office Equipments                | 3.89                | 298.76            |
| Printing and Stationery                     | 2.45                | 2.02              |
| Repairs to Building                         | 1.90                | 56.86             |
| Preliminary Expense                         | 0.00                | 6,422.13          |
|   | <b>1,191,255.51</b> | <b>912,312.81</b> |

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

| Particulars  | As at 31.03.2018<br>Rupees in '000 | As at 31.03.2017<br>Rupees in '000 |
|--|------------------------------------|------------------------------------|
| <b>Profit before tax</b>   | <b>43,180.59</b>                   | <b>45,092.33</b>                   |
| Income tax expense calculated at 27.5525%  | 11,897.33                          | 14,908.88                          |
| Effect of expenses that are not deductible in determining taxable profit             | 529.29                             | -                                  |
| On Defined Benefit Obligations   | -                                  | 1,391.60                           |
| On Preliminary Expenses  | -                                  | 1,698.68                           |
| Adjustments recognised in the current year in relation to current tax of prior years | (1,415.56)                         | -                                  |
| Income tax expense recognised in profit or loss                                      | <b>11,011.06</b>                   | <b>17,999.15</b>                   |

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

| Particulars  | As at 31.03.2018<br>Rupees in '000 | As at 31.03.2017<br>Rupees in '000 |
|--|------------------------------------|------------------------------------|
| <b>Basic &amp; Diluted:</b>  |                                    |                                    |
| <b>Numerator</b>   |                                    |                                    |
| Net Profit for the year  | 32,169.53                          | 25,379.33                          |
| <b>Denominator</b>   |                                    |                                    |
| Weighted average number of equity shares outstanding during the year | 700.70                             | 700.70                             |
| <b>Earnings per Share - Basic (In Rupees)</b>                        | <b>45.91</b>                       | <b>36.22</b>                       |
| <b>- Diluted (In Rupees)</b>   | <b>45.91</b>                       | <b>36.22</b>                       |

**4.24 Payment To The Auditor**

| Particulars         | As at 31.03.2018<br>Rupees in '000 | As at 31.03.2017<br>Rupees in '000 |
|---------------------|------------------------------------|------------------------------------|
| For Statutory Audit | 60.00                              | 60.00                              |
| For Tax Audit       | 35.00                              | 30.00                              |
|                     | <b>95.00</b>                       | <b>90.00</b>                       |

**4.25 Contingent Assets**

| Particulars                 | As at 31.03.2018<br>Rupees in '000 | As at 31.03.2017<br>Rupees in '000 |
|-----------------------------|------------------------------------|------------------------------------|
| Bank Guarantees outstanding | -                                  | 6.04                               |

**4.26 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  
Kerala Waterways and Infrastructures Limited

**c) Key Management Personnel**

Mr. V. J. Kurian - Managing Director  
Mr. A.M. Shabeer - Director  
Mr. Sunil Chacko - Director

**d) Key Management Personnel of Holding Company**

Mr. V. J. Kurian - Managing Director  
Mr. Sunil Chacko - CFO  
Mr. Saji K George - Company Secretary

**B. Transactions with related parties as per the books of account during the year**

(Rupees in lakhs)

| Particulars                                 | As at 31.03.2018<br>Rupees in '000 | As at 31.03.2017<br>Rupees in '000 |
|---|------------------------------------|------------------------------------|
| <b>Cochin International Airport Limited</b> |                                    |                                    |
| Allotment of Equity Shares                  | -                                  | 701.00                             |
| Fee to CIAL                                 | 1,028,794.26                       | 785,486.99                         |
| Lease Rent                                  | 6,835.42                           | 5,950.03                           |
| Secondment charges paid to CIAL             | 70,274.12                          | 53,643.85                          |

**C. Amount Outstanding as at 31.03.2018**
**(Rupees in lakhs)**

|                                      |            |            |
|--------------------------------------|------------|------------|
| Cochin International Airport Limited | 596,658.27 | 360,922.00 |
|--------------------------------------|------------|------------|

**4.27** As per the agreement entered into with the holding company, vide agreement dated 29<sup>th</sup> 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 on a concessionaire fee of 45% on net sales. The facilities provided include exclusive premises and facilities for duty free operations and providing infrastructural support. Further the agreement provide for extending facilities such as employee benefits services, housekeeping and security services and other corporate services for which reimbursement has been made to the holding company based on bills raised.

