

# TAAL Enterprises Limited

Reg. Office: 2nd Floor, MMPDA Towers, 184, Royapettah High Road, Chennai – 600014

Phone: +91-44 4350 8393, Website: [www.taalent.co.in](http://www.taalent.co.in); E-mail: [secretarial@taalent.co.in](mailto:secretarial@taalent.co.in)

CIN: L62200TN2014PLC096373

TEL/SEC/2021-22

November 03, 2021

To,  
Listing Department,  
**BSE Limited,**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai - 400001  
**Scrip Code: 539956**

Dear Sir / Madam,

## Sub: Corrigendum to the Annual Report for the Financial Year 2020-21

With reference to the captioned subject, we hereby inform you that one inadvertent typo error was noticed in the 7<sup>th</sup> Annual Report for the Financial Year 2020-21 of the Company after the same was sent to the Members/Shareholders through electronic mode on 7<sup>th</sup> September, 2021. The detail of the same is as below:

On page No. 12 of the Annual Report for the Financial Year 2020-21 of the Company:  
**In Point No.vii (b) – “The Rs.622.67 Crore shall be read as Rs.622.67 Lakhs”**

The updated version of the Annual Report is available on the website of the Company viz. [www.taalent.co.in](http://www.taalent.co.in)

We further wish to inform you that the said correction has no impact on the statement of profit and loss account of the Company for the financial year ended 31st March, 2021 and same is also in compliance of the related provisions and that this corrigendum should be read in conjunction with the Annual Report 2020-21.


In this connection, we sincerely regret the inconvenience caused.

You are requested to kindly take the same on your record.

Thanking you,

Yours faithfully,

For TAAL Enterprises Limited



Himanshu Choradiya  
Company Secretary



## TAAL Enterprises Limited

Reg. Office: 2nd Floor, MMPDA Towers, 184, Royapettah High Road, Chennai - 600014  
Phone: +91-44 4350 8393, Website: www.taalent.co.in; E-mail: secretarial@taalent.co.in  
CIN: L62200TN2014PLC096373

TEL/SEC/2021-22

September 07, 2021

To,  
Corporate Relationship Department,  
**BSE Limited,**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai - 400 001  
**Scrip Code: 539956**

Dear Sir /Madam,

**Sub.: Submission of Annual Report of the Company for the Financial Year 2020-21**

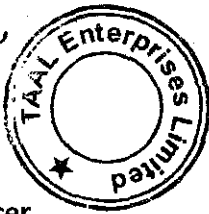
Pursuant to Regulations 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for the Financial Year 2020-21.

Kindly take the same on your record and oblige.

Thanking you,

Yours faithfully,  
For TAAL Enterprises Limited

  
Jitendra Muthiyan  
Chief Financial Officer



Encl.: As above

# **TAAL Enterprises Limited**

**Annual Report 2020-21**

**COMPANY INFORMATION**

**BOARD OF DIRECTORS**

Mr. Salil Taneja	Chairman and Whole Time Director
Mr. Shyam Powar	Director
Mr. Arvind Nanda	Director
Mrs. Rahael Shobhana Joseph	Director

**CHIEF FINANCIAL OFFICER**

Mr. Jitendra Muthiyan (w.e.f. February 11, 2021)

**COMPANY SECRETARY**

Mr. Sourabh Sonawane (upto April 20, 2021)

**AUDITORS**

M/s. MSKA & Associates, Chartered Accountants (upto September 30, 2020)

M/s. V. P Thacker & Co., Chartered Accountants (w.e.f. September 30, 2020)

**BANKERS**

Oriental Bank of Commerce

**REGISTERED OFFICE**

2<sup>nd</sup> Floor, MMPDA Towers, 184, Royapettah High Rd., Chennai- 600 014

Phone: 044-4350 8393

E-mail: [secretarial@taalent.co.in](mailto:secretarial@taalent.co.in), Website: [www.taalent.co.in](http://www.taalent.co.in)

CIN: L62200TN2014PLC096373

**REGISTRAR & SHARE TRANSFER AGENT**

Link Intime India Private Limited

# TAAL Enterprises Limited

## Board's Report

Dear Members,

Your Directors are pleased to present the Seventh Annual Report along with the Audited Financial Statements of the Company for the financial year ended March 31, 2021.

### FINANCIAL HIGHLIGHTS

(Rs. in Lakhs)

Particulars	Standalone	
	2020-21	2019-20
Total Income	1,117.49	542.20
Expenditure	79.36	576.68
Profit/(Loss) after Tax	964.41	(570.22)

### OPERATIONS

During the year under review, the total revenue from operations of the Company was Rs. 1,117.49 Lakhs as compared to Rs. 542.20 Lakhs during the previous year. The Profit after tax for the year was Rs. 964.41 Lakhs as compared to a loss of Rs. 570.22 Lakhs during the previous year, on account of insurance claim.

In March, 2020, the World Health Organization declared COVID-19 a global pandemic. The Company remains watchful of the potential impact of this pandemic and continues to assess its impact on the business operations based on all relevant internal and external information.

The Company has taken appropriate measures to ensure the safety and health of all its employees and ensured due compliance with various directives issued by State Government authorities.

The financial impact of the pandemic on the performance of the Company during Financial Year 2021-22 will be evaluated and reported appropriately in the next year.

### TRANSFER TO RESERVES

During the year, the Company has not transferred any amount to General Reserves.

### DIVIDEND

The Board of Directors of the Company had declared an interim dividend of Rs. 20/- (Rs. Twenty) on each fully paid 31,16,342 equity shares of Rs. 10/- each (200%) amounting to Rs. 6,23,26,840/- during the Financial Year 2020-21. The dividend was paid to those members of the Company whose names appeared in the Register of Members of the Company as on January 23, 2021. The Interim Dividend declared during the year shall be considered as the Final Dividend for the Financial Year 2020-21.

### CHARTER OPERATIONS

During the year under review, the Company has received insurance claim against the damaged aircraft.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

In accordance with the provisions of the Companies Act, 2013 ('Act') and the Articles of Association of the Company,

Mrs. Rahael Shobhana Joseph retires by rotation and being eligible, offers herself for re-appointment.

Mr. Salil Taneja was re-appointed as Whole Time Director of the Company, for a period of 2(two) years from October 01, 2020 to September 30, 2022.

Mr. Jitendra Muthiyar was appointed as Chief Financial Officer of the Company w.e.f. February 11, 2021.

The Independent Directors of the Company have given a declaration pursuant to Section 149(7) of the Act.

The annual performance evaluation has been done by the Board of its own performance and that of its Committees and individual Directors based on the criteria for evaluation of performance of independent directors and the Board of Directors and its Committees as approved by the Nomination and Remuneration Committee which the Board found to be satisfactory.

The Board is of the opinion that the Independent Directors of the Company possess adequate proficiency, experience, expertise and integrity to serve the interest of the Company well.

The brief resume of the Directors proposed to be appointed/re-appointed is given in the notice convening the Annual General Meeting ('AGM').

The Composition of the Board of Directors of the Company and attendance at the Board meetings is as follows:

Name of the Director	Category	No. of Board Meetings attended during F.Y 2020-21
Mr. Salil Taneja	Whole Time Director	5
Mr Arvind Nanda	Independent Director	5
Mr. Shyam Powar	Independent Director	3
Mrs. Rahael Shobhana Joseph	Non-Executive Director	5

The details of KMP as on March 31, 2021 are as below:

Sr. No.	Name	Designation
1	Mr. Salil Taneja	Whole-Time Director
2	Mr. Jitendra Muthiyar	Chief Financial Officer

### SUBSIDIARIES, ASSOCIATE AND JOINT VENTURE COMPANIES

As on date of this report, the Company has five direct and indirect subsidiaries.

In accordance with Section 129(3) of the Act, a statement containing salient features on performance and financial position of the subsidiaries in Form AOC-1 is provided in the Financial Statements forming part of this Annual Report.

The Company has framed a Policy for determining Material Subsidiaries which is available on its website : [www.taalent.co.in](http://www.taalent.co.in)

TAAL Tech India Private Limited ('TTIPL') is the largest operating subsidiary of the Company. Even though the

business of this subsidiary was impacted by COVID-19, the profitability for the year showed improvement.

## PUBLIC DEPOSITS

Your Company has not accepted any deposits from the public falling within the purview of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

## MANAGEMENT DISCUSSION & ANALYSIS

Pursuant to the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations') a separate section on Management Discussion & Analysis is forming part of this Report.

## CORPORATE GOVERNANCE REPORT

Pursuant to Regulation 15(2) of the Listing Regulations, the provisions relating to Corporate Governance Report are not applicable to the Company.

## CORPORATE SOCIAL RESPONSIBILITY

Though the provisions of Act regarding Corporate Social Responsibility are not attracted to the Company; still the Company has positive gestures towards philanthropic activities in future.

## BOARD MEETINGS

During the year under review 5 Board Meetings were held as under:

Sr. No.	Date of Meeting
1	July 30, 2020
2	September 08, 2020
3	November 11, 2020
4	January 15, 2021
5	February 11, 2021

The intervening gap between the Meetings was within the period prescribed under the Act / Listing Regulations.

## AUDIT COMMITTEE AND VIGIL MECHANISM

The present composition of Audit Committee is as follows:

Name of Director	Chairman/ Member
Mr. Shyam Powar	Chairman
Mrs. Rahael Shobhana Joseph	Member
Mr. Arvind Nanda	Member

The Whistle Blower Policy/ Vigil Mechanism of the Company as established by the Board is available on its website : [www.taalent.co.in](http://www.taalent.co.in)

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) read with Section 134(5) of the Act, your Directors make the following statement:

- i) that in preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) that the Directors have selected such accounting policies & applied them consistently & made judgments & estimates, that are reasonable & prudent so as to give a

true and fair view of the state of affairs of the Company at end of the Financial Year March 31, 2021 and of the profit of the Company for that period;

- iii) that 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 & other irregularities;
- iv) that the Directors have prepared the annual accounts on a going concern basis;
- v) that the directors have laid down Internal financial Controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi) that the directors have devised proper systems to ensure compliance with provisions of all applicable laws & that such systems were adequate & operating effectively.

## ANNUAL RETURN

As per Section 134(3)(a) of the Act, the Annual Return referred to in Section 92(3) has been placed on the website of the Company at [www.taalent.co.in](http://www.taalent.co.in)

## CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO

The particulars as required under Section 134(3) of the Act is forming part of this Report as Annexure 'A'.

## NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Policy of the Company on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and the criteria for performance evaluation as laid down by Nomination and Remuneration Committee has been defined in the Nomination and Remuneration Policy. The said policy is available on its website at [www.taalent.co.in](http://www.taalent.co.in)

Details pertaining to Section 197(12) of the Act read with rules framed there under forms part of this report as Annexure 'B'.

A statement showing details of employees in terms of Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report.

However, in terms of Section 136 of the Act, the Annual Report excluding the aforesaid information is being sent to the members and others entitled there to. The said statement is available for inspection by the Members at the Registered Office of the Company during business hours on working days up to the date of the ensuing AGM. If any Member is interested in obtaining a copy thereof, such Member may write to the Company at [secretarial@taalent.co.in](mailto:secretarial@taalent.co.in).

## AUDITORS

### a. STATUTORY AUDITORS

Pursuant to Section 139 of the Act and the Rules framed there under, the Shareholders of the Company at the 6th AGM held on September 30, 2020, approved

# TAAL Enterprises Limited

the appointment of M/s. V P Thacker & Co., Chartered Accountants, (Firm Registration No. 118696W) as the Statutory Auditors of the Company to hold office for a period of 5 (five) consecutive years till the conclusion of 11th AGM of the Company.

In respect of Emphasis of Matter by Auditors on the Standalone & Consolidated Financial Statement, it has been explained in Notes forming part of the Financial Statements which are self explanatory & therefore do not call for any further comments.

## b. Secretarial Auditor

Pursuant to Section 204 of the Act and the Rules made thereunder, the Board of Directors has appointed Giriraj A. Mohta, Practising Company Secretary as Secretarial Auditor to undertake Secretarial Audit of the Company for the period ended March 31, 2021 onwards.

The Report of the Secretarial Auditor in Form MR 3 is annexed herewith as an Annexure 'C' to this Report.

There are no qualifications, reservations or adverse remarks made by the Secretarial Auditors' in their audit report for the year ended March 31, 2021.

## PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Particulars of Loans, Guarantees & Investments covered under Section 186 of the Act has been given in Notes to Financial Statements forming part of this Annual Report.

## RISK MANAGEMENT

The Company has a robust risk management framework to identify and mitigate risks arising out of internal as well as external factors.

## INTERNAL FINANCIAL CONTROLS

The Company has an internal financial control framework which is commensurate with the size, scale and complexity of its operations. The Statutory Auditors of the Company reviews the same on periodical basis..

## CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the year under review, the Company has not entered into any contract/ arrangement/ transaction with related parties which were either not at an arm's length or not in the ordinary course of business & further could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Hence, there is no information to be provided in Form AOC-2 while particulars of Related Party Transactions in terms of Ind AS-24 are forming part of the enclosed financial statements.

## GENERAL

1. 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.
2. There is no change in the nature of business of the Company.
3. There was no change in the authorized as well as paid up share capital of the Company during the year under review.
4. There have been no material changes and commitment, if any affecting the financial position of the company which have occurred between the end of the financial year of the Company to which the financial report relates and the date of the report.
5. The provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is not applicable to the Company.
6. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
7. The Company has complied with applicable Secretarial Standards.
8. Maintenance of Cost records under Section 148(1) of the Act is not applicable to the Company.

## REGISTRAR AND SHARE TRANSFER AGENT ('RTA')

Shareholders may contact RTA of the Company at the following address:

Link Intime India Private Limited  
Block No. 202, 2nd Floor, Akshay Complex, Near Ganesh Temple, Off Dhole Patil Road, Pune – 411001.  
Tel.: 020-26160084 Fax: 020- 26163503  
E-mail: pune@linkintime.co.in

## ACKNOWLEDGEMENTS

The Directors take this opportunity to thank their Customers, Bankers, Vendors, Aviation authorities, Government and regulatory authorities and all other stakeholders for their valuable sustained support. The Directors also express their deep appreciation to all the employees' for their hard work, dedication and Commitment.

For and on behalf of Board of Directors

Date : June 11, 2021  
Place : Pune

**Salil Taneja**  
**Chairman**

## MANAGEMENT DISCUSSION & ANALYSIS

### Industry Structure and Developments:

Non Scheduled Aviation Services in India have picked up steadily in line with overall economic growth. This economic growth led to rising revenues of Indian corporates and increasing number of high-net-worth individuals which is one of the main reason for growth in Aircraft Charter Business in India.

### Opportunities, Threats, Risk and Concerns:

Relaxations in Foreign Direct Investment norms coupled with an increase in the number of airports in India should create a number of business opportunities in the aviation sector. The Civil Aviation policy introduced by government which lays emphasis on regional connectivity is also likely to give a further impetus to this growth. The uncertainty in commercial airline operations may also increase demand for aircraft charters. Furthermore, the COVID-19 pandemic is creating opportunities for charter business.

On the negative side, the industry continues to suffer from a shortage of skilled manpower and there continue to be a number of infrastructural challenges that put pressures on the cost of aircraft operations as well as on the utilization levels of charter aircraft.

Your Company regularly evaluates and reviews potential risk on account of various factors such as government policies, natural / man-made disasters and political risk.

Your company is keeping a close watch on these developments to map a future course of action.

### Outlook:

The Company has had a presence in the Air Charter segment of the Aviation Industry. During the year under review, the Company did not operate the aircraft due to accident and currently exploring various business options.

### Internal Control Systems and their adequacy:

The Company is in the process of further strengthening of internal control systems.

### Financial Performance:

The financial performance of the Company for Financial Year 2020-21 as compared to the corresponding previous year is given below:

(Rs.In Lakhs)

Particulars	2020-21	2019-20
Gross Income (including Insurance income)	1,117.49	542.20
Expenditure	79.36	576.68
Profit/(Loss) before tax	1,038.13	(570.22)
Profit/(Loss) after tax	964.41	(570.22)
Earnings Per Share	30.95	(18.30)

### Material Subsidiaries:

The Company has one material subsidiary viz. TAAL Tech India Pvt. Ltd. '(TTIPL)' engaged in providing Product Engineering Services, R & D Services customized to the specific needs of every individual customer.

The Financial Performance of TTIPL for the Financial Year 2020-21 as compared to the corresponding previous year is given below:

(Rs. In Lakhs)

Particulars	2020-21	2019-20
Total Income	10,898.18	13,225.06
Expenditure	8,656.70	10,297.95
Profit Before Tax	2,241.48	2,927.11
Profit After Tax	1,734.08	2,383.97

### Material developments in Human Resources/Industrial Relations:

The Company maintained good industrial relations with its employees and staff. Human Resources remained a key focus area for your Company during the year under review. As on March 31, 2021, the Company had three employees.

### Key Financial Ratios:

In accordance with the Listing Regulations, as amended, the Company is required to provide details of significant changes (Change of 25% or more as compared to the immediately previous financial year) in key sector specific financial ratios. The Company has identified the following ratios as key financial ratios:

Particulars	2020-21	2019-20	Change
Debtors Turnover	NA	47.35	-
Inventory Turnover	NA	NA	-
Interest Coverage Ratio	NA	(4.66)	-
Current Ratio	19.54	3.16	518%
Debt Equity Ratio	NA	NA	-
Operating Profit Margin (%)	NA	(46.91%)	-
Net Profit Margin (%)	86%	(47%)	283%
Return on Net Worth (%)	65%	(16%)	506%

Since, no charter operations were carried out during the year, the operating results and ratios are not comparable.

### Cautionary Statement:

Statements in the Management Discussion and Analysis describing the Company's expectations or predictions are 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include demand-supply conditions, changes in Government regulations, tax regime, economic developments within the country and other factors such as litigations.



# TAAL Enterprises Limited

## Annexure 'A' to the Board's Report

Information required under Section 134(3) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 for the Financial Year Ended on March 31, 2021

### I. Conservation of energy:

- i. The steps taken or impact on conservation of energy:  
The Company is a low energy consumer.
- ii. The steps taken by the Company for utilizing alternate sources of energy: NA.
- iii. The capital investment on energy conservation equipment's: Nil

### II. Technology absorption:

- i. The efforts made towards technology absorption: NA.
- ii. The benefits derived like product improvement, cost reduction, product development or import substitution : Nil
- iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) : Nil
- iv. The expenditure incurred on Research and Development: Nil

### III. Foreign exchange earnings and Outgo:

- a) Activities relating to exports, initiatives taken to increase export, development of new export market for products and export plans.

Company is involved in the business of chartering of aircraft to domestic customer.

- b) During the year, foreign exchange earnings were Nil & foreign exchange outgo was Rs. 1206.91 Lakhs.

## Annexure 'B' to the Board's Report

Details pertaining to remuneration pursuant to Section 197(12) of the Companies Act, 2013 read with Rules thereunder:

1. The percentage increase in remuneration of each Director and Company Secretary in the Financial Year 2020-21, Ratio of remuneration of each Director to median remuneration of employees of the Company for the Financial Year 2020-21:

Sr. No	Name of Directors/ KMP and Designation	% Increase in remuneration in Financial Year 2020-21	Ratio of remuneration of Director to median remuneration of executive employee
1.	Salil Taneja (Whole Time Director)	NIL	0.62 : 1
2.	Sourabh Sonawane (Company Secretary)	NIL	0.95 : 1
3	Jitendra Muthiyan (Chief Financial Officer) (w.e.f. February 11, 2021)	-	1.24 : 1

2. The median remuneration of employees of the Company during the Financial Year was Rs. 0.32 Lacs per annum.
3. During the Financial Year under review, percentage increase in the median remuneration of employees : N.A
4. Average percentage increase made in the salaries of employees as well as the Managerial Personnel in the last Financial Year i.e. 2020-21 was NIL.  
There were Three permanent employees on the rolls of the Company as on March 31, 2021.
5. It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.