**4.28 Additional Information**

| Particulars                                       | Current Year<br>Rupees in '000 | Previous Year<br>Rupees in '000 |
|---|--------------------------------|---------------------------------|
| a) CIF Value of imports made during the year      | 1,029,895.87                   | 1,181,597.08                    |
| b) Earnings in Foreign Exchange (Export of Goods) | 2,362,911.98                   | 1,319,955.69                    |
| c) Expenditure in Foreign Currency                | 1,029,895.87                   | 66,372.32                       |

**4.29 Disclosure of Specified Bank Notes:**

Schedule III of Companies Act 2013 was amended by Ministry of Corporate Affairs vide Notification G.S.R. 308(E) dated 30<sup>th</sup> March 2017. The said amendment requires the Company to disclose the details of Specified Bank Notes held and transacted during the period from 08<sup>th</sup> November 2016 to 30<sup>th</sup> December 2016. For the purpose of this clause, the term 'Specific Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407 (E), dated the 08<sup>th</sup> November 2016.

Details of Specified Bank Notes held and transacted during the period from 08<sup>th</sup> November 2016 to 30<sup>th</sup> December 2016 are as follows:

| Particulars                           | Rupees in '000 |                             |        |
|---------------------------------------|----------------|-----------------------------|--------|
|                                       | SBNs           | Other<br>denomination notes | Total  |
| Closing cash in hand as on 08.11.2016 | 589.50         | 16.09                       | 605.59 |
| (+) Permitted receipts                | —              | —                           | —      |
| (-) Permitted payments                | —              | —                           | —      |
| (-) Amount deposited in Banks         | 589.50         | 16.09                       | 605.59 |
| Closing cash in hand as on 30.12.2016 | —              | 339.99                      | 339.99 |

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

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



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

Signatures to Note 1 to 4.32 forms integral part of accounts.

**For and on behalf of the Board of Directors**

**As per our separate report of even date attached**

sd/-  
**V.J. Kurian**  
Managing Director  
(DIN:0001806859)

sd/-  
**A M Shabeer**  
Director  
(DIN:0001643446)

sd/-  
**Sunil Chacko**  
Director  
(DIN:0007434481)

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

sd/-  
**C.A. K T Mohanan**  
Partner (M.No: 201484)

Place: Kochi  
Date : 22.06.2018

## CIAL DUTYFREE AND RETAIL SERVICES LIMITED

Regd Office: XI/318 E, Cochin International Airport Building, Nedumbasserry

Kochi Airport P.O – 683 111, CIN: U52399KL2016PLC040279

Phone: 0484 2374154; E – mail: cs@cial.aero website: www.cial.aero

### 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                   | <b>U52399KL2016PLC040279</b>   |
| Name of the Company   | <b>CIAL Dutyfree and Retail Services Limited</b>   |
| Registered Office     | <b>XI/318 E, Cochin International Airport Building, Nedumbasserry, Kochi Airport P.O.- 683 111</b> |
| Name of the Member(s) |  |
| Registered Address    |  |
| e-mail ID             |  |
| Folio No              |  |

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 02<sup>nd</sup> Annual General Meeting of the Company to be held on Saturday, the 29<sup>th</sup> day of September, 2018 at 11.00 a.m. at XI/318E, Cochin International Airport Buildings, Nedumbasserry, Kochi Airport P.O., Ernakulam 683 111 and at any adjournment thereof in respect of such resolution as are indicated below:

**Resolution Nos:**

|    |    |    |
|----|----|----|
| 1. | 2. | 3. |
|----|----|----|

affix Re.1  
revenue  
stamp

Signed this ----- day of ----- 2018

Signature of shareholder: -----

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

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.

✂ CUT HERE