**Annexure 'C' to the Board's Report**  
**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021**

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

To,  
The Members  
TAAL ENTERPRISES LIMITED  
2nd Floor, MMPDA Towers 184,  
Royapettah High Road,  
Chennai - 600014

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by TAAL Enterprises Limited (hereinafter called "the Company").

Secretarial Audit was conducted for the period from April 01, 2020 to March 31, 2021, in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances of the Company and expressing our opinion thereon. We have been engaged as Secretarial Auditors of the Company to conduct the Audit of the Company to examine the compliance of Companies Act and the laws specifically listed below.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period from April 01, 2020 to March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2021 according to the provisions of the following list of laws and regulations mentioned hereunder, virtually due to COVID-19 pandemic. The documents provided to us were treated as final for verification purposes as per the declaration given by the Management of the Company. The following are our observations on the same:

**i. The Companies Act, 2013 (the Act) and the Rules made there under:** The Company has satisfactorily complied with the provisions of the Companies Act, 2013 and the Rules made there under and there are no discrepancies observed by us during the period under review.

**ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under:** The Company has complied with the provisions of The Securities Contracts (Regulation) Act, 1956 ('SCRA').

**iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under:**

The Company is a listed public company the shares are in dematerialised form and the Company has complied with the provisions of The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.

**iv.** The Company has satisfactorily complied with the provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings and there are no discrepancies observed by us during the period under review.

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

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **Not applicable**;
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - **Not applicable**;
- e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not applicable**; and
- f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable**;
- g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not applicable**;

The Company is a listed Company and provisions of Regulations and Guidelines mentioned above and prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are duly complied by the Company.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company

# TAAL Enterprises Limited

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has complied with the following laws applicable specifically to the Company:

- a. The Aircraft Act, 1934

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India. The Company has duly complied with the Secretarial Standards for the period under review.
- ii. The Listing Agreement entered into by the Company with BSE Limited, Mumbai in respect of Shares issued by the Company and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**We further report that:-**

There are adequate systems and processes in the company commensurate with its size & operation to monitor and ensure compliance with applicable laws including general laws, labour laws, competition law and environmental laws.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as required by Section 149 of the Companies Act, 2013.

Adequate notice is given to all directors about the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting. All decisions at Board Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.

We further report that during the audit period no major decisions, specific events/ actions have occurred which has a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**For Giriraj A. Mohta & Company  
Company Secretaries**

**Giriraj A. Mohta**

Membership No.: 50038

C.P. No: 18967

Date : June 11, 2021

Place : Pune

UDIN : A050038C000482569

## ANNEXURE A

To,  
The Members  
TAAL ENTERPRISES LIMITED  
2nd Floor, MMPDA Towers 184,  
Royapettah High Road, Chennai 600014

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Giriraj A. Mohta & Company  
Company Secretaries**

**Giriraj A. Mohta**

Membership No.: 50038

C.P. No: 18967

Date : June 11, 2021

Place : Pune

UDIN : A050038C000482569

## INDEPENDENT AUDITOR'S REPORT

### To the Members of TAAL Enterprises Limited

#### Report on the Audit of the Standalone Financial Statements

##### Opinion

We have audited the Standalone Financial Statements of **TAAL Enterprises Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of Significant Accounting Policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and Loss, Changes in Equity and its Cash Flows for the year ended on that date.

##### Basis for Opinion

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

##### Emphasis of Matter

We draw attention to Note 42 to the Standalone Financial Statements which states that the management has performed an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2021 and has concluded that there is no material impact which is required to be recognised in the Standalone Financial Statements. Accordingly, no adjustments have been made to the Standalone Financial Statements.

Our opinion is not modified in respect of the above matters.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the

Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in our Emphasis of Matter paragraph above, we have determined that there are no key audit matters to communicate in our report.

##### Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Management report and Director's report but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

# TAAL Enterprises Limited

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

## **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Other Matter**

The audit of the standalone financial statements of the Company for the year ended March 31, 2020 was conducted by the predecessor auditors, who had vide their audit report dated July 30, 2021 expressed an unmodified opinion.

Our opinion is not modified in respect of the above matter.

## **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 "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss, the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on March 31, 2021 taken

on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position except for the matter described in note 34A of the Standalone Financial Statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
3. As required by the Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

**For V. P. Thacker & Co**

Chartered Accountants  
Firm Registration No. 118696W

**Abuali Darukhanawala**

Partner

Place: Mumbai

Membership No.108053

Date : June 11, 2021

UDIN: 21108053AAAAQJ1651

## **ANNEXURE A TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF TAAL ENTERPRISE LIMITED**

[Referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets (Property, Plant and Equipment).
  - (b) Fixed assets (Property, Plant and Equipment) have been physically verified by the management during the year and no material discrepancies were identified 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 own any immovable properties. Accordingly, of the provisions stated in paragraph 3(i)(c) of the Order are not applicable to the Company.
- ii. The Company is involved in the business of rendering services. Accordingly, the provisions stated in paragraph 3(ii) of the Order are not applicable to the Company
- iii. The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions stated in paragraph 3 (iii) (a) to (c) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of Section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provisions of Section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, there are no amounts outstanding which are in the nature of deposits as on March 31, 2021 and the Company has not accepted any deposits during the year.
- vi. The provisions of Sub-Section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

# TAAL Enterprises Limited

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- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales- tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases
- (b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, goods and service tax, customs duty, cess and any other statutory dues which have not been deposited on account any dispute except for the following:

Sr. No.	Regulator	Amount INR	Appellate
1	Customs Duty	622.67 crore	Commissioner of Customs

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institution, bank or debenture holders.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions stated in paragraph 3 (ix) of the Order are not applicable to the Company.
- x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, 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 given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (xiv) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of Company, the Company has not entered into non-cash transactions with directors or persons connected with Directors. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.
- xvi. In our opinion, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi) of the Order are not applicable to the Company.

**For V. P. Thacker & Co**  
Chartered Accountants  
Firm Registration No. 118696W

**Abuali Darukhanawala**  
Partner

Place: Mumbai  
Date : June 11, 2021

Membership No.108053  
UDIN: 21108053AAAAQJ1651

## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF TAAL ENTERPRISES LIMITED**

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

### **Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to Standalone Financial Statements of TAAL Enterprises Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Standalone 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 with reference to Standalone Financial Statements 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) (the "Guidance Note"). 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 Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, 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 internal financial controls with reference to Standalone Financial Statements 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 internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, 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 judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Standalone Financial Statements.

#### **Meaning of Internal Financial Controls With Reference to Standalone Financial Statements**

A Company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

#### **Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements 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, the Company has, in all material respects, internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2021, based on the internal control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

**For V. P. Thacker & Co**  
Chartered Accountants  
Firm Registration No. 118696W

**Abuali Darukhanawala**  
Partner

Place: Mumbai  
Date : June 11, 2021

Membership No.108053  
UDIN: 21108053AAAAQJ1651



# TAAL Enterprises Limited

## BALANCE SHEET AS AT MARCH 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipments	4	4.66	8.07
Right of use assets	4	-	-
Financial assets			
Investments	5	165.10	165.10
<b>Total Non-current assets</b>		<b>169.76</b>	<b>173.17</b>
<b>Current assets</b>			
Financial assets			
Investments	5	-	1,008.93
Trade receivables	6	-	0.84
Cash and cash equivalents	7	49.77	13.95
Bank balances other than cash and cash equivalents	8	1,218.42	104.95
Loans	9	99.51	123.32
Other financial assets	10	-	49.43
Current tax assets (net)	11	-	14.17
Other current assets	12	29.08	59.48
<b>Total Current assets</b>		<b>1,396.77</b>	<b>1,375.07</b>
<b>Total Assets</b>		<b>1,566.53</b>	<b>1,548.25</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	13	311.63	311.63
Other equity	14	1,183.43	842.29
<b>Total Equity</b>		<b>1,495.06</b>	<b>1,153.92</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Financial liabilities			
Trade payables	15	3.31	2.95
Other financial liabilities	16	49.81	376.57
Other current liabilities	17	9.71	14.81
Current tax liabilities (net)	18	8.64	-
<b>Total Current liabilities</b>		<b>71.47</b>	<b>394.33</b>
<b>Total Liabilities</b>		<b>71.47</b>	<b>394.33</b>
<b>Total Equity and Liabilities</b>		<b>1,566.53</b>	<b>1,548.25</b>
Summary of significant accounting policies	2		
The accompanying notes (1 - 42) are an integral part of the standalone financial statements			

As per our report of even date attached

**For V. P. Thacker & Co.**  
**Chartered Accountants**  
 Firm Registration No. 118696W

**Abuali Darukhanawala**  
 Partner  
 Membership No. 108053

Place: Mumbai  
 Date: June 11, 2021

**For and on behalf of the Board of Directors of**  
**TAAL Enterprises Limited**  
 CIN: L62200TN2014PLC096373

**Salil Taneja**  
 Chairman  
 DIN: 00328668

Place: Pune  
 Date: June 11, 2021

**Jitendra R. Muthiyar**  
 Chief Financial Officer

Place: Pune  
 Date: June 11, 2021

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2021	Year ended March 31, 2020
<b>Income</b>			
Revenue from operations	19	-	425.30
Other income	20	1,117.49	116.90
<b>Total Income</b>		<b>1,117.49</b>	<b>542.20</b>
<b>Expenses</b>			
Employee benefits expense	21	9.16	118.14
Operating expenses	22	-	147.40
Finance costs	23	26.43	42.11
Depreciation and amortization expense	24	3.41	142.80
Other expenses	25	40.37	126.23
<b>Total Expenses</b>		<b>79.36</b>	<b>576.68</b>
<b>Profit / (Loss) before exceptional items and tax</b>		<b>1,038.13</b>	<b>(34.48)</b>
<b>Exceptional items</b>			
Impairment of assets			
a) Right of use assets	4	-	(138.35)
b) Investment in subsidiary	39	-	(397.39)
<b>Total Exceptional items</b>		<b>-</b>	<b>(535.74)</b>
<b>Profit / (Loss) before tax</b>		<b>1,038.13</b>	<b>(570.22)</b>
<b>Income-tax expense:</b>			
Current tax		73.72	-
<b>Total Income-tax expense</b>		<b>73.72</b>	<b>-</b>
<b>Profit / (Loss) for the year</b>		<b>964.41</b>	<b>(570.22)</b>
<b>Other comprehensive income</b>			
Re-measurement gains / (losses) on defined benefit plans		-	-
Income-tax effect		-	-
<b>Other comprehensive income for the year, net of tax</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive income / (loss) for the year</b>		<b>964.41</b>	<b>(570.22)</b>
<b>Earnings per share</b>			
Basic earnings / (loss) per share (INR)	26	30.95	(18.30)
Diluted earnings / (loss) per share (INR)		30.95	(18.30)
Summary of significant accounting policies	2		
The accompanying notes (1 - 42) are an integral part of the standalone financial statements			

As per our report of even date attached

**For V. P. Thacker & Co.**  
**Chartered Accountants**  
 Firm Registration No. 118696W

**For and on behalf of the Board of Directors of**  
**TAAL Enterprises Limited**  
 CIN: L62200TN2014PLC096373

**Abuali Darukhanawala**  
 Partner  
 Membership No. 108053

**Salil Taneja**  
 Chairman  
 DIN: 00328668

**Jitendra R. Muthiyan**  
 Chief Financial Officer

Place: Mumbai  
 Date: June 11, 2021

Place: Pune  
 Date: June 11, 2021

Place: Pune  
 Date: June 11, 2021

# TAAL Enterprises Limited

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### (A) Equity share capital

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	Amount	No. of shares	Amount
Equity shares of INR 10 each issued, subscribed and fully paid-up				
Opening	31,16,342	311.63	31,16,342	311.63
Add: Shares issued during the year	-	-	-	-
<b>Closing</b>	<b>31,16,342</b>	<b>311.63</b>	<b>31,16,342</b>	<b>311.63</b>

### (B) Other equity

Particulars	Capital reserve	Retained earnings	Total
Balance as on April 1, 2019	1,085.59	326.92	1,412.51
Profit / (Loss) for the year	-	(570.22)	(570.22)
Interim dividend	-	-	-
Other comprehensive income	-	-	-
Total Other comprehensive income for the year	-	(570.22)	(570.22)
<b>Balance as at March 31, 2020</b>	<b>1,085.59</b>	<b>(243.30)</b>	<b>842.29</b>

Particulars	Capital reserve	Retained earnings	Total
<b>Balance as on April 1, 2020</b>	<b>1,085.59</b>	<b>(243.30)</b>	<b>842.29</b>
Profit / (Loss) for the year	-	964.41	964.41
Interim dividend	-	(623.27)	(623.27)
Other comprehensive income	-	-	-
<b>Total Other comprehensive income for the year</b>	<b>-</b>	<b>341.14</b>	<b>341.14</b>
<b>Balance as at March 31, 2021</b>	<b>1,085.59</b>	<b>97.83</b>	<b>1,183.42</b>

Summary of significant accounting policies (Refer note 2)

The accompanying notes (1 - 42) are an integral part of the standalone financial statements

As per our report of even date attached

**For V. P. Thacker & Co.**  
**Chartered Accountants**  
 Firm Registration No. 118696W

**For and on behalf of the Board of Directors of**  
**TAAL Enterprises Limited**  
 CIN: L62200TN2014PLC096373

**Abuali Darukhanawala**  
 Partner  
 Membership No. 108053

**Salil Taneja**  
 Chairman  
 DIN: 00328668

**Jitendra R. Muthiyar**  
 Chief Financial Officer

Place: Mumbai  
 Date: June 11, 2021

Place: Pune  
 Date: June 11, 2021

Place: Pune  
 Date: June 11, 2021

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
<b>Cash flow from Operating activities</b>		
Profit / (loss) before tax	1,038.13	(570.22)
<b>Adjustments for:</b>		
Depreciation	3.41	142.80
Impairment of right to use of asset	-	138.35
Impairment of investment in subsidiary	-	397.39
Interest income	(35.34)	(24.28)
Gain on changes in fair value of investments (mutual funds)	(7.91)	(66.89)
Interest expense	-	2.08
Decrease in post-employment benefit obligations	-	(11.54)
<b>Operating profit / (loss) before working capital changes</b>	<b>998.29</b>	<b>7.68</b>
<b>Changes in working capital</b>		
Increase / (decrease) in trade and other payables	(331.58)	(52.14)
Decrease / (increase) in trade and other receivables	94.86	(4.10)
<b>Cash generated from / (used in) operations</b>	<b>761.57</b>	<b>(48.56)</b>
Income-tax paid	(65.00)	-
<b>Net cash flow from / (used in) Operating activities (A)</b>	<b>696.57</b>	<b>(48.56)</b>
<b>Cash flow from Investing activities</b>		
Purchase of investments	-	(150.00)
Investment in ROU of lease arrangements	-	(104.82)
Proceeds from sales of investments	1,016.84	120.00
Re-payment of loans given	23.81	16.19
Interest income	35.34	24.28
<b>Net cash flow from Investing activities (B)</b>	<b>1,076.00</b>	<b>(94.35)</b>
<b>Cash flow from Financing activities</b>		
Addition / (Re-payment) of short-term borrowings (net)	-	(36.06)
Dividend paid	(623.26)	-
Interest expense	-	(2.08)
<b>Net cash flow from / (used in) Financing activities (C)</b>	<b>(623.26)</b>	<b>(38.14)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>1,149.30</b>	<b>(181.07)</b>
Cash and cash equivalents at the beginning of the year	118.90	299.97
Cash and cash equivalents at the end of the year	<b>1,268.19</b>	<b>118.90</b>
<b>Cash and cash equivalents comprise</b>		
Balances with banks		
On current accounts	49.75	13.93
On unpaid dividend accounts	29.34	9.55
Cash on hand	0.03	0.03
Margin money or under lien deposits	312.00	91.26
Fixed deposits with bank	872.93	-
Money in fractional share entitlement account	4.15	4.15
<b>Total Cash and bank balances at the end of the year</b>	<b>1,268.19</b>	<b>118.90</b>

As per our report of even date attached

**For V. P. Thacker & Co.**  
Chartered Accountants  
Firm Registration No. 118696W

**Abuali Darukhanawala**  
Partner  
Membership No. 108053

Place: Mumbai  
Date: June 11, 2021

**For and on behalf of the Board of Directors of  
TAAL Enterprises Limited**  
CIN: L62200TN2014PLC096373

**Salil Taneja**  
Chairman  
DIN: 00328668

Place: Pune  
Date: June 11, 2021

**Jitendra R. Muthiyar**  
Chief Financial Officer

Place: Pune  
Date: June 11, 2021

# TAAL Enterprises Limited

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## Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021

### 1 General Information

TAAL Enterprises Limited ("TEL" or "the Company") is a public limited company incorporated in India under the Companies Act, 2013. TEL was earlier a wholly owned subsidiary of Taneja Aerospace and Aviation Limited (TAAL). However, pursuant to approval of the Scheme of Arrangement under Section 391 to 394 of the Companies Act, 1956 between TAAL & TEL, the Air Charter business of TAAL including investment in First Airways Inc, USA and Engineering Design Services business conducted through TAAL Tech India Private Ltd. has been demerged into TEL w.e.f. October 1, 2014 and TEL has ceased to be a subsidiary of TAAL. Its principal business activity is providing Aircraft Charter Services.

### 2 Significant Accounting Policies

Significant accounting policies adopted by the Company are as under:

#### 2.1 Basis of preparation of financial statements

##### (a) Statement of compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

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

##### (b) Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except for items that have been measured at fair value as required by relevant Ind AS.

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

An asset is treated as current when it is:

- ▶ Expected to be realised or intended to be sold or consumed in normal operating cycle;
- ▶ Held primarily for the purpose of trading;
- ▶ Expected to be realised within twelve months after the reporting period; or

- ▶ Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- ▶ It is expected to be settled in normal operating cycle;
- ▶ It is held primarily for the purpose of trading;
- ▶ It is due to be settled within twelve months after the reporting period; or
- ▶ There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

##### (c) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer note 3 for detailed discussion on estimates and judgments.

#### 2.2 Property, plant and equipments

Property, plant and equipments are stated at their original cost of acquisition or construction, less accumulated depreciation and impairment loss, if any. The cost of property, plant and equipments comprises of its purchase price including duties, taxes, freight and any other directly attributable cost of bringing the asset to its working condition for its intended use. However, cost excludes Excise Duty, VAT, Service Tax and GST, wherever credit of the duty or tax is availed of.

## Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021

All indirect expenses incurred during acquisition / construction of property, plant and equipments including interest cost on funds deployed for the property, plant and equipments are treated as incidental expenditure and are capitalised for the period until the asset is ready for its intended use. Subsequent costs are included in the asset's carrying amount or recognized 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 de-recognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipments outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Property, plant and equipments received from Taneja Aerospace and Aviation Limited pursuant to Demerger of its "Air Charter Business" are recorded at its book value as on the appointed date.

### Depreciation methods, estimated useful lives

The Company provides depreciation using straight line method on Computer-Hardware and on written down value method on Office Equipment and Furniture and Fixtures, based on the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation on addition to property, plant and equipments is provided on pro-rata basis from the date of acquisition. Depreciation on sale / deduction from property, plant and equipments is provided upto the date preceding the date of sale / deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss under 'Other income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

### 2.3 Investment in subsidiary

When the entity prepares separate financial statements, it accounts for investments in subsidiaries, joint ventures and associates either:

- (a) at cost; or
- (b) in accordance with Ind AS 109.

The Company accounts for its investment in subsidiary at cost.

Investments acquired from Taneja Aerospace and Aviation Limited pursuant to Demerger of its "Air Charter Business" are recorded at its book value i.e cost as on the appointed date, less impairment if any.

### 2.4 Foreign currency transactions

#### (a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

Foreign currency transactions are recorded in the reporting currency by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### (b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains / (losses) arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are re-stated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

### 2.5 Fair value measurement

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability; or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

## Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ▶ Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- ▶ Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- ▶ Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

### 2.6 Revenue recognition

Effective April 1, 2018, the Company adopted Ind AS 115 - "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The following is a summary of new and / or revised significant accounting policies related to revenue recognition.

Revenue is recognized upon transfer of control of promised goods and services to the customers in an amount that reflects the consideration we expect to receive in exchange for those goods and services and where there is no uncertainty as to measurement or collectability of consideration.

#### Revenue from sale of services

Charter income from aircraft given on charter is booked on the basis of contract with customers and on completion of actual flying hours of the aircraft. The revenue is recognised net of GST.

The impact of applying Ind AS 115 - "Revenue from Contracts with Customers" instead of the erstwhile Ind AS 18 - "Revenue" on the financial statements of the Company for the year ended and as at March 31, 2019 is not significant.

#### Other income

Interest income is recognised on basis of effective interest method as set out in Ind AS 109 - "Financial Instruments", and where no significant uncertainty as

to measurability or collectability exists. Claims towards insurance claims are accounted in the year of settlement and / or in the year of acceptance of claim / certainty of realization as the case may be. Dividend income is recognised when the right to receive payment is established.

### 2.7 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

#### (a) Current income-tax

Current tax assets and tax liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity 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. Income taxes in connection with accounting for dividend distribution taxes will be recognized on timely basis.

#### (b) Deferred tax

Deferred income tax is provided in full, using the Balance Sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income-tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income-tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income-tax asset 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 utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

## Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021

Deferred tax assets and tax liabilities are offset when there is a legally enforceable right to offset current tax assets and tax liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized 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.

### 2.8 Leases

#### As a lessee

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 - "Leases" which replaces the existing lease standard, Ind AS 17 - "Leases" and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single on - Balance Sheet lease accounting model for lessees.

The Company adopted Ind AS 116 - "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. The Company has not re-stated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

The difference between the lease obligation recorded as of March 31, 2019 under Ind AS 17 and the value of the lease liability as of April 1, 2019 is primarily on account of inclusion of extension and termination options reasonably certain to be exercised in measuring the lease liability in accordance with Ind AS 116 and discounting the lease liabilities to the present value under Ind AS 116.

#### As a lessor

Leases in which the Company transfers substantially all the risks and benefits of ownership of the asset are

classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of Profit and Loss.

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of Profit and Loss.

### 2.9 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in the Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit is the greater of its value-in-use and its fair value less costs to sell. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").



### 2.10 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

De-commissioning costs (if any), are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as a part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the de-commissioning liability. The unwinding of the discount is expensed as incurred and recognized in the Statement of Profit and Loss as a finance cost. The estimated future costs of de-commissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

When there is an obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed in the financial statements.

### 2.11 Borrowing cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalised as

part of the cost of the assets upto the date the asset is ready for its intended use. All other borrowing costs are recognized as an expense in the Statement of Profit and Loss in the year in which they are incurred.

### 2.12 Cash and cash equivalents

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

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

### 2.13 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### (a) Financial assets

##### (i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

##### (ii) Subsequent measurement

For purposes of subsequent measurement financial assets are classified in following categories:

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the Effective Interest Rate method (EIR).

## Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021

Fair Value through Other Comprehensive Income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in the Statement of Profit and Loss. When the financial asset is de-recognized, the cumulative gain or loss previously recognized in OCI is re-classified from equity to Statement of Profit and Loss and recognized in other gains / (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value Through Profit or Loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

### (iii) Impairment of financial assets

In accordance with Ind AS 109 - Financial Instruments, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on twelve months ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The twelve months ECL is a portion of the lifetime ECL which results from default events that are

possible within twelve months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including pre-payment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

### Trade receivables

An impairment analysis is performed at each reporting date on an individual basis for major clients. It is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates the provision at the reporting date.

### (iv) De-recognition of financial assets

A financial asset is de-recognized only when:

- a) the rights to receive cash flows from the financial asset is transferred; or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is de-recognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized.

### (b) Financial liabilities

#### (i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and in the case of borrowings and payables, net of directly attributable transaction costs.

#### (ii) Subsequent measurement

The measurement of financial liabilities depends on their classification as described below:

##### *Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

##### *Loans and borrowings*

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the Statement of Profit and Loss when the liabilities are de-recognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

#### (iii) De-recognition

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

### (c) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

## 2.14 Employee benefits

### (a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the year in which the employees render the related service are recognized in respect of employees' services upto the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

### (b) Other long-term employee benefit obligations

#### (i) Defined contribution plan

The Company makes defined contribution to provident fund and superannuation fund, which are recognized as an expense in the Statement of Profit and Loss on accrual basis. The Company has no further obligations under these plans beyond its monthly contributions.

#### (ii) Defined benefit plans

The Company's liabilities under payment of gratuity act and long-term compensated absences are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method, except for short-term compensated absences, which are provided on actual basis. Actuarial losses / gains are recognized in the other comprehensive income in the year in which they arise. Obligations are measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

## Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021

### (iii) Leave encashment - Encashable

Accumulated compensated absences, which are expected to be availed or encashed within twelve months from the end of the year are treated as short-term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond twelve months from the end of the year end are treated as other long-term employee benefits. The Company's liability is actuarially determined (using the projected unit credit method) at the end of each year. Actuarial losses / gains are recognized in the Statement of Profit and Loss in the year in which they arise.

### 2.15 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

### 2.16 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Company as one segment viz. "Air Charter". Thus, as defined in Ind AS 108 - "Operating Segments", the Company's entire business falls under this one operational segment and hence the necessary information has already been disclosed in the Balance Sheet and the Statement of Profit and Loss.

### 2.17 Rounding off amounts

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

## 3 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires Management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

### 3.1 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### Defined benefits and other long-term benefits

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account inflation, seniority, promotion and other relevant factors on long-term basis.

# TAAL Enterprises Limited

## Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### 4 Property, plant and equipments

For the F.Y. 2020-21	Gross block			Accumulated depreciation			Net block		
	As on April 1, 2020	Additions / Adjustments	As at March 31, 2021	As on April 1, 2020	Depreciation for the year	Adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
<b>Owned assets</b>									
Computer - Hardware	0.38	-	0.38	0.27	-	-	0.27	0.11	0.11
Office Equipment	0.84	-	0.84	0.57	0.27	-	0.84	-	0.27
Furniture and Fixtures	3.52	-	3.52	2.43	1.07	-	3.50	0.02	1.09
Vehicles	11.26	-	11.26	4.67	2.07	-	6.74	4.52	6.59
<b>Total</b>	<b>16.00</b>	<b>-</b>	<b>16.00</b>	<b>7.93</b>	<b>3.41</b>	<b>-</b>	<b>11.35</b>	<b>4.66</b>	<b>8.07</b>

For the F.Y. 2019-20	Gross block			Accumulated depreciation			Net block		
	As on April 1, 2019	Additions / Adjustments	As at March 31, 2020	As on April 1, 2019	Depreciation for the year	Adjustments	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
<b>Owned assets</b>									
Computer - Hardware	0.38	-	0.38	0.27	-	-	0.27	0.11	0.11
Office Equipment	0.84	-	0.84	0.49	0.08	-	0.57	0.27	0.35
Furniture and Fixtures	3.52	-	3.52	2.42	0.01	-	2.43	1.09	1.10
Vehicles	11.26	-	11.26	1.61	3.06	-	4.67	6.59	9.65
<b>Total</b>	<b>16.00</b>	<b>-</b>	<b>16.00</b>	<b>4.79</b>	<b>3.14</b>	<b>-</b>	<b>7.93</b>	<b>8.07</b>	<b>11.21</b>

### 4 Right of use assets

For the F.Y. 2020-21	Gross block			Accumulated depreciation			Net block		
	As on April 1, 2020	Additions / Adjustments	As at March 31, 2021	As on April 1, 2020	Depreciation for the year	Impairment	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Right to use assets	278.01	-	278.01	278.01	-	-	278.01	-	-
	278.01	-	278.01	278.01	-	-	278.01	-	-

For the F.Y. 2019-20	Gross block			Accumulated depreciation			Net block		
	As on April 1, 2019	Additions / Adjustments	As at March 31, 2020	As on April 1, 2019	Depreciation for the year	Impairment	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Right to use assets	-	278.01	278.01	-	139.65	138.35	278.01	-	-
	-	278.01	278.01	-	139.65	138.35	278.01	-	-

During the year ended March 31, 2020, the leased Aircraft (Right of use assets) operated by the Company as part of the charter business had veered off the runway during a landing, resulting in damage to the aircraft. This mishap has caused damage to the aircraft. The aircraft remains grounded since the incident on September 12, 2019. This incident was duly reported to the Bombay Stock Exchange and the Directorate General of Civil Aviation.

During the year ended March 31, 2020, considering the fact that the aircraft remains non-operational and the uncertainty around the timing of re-commencement of the charter operations and notwithstanding the future receipt of insurance claim, the company has assessed the carrying value of the right-of-use assets and consequently written down the carrying value of the ROU by recognizing an impairment loss of INR 1,38,35,332/- as an exceptional charge during the year. The company continues to carry the outstanding liability under the lease obligations as per the terms of the lease agreement. This incident was duly reported to the Bombay Stock Exchange and the Directorate General of Civil Aviation.

The Company has received full insurance claim on December 31, 2020.

## Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### 5 Financial assets- Investments

	Particulars	As at March 31, 2021	As at March 31, 2020
<b>a)</b>	<b>Investment in equity instruments of subsidiaries (fully paid-up)</b>		
	Unquoted equity shares (Non-trade, stated at cost)		
i)	First Airways Inc, USA	<b>80.10</b>	477.49
	11,50,000 (March 31, 2020: 11,50,000) equity shares of USD 1/- each		
	Less: Impairment of investment	-	(397.39)
	Investment in First Airways Inc, USA after impairment	<b>80.10</b>	80.10
ii)	TAAL Tech India Private Limited	<b>85.00</b>	85.00
	8,50,000 (March 31, 2020: 8,50,000) equity shares of INR 10/- each *		
	* Pursuant to buyback agreement between subsidiary company and minority shareholder, the percentage of share holding has increased from 85% to 89.4%.		
<b>b)</b>	<b>Investments at fair value through profit and loss (fully paid)</b>		
	Investments in mutual funds (Quoted) (Refer footnote i)	-	1,008.93
	<b>Total Non-current financial assets - Investments</b>	<b>165.10</b>	<b>1,174.03</b>
	<u>Classified into:</u>		
i)	Current	-	1,008.93
ii)	Non-current	<b>165.10</b>	165.10
		<b>165.10</b>	<b>1,174.03</b>
	<b>Aggregate book value of:</b>		
	Quoted investments	-	1,008.93
	Un-quoted investments	<b>165.10</b>	165.10
	<b>Aggregate market value of:</b>		
	Quoted investments	-	1,008.93
	Un-quoted investments	<b>165.10</b>	165.10

#### Footnote:

#### i. Details of investments in mutual funds (Quoted) designated at FVTPL:

Particulars	Number of units		Amount	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
TATA Liquid Fund- Growth	-	32,213.67	-	1,008.93

### 6 Trade receivables

Particulars	As at March 31, 2021	As at March 31, 2020
<u>Unsecured</u>		
Considered good	-	0.84
	-	<b>0.84</b>
<u>Further classified as:</u>		
Receivable from others	-	0.84
<b>Total Trade receivables</b>	-	<b>0.84</b>

# TAAL Enterprises Limited

## Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### 7 Cash and cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with banks		
On current accounts	49.75	13.93
Cash in hand	0.03	0.03
<b>Total Cash and cash equivalents</b>	<b>49.77</b>	<b>13.95</b>

### 8 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Fixed deposits with banks	872.93	-
Margin money or under lein deposits - Maturity more than 3 months	312.00	91.26
On unpaid dividend accounts	29.34	9.55
Money in fractional share entitlement account	4.15	4.15
<b>Total Bank balances other than cash and cash equivalents</b>	<b>1,218.42</b>	<b>104.95</b>

### 9 Current financial assets - loans

Particulars	As at March 31, 2021	As at March 31, 2020
<u>Unsecured, considered good</u>		
Loans recoverable in cash	90.00	113.81
Security deposits	9.51	9.51
<b>Total Current financial assets - loans</b>	<b>99.51</b>	<b>123.32</b>

### 10 Current financial assets - others

Particulars	As at March 31, 2021	As at March 31, 2020
Advance recoverable in cash or kind	-	49.43
<b>Total Current financial assets - others</b>	<b>-</b>	<b>49.43</b>

### 11 Current tax assets (net)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance income-tax	-	14.17
[Net of provision for tax INR Nil (March 31, 2020: INR nil)]		
<b>Total Current tax assets (net)</b>	<b>-</b>	<b>14.17</b>

### 12 Other current assets

Particulars	As at March 31, 2021	As at March 31, 2020
<u>Unsecured, considered good</u>		
Balances with government authorities	28.99	20.06
Prepaid expenses	0.09	8.46
Other receivables	-	25.75
Advance to suppliers	-	4.68
Advance to staff	-	0.54
<b>Total Other current assets</b>	<b>29.08</b>	<b>59.48</b>

## Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### 13 Equity share capital

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Authorised</b>		
50,00,000 (March 31, 2020: 50,00,000) Equity Shares of INR 10 each	500.00	500.00
	<b>500.00</b>	<b>500.00</b>
<b>Issued, subscribed and paid-up</b>		
31,16,342 (March 31, 2020: 31,16,342) Equity Shares of INR 10 each fully paid-up	311.63	311.63
<b>Total Equity share capital</b>	<b>311.63</b>	<b>311.63</b>

#### (a) Reconciliation of shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Amount	Number of shares	Amount
Equity shares at the beginning of the year	31,16,342	311.63	31,16,342	311.63
Add: Equity shares issued during the year	-	-	-	-
Equity shares outstanding at the end of the year	<b>31,16,342</b>	<b>311.63</b>	<b>31,16,342</b>	<b>311.63</b>

#### (b) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares of INR 10 per share. Each shareholder is entitled to one vote per share held. Dividend, if any declared is payable 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.

#### (c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

Particulars	As at March 31, 2021	As at March 31, 2020
Equity shares allotted as fully paid-up pursuant to contracts for consideration other than cash as per the Scheme of Demerger.	31,16,342	31,16,342

#### (d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at March 31, 2021		As at March 31, 2020	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Vishkul Enterprises Private Limited	15,81,297	50.74%	15,81,297	50.74%
Mukul Mahavir Prasad Agrawal	2,23,636	7.18%	1,14,119	3.66%

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

#### (e) No class of shares have been bought back by the Company during the period of five years or period elapsed from the date of incorporation whichever is earlier.



# TAAL Enterprises Limited

## Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### 14 Other equity

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(a) Capital reserve</b>		
Opening balance	1,085.59	1,085.59
<b>Closing balance</b>	<b>1,085.59</b>	<b>1,085.59</b>
<b>(b) Retained earnings</b>		
Opening balance	(243.30)	326.92
Net profit / (Net Loss) for the year	964.41	(570.22)
Less: Appropriations		
Interim Dividend (Refer note 37)	(623.27)	-
<b>Closing balance</b>	<b>97.84</b>	<b>(243.30)</b>
<b>Total Other equity</b>	<b>1,183.43</b>	<b>842.29</b>

### 15 Trade payables

Particulars	As at March 31, 2021	As at March 31, 2020
Total outstanding dues of micro enterprises and small enterprises *	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	3.31	2.95
<b>Total Trade payables</b>	<b>3.31</b>	<b>2.95</b>
* The identification of micro, small and medium enterprise suppliers as defined under the provisions of "The Micro, Small and Medium Enterprise Development Act, 2006" [MSMED Act] is based on confirmation received from suppliers. The Company has accrued INR Nil (March 31, 2020: INR Nil) towards interest payable to the vendors under the MSMED Act.		
i. The principal amount due thereon remaining unpaid as at the year end, interest amount due and remaining unpaid as at the year end.	-	-
ii. The amount of interest paid by the buyer in terms of section 16 of the MSMED Act along-with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
iv. The amount of interest accrued and remaining unpaid as the year end in respect of principal amount settled during the year.	-	-
v. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act.	-	-

### 16 Other current financial liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Unpaid dividend	29.34	9.55
Other payables	17.04	23.60
Employee payables	3.43	9.51
Lease liability	-	333.91
<b>Total Other current financial liabilities</b>	<b>49.81</b>	<b>376.57</b>

## Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### 17 Other current liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Advance from customers	8.92	14.15
Statutory due payable	0.79	0.66
<b>Total Other current liabilities</b>	<b>9.71</b>	<b>14.81</b>

### 18 Current tax liabilities (net)

Particulars	As at March 31, 2021	As at March 31, 2020
Current tax provision [Net of advance tax INR 67.86 lakhs (March 31, 2020: INR Nil)]	8.64	-
<b>Total Current tax liabilities (net)</b>	<b>8.64</b>	<b>-</b>

### 19 Revenue from operations

Particulars	As at March 31, 2021	As at March 31, 2020
Sale of services		
Charter income	-	425.30
<b>Total Revenue from operations</b>	<b>-</b>	<b>425.30</b>

### 20 Other income

Particulars	As at March 31, 2021	As at March 31, 2020
Insurance income*	1,041.40	-
Interest income	35.34	24.28
Liabilities / Provisions no longer required written off	22.88	24.53
Gain on foreign exchange	8.94	-
Gain on changes in fair value of investments (mutual funds)	7.91	66.89
Miscellaneous income	1.02	1.20
<b>Total Other income</b>	<b>1,117.49</b>	<b>116.90</b>

\* The Company has accounted the insurance claim of INR 20.01 crores net off INR 9.60 crores payable to Cessna Finance Corporation being the beneficiary of the insurance policy and in terms of lease agreement.

### 21 Employee benefits expense

Particulars	As at March 31, 2021	As at March 31, 2020
Salaries, wages, bonus and other allowances	8.46	115.25
Contribution to provident fund and other funds	0.70	1.30
Staff welfare expenses	-	1.60
Gratuity expenses	-	-
<b>Total Employee benefits expense</b>	<b>9.16</b>	<b>118.14</b>

# TAAL Enterprises Limited

## Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### 22 Operating expenses

Particulars	As at March 31, 2021	As at March 31, 2020
Aircraft fuel charges	-	68.78
Ground handling charges - expenses	-	33.17
Consumption of stores and spare parts	-	27.81
Rent - Flight parking & equipments	-	16.59
Aircraft lease rent ^	-	1.05
<b>Total Operating expenses</b>	<b>-</b>	<b>147.40</b>

#### ^ Aircraft lease rent

The aircraft has been availed on operating lease from an overseas lease finance company for a period of 153 months. In view of above, the lease ended during the financials year and closed the both lease and purchase option agreement. (Refer note 38)

### 23 Finance costs

Particulars	As at March 31, 2021	As at March 31, 2020
Other finance cost	13.41	14.12
Interest on leases	13.00	22.92
Interest on delayed payment of taxes	0.01	2.98
Interest on working capital	-	2.08
<b>Total Finance costs</b>	<b>26.43</b>	<b>42.11</b>

### 24 Depreciation and amortization expense

Particulars	As at March 31, 2021	As at March 31, 2020
Depreciation on property, plant and equipments (Refer note 4)	3.41	3.14
Depreciation on right-of-use asset (Refer note 4)	-	139.65
<b>Total Depreciation and amortization expense</b>	<b>3.41</b>	<b>142.80</b>

### 25 Other expenses

Particulars	As at March 31, 2021	As at March 31, 2020
Rates and taxes	14.00	17.51
Legal and professional charges	12.02	11.31
Sitting fees	5.40	7.00
Auditor's remuneration #	3.90	6.02
Advertisement	1.48	1.33
Travelling expenses	1.42	5.52
Miscellaneous expenses	0.67	3.15
Insurance	0.65	12.43
Printing & stationery	0.52	1.65
Communication expenses	0.19	1.06
Training expenses	0.11	18.17
Registration & renewal	0.01	7.85
Chartered & crew accommodation and travel expenses	-	12.60
Aircraft repairs and maintenance	-	10.87
Loss on foreign exchange transactions (net)	-	9.75
Debtors written off	-	0.00
<b>Total Other expenses</b>	<b>40.37</b>	<b>126.23</b>

## Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

The payments under lease for the future period as at March 31, 2021 are:

Particulars	Amount US\$ in lakhs	Equivalent INR in lakhs
Within one year	-	-
After one year but not more than five years	-	-
More than five years	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

The payments under lease for the future period as at March 31, 2020 are:

Particulars	Amount US\$ in lakhs	Equivalent INR in lakhs
Within one year	1.50	112.99
After one year but not more than five years	-	-
More than five years	-	-
<b>Total</b>	<b>1.50</b>	<b>112.99</b>

### # The following is the break-up of auditor's remuneration (exclusive of service tax / GST)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>As auditor:</b>		
Statutory audit	1.25	2.00
<b>In other capacity:</b>	-	-
Limited review	2.50	3.00
GST audit fee	-	0.50
Re-imbursment of expenses	0.15	0.52
<b>Total</b>	<b>3.90</b>	<b>6.02</b>

## 26 Earnings / (loss) per share

Basic earnings / (loss) per share amounts are calculated by dividing the profit / (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings / (loss) per share amounts are calculated by dividing the profit / (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following table reflects the income and share data used in the basic and diluted EPS computations:

Particulars	As at March 31, 2021	As at March 31, 2020
Profit / (Loss) attributable to equity shareholders	964.41	(570.22)
Weighted average number of equity shares	31,16,342	31,16,342
Basic earnings / (loss) per share (INR)	30.95	(18.30)
Diluted earnings / (loss) per share (INR)	30.95	(18.30)

Diluted EPS is same as Basic EPS, as there are no outstanding potential shares as on date as well as in the corresponding previous year.

## 27 Employee benefits

The Company is not covered under Payment of Gratuity Act, 1972.

# TAAL Enterprises Limited

## Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### 28 Related party disclosures:

#### (A) Names of related parties and description of relationship as identified and certified by the Company:

<b>Holding Company</b> Vishkul Enterprises Private Limited, India
<b>Subsidiary Companies</b> TAAL Tech India Private Limited First Airways Inc., USA TAAL Technologies Inc., USA (Subsidiary of Taa Tech India Private Limited) TAAL Tech GmbH, Switzerland (Subsidiary of Taa Tech India Private Limited) TAAL Tech Innovations GmbH, Austria (Subsidiary of Taa Tech India Private Limited)
<b>Entities under common control:</b> ISMT Limited Laurus Tradecon Private Limited (erstwhile known as Lighto Technologies Private Limited) First Airways Inc., USA Taneja Aerospace and Aviation Limited Katra Auto Engineering Private Limited Indian Seamless Enterprises Limited
<b>Key Management Personnel (KMP)</b> Mr. Salil Taneja
<b>Non-Whole Time Director</b> Mr. R Poornalingam Mr. Arvind Nanda Mrs. Rahael Shobhana Joseph

#### (B) Transactions / balances with related parties:

Particulars	Subsidiary Companies	Managerial Remuneration	Non- Whole Time director	Entities under common control
Investments	165.10 (165.10)	- (-)	- (-)	- (-)
Sitting fees	- (-)	- (-)	5.40 (7.00)	- (-)
Commission paid	- (-)	- (-)	- (-)	2.75 (3.12)
Rent paid	- (-)	- (-)	- (-)	- (4.50)
Managerial remuneration #	- (-)	2.40 (22.00)	- (-)	- (-)
Balance receivable as at the year end	- (49.43)	- (-)	- (-)	- (-)

(Figures in brackets relate to previous year)

Note: No amounts pertaining to related parties have been written off or written back during the year.

# Excludes contribution to gratuity fund and provision for leave encashment as separate figures are not ascertainable for the managerial personnel. Further, the Company has not paid any commission to the managerial personnel.

## Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### 29 Segment reporting

The Company's operations predominantly relate to providing air charter services. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. Hence no separate segment information has been furnished herewith.

The customers whose revenue is more than 10% of Company's total revenue are:

Customer 1 : INR Nil (March 31, 2020: INR 99.00 lakhs);

Customer 2 : INR Nil (March 31, 2020: INR 59.71 lakhs);

Customer 3 : INR Nil (March 31, 2020: INR 42.00 lakhs).

### 30 Fair values of financial assets and financial liabilities

The fair value of other current financial assets, cash and cash equivalents, trade receivables, trade payables, short-term borrowings and other financial liabilities approximate the carrying amounts because of the short-term nature of these financial instruments.

Financial assets that are neither past due nor impaired include cash and cash equivalents, security deposits, term deposits and other financial assets.

### 31 Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Level 1 (Quoted price in active markets)</b>		
Investments in mutual funds at fair value through profit and loss	-	1,008.93
<b>Level 2</b>	<b>Nil</b>	<b>Nil</b>
<b>Level 3</b>		
<u>Financial assets measured at amortized cost</u>		
Trade receivables	-	0.84
Loans	<b>99.51</b>	123.32
Cash and cash equivalents	<b>49.77</b>	13.95
Bank balances other than cash and cash equivalents	<b>1,218.42</b>	104.95
<u>Financial liabilities measured at amortized cost</u>		
Borrowings	-	-
Trade payables	<b>3.31</b>	2.95
Other current financial liabilities	<b>49.81</b>	376.57

The carrying amount of cash and cash equivalents, trade receivables, trade payables, other payables and short-term borrowings are considered to be the same as their fair values.

# TAAL Enterprises Limited

## Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### 32 Financial risk management objectives and policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is co-ordinated by the Board of Directors and focuses on securing long-term and short-term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

#### (A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings. The Company is also exposed to fluctuations in foreign currency exchange rates.

##### (i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to short-term borrowings with floating interest rates. The company does not have any short-term or long-term borrowings from any of the bank or financial institutions, however presented below risk on future cash flow due to interest-rate risk.

##### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings as follows:

Details	Increase/ decrease in basis points	Effect on profit before tax
<b>March 31, 2021</b>		
INR	+0.45%	-
INR	-0.45%	-
<b>March 31, 2020</b>		
INR	+0.45%	-
INR	-0.45%	-

##### (ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency).

##### Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rate (Net balance - receivable) (or any other material currency), with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities). The Company's exposure to foreign currency changes for all other currencies is not material.

Details	Change in USD rate	Effect on profit before tax
<b>March 31, 2021</b>		
INR	+2.50%	-
INR	-2.50%	-
<b>March 31, 2020</b>		
INR	+2.50%	(2.82)
INR	-2.50%	2.82

## Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### (B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's receivables from deposits, loans and advances and other statutory deposits with regulatory agencies and also arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts. The Company does a proper financial and credibility check on the entities to whom such loans and advances and security deposits are given. The Company does not foresee any credit risks on deposits with regulatory authorities.

The Company's maximum exposure to credit risk for the components of the Balance Sheet at March 31, 2021 and March 31, 2020 is the carrying amounts as mentioned in notes 7 to 12.

### (C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The table below summarizes the maturity profile of the Company's financial liabilities:

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
<b>March 31, 2021</b>				
Short-term borrowings	-	-	-	-
Trade payables	3.31	-	-	3.31
Other financial liabilities	49.81	-	-	49.81
	<b>53.12</b>	-	-	<b>53.12</b>
<b>March 31, 2020</b>				
Short-term borrowings	-	-	-	-
Trade payables	2.95	-	-	2.95
Other financial liabilities	376.57	-	-	376.57
	<b>379.52</b>	-	-	<b>379.52</b>

### 33 Capital management

For the purpose of the Company's capital management capital includes issued equity capital, share premium and all other equity reserves attributable to the equity shareholders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure i.e. equity and debt. The company does not have any debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

		March 31, 2021	March 31, 2020
Total Equity	(i)	1,495.06	1,153.92
Total Debt	(ii)	-	-
Overall financing	(iii) = (i) + (ii)	1,495.06	1,153.92
Gearing ratio	(ii)/ (iii)	-	-

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.



# TAAL Enterprises Limited

## Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### Dividends

Particulars	March 31, 2021	March 31, 2020
<u>Equity shares</u>		
Interim dividend for the year ended March 31, 2021 of INR 20/- (March 31, 2020 - INR Nil) per fully paid-up share	<b>623.27</b>	-

### 34 A) Contingent liabilities (to the extent not provided for)

Particulars	As at March 31, 2021	As at March 31, 2020
Claims against the Company not acknowledged as debts:		
- Custom duty	<b>622.67</b>	622.67

### B) Capital and other commitments (to the extent not provided for)

Particulars	As at March 31, 2021	As at March 31, 2020
- Bank Guarantees	<b>312.00</b>	312.00

**35** In terms of the Scheme of Arrangement under section 391 to 394 of the Companies Act, 1956 ("the Scheme") between Taneja Aerospace and Aviation Limited (TAAL) and TAAL Enterprises Limited ("the Company"), TAAL has demerged its Air Charter Business including investment in First Airways Inc., USA and Engineering Design Services Business conducted through TAAL Tech India Private Limited into the Company. Pursuant to the Scheme as sanctioned by the Hon'ble High Court of Madras vide order dated June 22, 2015, received on July 23, 2015, the Air Charter Business of TAAL including investment in First Airways Inc., USA and Engineering Design Services Business conducted through TAAL Tech India Private Limited has been demerged into the Company on a going concern basis with effect from October 1, 2014 being the appointed date. The certified copy of the said order of the Hon'ble High Court of Madras has been filed with the Registrar of Companies, Chennai on August 21, 2015 and as such the Scheme has become effective from that date.

As per Clause 9.2 of the Scheme of Arrangement as approved / sanctioned by the Hon'ble Madras High Court, Taneja Aerospace and Aviation Limited (TAAL) will carry on the business and activities relating to the demerged charter business for and on account of and in trust for TAAL Enterprises Limited (TEL) until the time TEL obtains the requisite statutory licences required for carrying on the demerged charter business. The said licences are yet to be obtained and accordingly the demerged charter business has continued to be operated by TAAL in trust for and on behalf of TEL including banking transactions, statutory compliances and all other commercial activities. Accordingly, the accounting entries pertaining to the demerged charter business are accounted in the books of account of TEL.

**36** Deferred tax calculations result into deferred tax assets as at March 31, 2021 as well as at March 31, 2020. However, as a matter of prudence, the Company has not recognized deferred tax assets as it is not probable that the Company will have future taxable profits.

**37** The Company accounts for the investment in subsidiaries at cost and tests for any impairment in the value of investment on an annual basis in accordance with para 9 of IND AS 36 on Impairment of Asset. For the purpose of impairment testing, the Management arrived at the net recoverable amount plus net operating cash flows of subsidiary less the cost to be incurred.

**38** The Company operates a chartered plane obtained under a lease agreement dated December 11, 2007 which is the sole aircraft being operated by the Company as a part of its business operations. As per the lease agreement with the lessor, the lease was for a period of 120 months which expired on December 11, 2017. During the year 2017-18, the Company and Lessor agreed for an extension of the lease for a period of one year from December 12, 2017 to December 11, 2018. During the year 2018-19, the Company has entered into an amended lease agreement dated September 21, 2018 for the aircraft taken on lease from Cessna Finance Corporation extending the lease up to September 2020 for carrying on the business and activities related to the demerged charter business. Further, as per the purchase option agreement entered between the Company, Lessor and First Airways Inc. (Wholly owned subsidiary), First Airways Inc. has an option to purchase the aircraft at the end of lease period.

## Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

During the year ended March 31, 2020, the leased aircraft (Right-of-use asset) operated by the Company as part of the charter business had veered off the runway during a landing, resulting in damage to the aircraft. This mishap has caused damage to the aircraft. The aircraft remains grounded since the incident on September 12, 2019. Pursuant to the above, the ROU has been fully impaired and recorded as an exceptional item. In view of the above both lease and the option agreement were mutually terminated during the year.

- 39** Effective April 1, 2019 the Company has adopted Ind AS 116 - "Leases", applied to all the lease contracts existing on April 1, 2019 using the modified retrospective method, on the date of initial application. Accordingly, comparatives for the year prior periods have not been retrospectively adjusted. The adoption of Ind AS 116 has resulted in recognition of right-of-use assets of INR 278.86 lakhs and lease liabilities of INR 278.86 lakhs on the transition date. In the financial results for the quarter ended June 30, 2019 onwards, the nature of expense for leasing arrangements has changed from aircraft lease rent and other rent expenses in previous periods to amortization on the right-of-use assets and finance cost on the corresponding lease liabilities.
- 40** The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus, which has been/was further extended till May 3, 2020. This pandemic and government response are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown. The management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2021 and has concluded that there is no impact which is required to be recognised in the financial statements. Accordingly, no adjustments have been made to the financial statements.
- 41** In the opinion of the Board, current assets and loans and advances are of the value stated if realised in the ordinary course of business. Further, provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.
- 42** Previous year figures have been re-grouped / re-classified to confirm presentation as per Ind AS as required by Schedule III of the Act.

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As per our report of even date attached

**For V. P. Thacker & Co.**  
**Chartered Accountants**  
Firm Registration No. 118696W

**For and on behalf of the Board of Directors of**  
**TAAL Enterprises Limited**  
CIN: L62200TN2014PLC096373

**Abuali Darukhanawala**  
Partner  
Membership No. 108053

**Salil Taneja**  
Chairman  
DIN: 00328668

**Jitendra R. Muthiyan**  
Chief Financial Officer

Place: Mumbai  
Date: June 11, 2021

Place: Pune  
Date: June 11, 2021

Place: Pune  
Date: June 11, 2021

# TAAL Enterprises Limited

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## INDEPENDENT AUDITOR'S REPORT

### To the Members of TAAL Enterprises Limited

#### Report on the Audit of the Consolidated Financial Statements

##### Opinion

We have audited the accompanying Consolidated Financial Statements of TAAL Enterprises Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiaries, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards / Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended / Companies (Accounts) Rules, 2015 as amended and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group, its associates and jointly controlled entities as at March 31, 2021, of Consolidated Profit, Consolidated Changes In Equity and its Consolidated Cash Flows for the year then ended.

##### Basis for Opinion

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

##### Emphasis of Matter

We draw attention to Note 53 to the financial statements which states that the management has made an assessment of the impact of COVID-19 on the Company's operations,

financial performance and position as at and for the year ended March 31, 2021 and has concluded that there is no significant impact which is required to be recognized in the financial statements. The group will continue to closely monitor any material changes to future economic conditions.

Our opinion is not modified in respect of these matters.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in our Emphasis of Matter paragraph above, we have determined that there are no key audit matters to communicate in our report.

##### Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management report, Chairman's statement, Director's report etc. but does not include the Consolidated Financial Statements and our auditor's report thereon. The Management report, Chairman's statement, Director's report etc. is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

##### Responsibilities of Management and those charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and Consolidated Cash Flows of the Group, in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate

accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our

opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Other Matters**

We did not audit the financial statements of two subsidiaries included in the consolidated financial statements whose financial statements reflect total assets of Rs. 9,664.90 lakhs as at March 31, 2021 and total revenues of Rs. 10,491.80 lakhs year ended March 31,

2021 respectively, total net profit after tax of Rs. 2,215.91 lakhs and year ended March 31, 2021 respectively and total comprehensive income of Rs. 2,231.79 lakhs year ended March 31, 2021 respectively and net cash inflows of Rs. 4,995.62 lakhs for the year ended March 31, 2021 as considered in the statement. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

The audit of the consolidated financial statements of the Company for the year ended March 31, 2021 was conducted by the predecessor auditors, who had vide their audit report dated July 30, 2021 expressed an unmodified opinion.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid Consolidated Financial Statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated

Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

- d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors of the Holding Company as on March, 31 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries companies, incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
  - 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Group does not have any pending litigations which would impact its financial position.
    - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiaries companies, incorporated in India.
2. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Holding Company, to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder, as the provisions of the aforesaid section is not applicable to private company/companies.

**For V. P. Thacker & Co**  
Chartered Accountants  
Firm Registration No. 118696W

**Abuali Darukhanawala**  
Partner

Place: Mumbai  
Date : June 11, 2021

Membership No.108053  
UDIN: 21108053AAAANY7295

## **ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF TAAL ENTERPRISES LIMITED**

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of TAAL Enterprises Limited on the Consolidated Financial Statements for the year ended March 31, 2021

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to Consolidated Financial Statements of TAAL Enterprises Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

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

The respective Board of Directors of the Holding Company, its subsidiary companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to Consolidated Financial Statements criteria established by the respective companies 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 ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, its subsidiary companies, which are companies incorporated in India, 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 ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, 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 internal financial controls with reference to Consolidated Financial Statements 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 internal financial controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, 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 judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, its subsidiary companies, which are companies incorporated in India.

#### **Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements**

A Company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Consolidated Financial Statements.

# TAAL Enterprises Limited

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## **Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Financial Statements 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, and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary companies, which are companies incorporated in India, have, in all material respects, internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2021, based on the internal control with reference to

Consolidated Financial Statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

## **Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements insofar as it relates to one subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For V. P. Thacker & Co  
Chartered Accountants  
Firm Registration No. 118696W

Abuali Darukhanawala  
Partner

Place: Mumbai  
Date : June 11, 2021

Membership No.108053  
UDIN: 21108053AAAANY7295

## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipments	4	54.82	62.39
Intangible assets	5	7.32	10.92
Right of use assets	6	-	448.42
Financial assets			
Loans	8	275.16	180.82
Deferred tax asset (net)	31	294.99	419.01
Other non-current assets	9	64.35	-
<b>Total Non-current assets</b>		<b>696.64</b>	1,121.56
<b>Current assets</b>			
Financial assets			
Investments	7	100.80	2,531.41
Trade receivables	10	1,716.56	2,285.97
Cash and cash equivalents	11	3,666.38	1,075.64
Bank balances other than cash and cash equivalents	12	3,898.13	372.87
Loans	13	99.51	123.32
Other financial assets	14	289.11	814.17
Current tax assets (net)	15	-	14.17
Other current assets	16	599.19	1,260.24
<b>Total Current assets</b>		<b>10,369.67</b>	8,477.79
<b>Total Assets</b>		<b>11,066.31</b>	9,599.35
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	17	311.63	311.63
Other equity	18	7,314.10	4,741.17
<b>Total Equity</b>		<b>7,625.73</b>	5,052.80
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Provisions	19(a)	88.90	27.70
Other non-current liabilities	20	1,721.40	1,473.25
<b>Total Non-current liabilities</b>		<b>1,810.30</b>	1,500.94
<b>Current liabilities</b>			
Financial liabilities			
Trade payables	21	335.60	401.54
Other financial liabilities	22	894.85	2,190.67
Other current liabilities	23	110.64	140.69
Current tax liabilities (net)	24	289.19	312.71
<b>Total Current liabilities</b>		<b>1,630.27</b>	3,045.60
<b>Total Liabilities</b>		<b>3,440.57</b>	4,546.54
<b>Total Equity and Liabilities</b>		<b>11,066.31</b>	9,599.35
Summary of significant accounting policies	2		

The accompanying notes (1 - 56) are an integral part of the consolidated financial statements

As per our report of even date attached

**For V. P. Thacker & Co.**  
**Chartered Accountants**  
 Firm Registration No. 118696W

**Abuali Darukhanawala**  
 Partner  
 Membership No. 108053

Place: Mumbai  
 Date: June 11, 2021

**For and on behalf of the Board of Directors of**  
**TAAL Enterprises Limited**  
 CIN: L62200TN2014PLC096373

**Salil Taneja**  
 Chairman  
 DIN: 00328668

Place: Pune  
 Date: June 11, 2021

**Jitendra R. Muthiyar**  
 Chief Financial Officer

Place: Pune  
 Date: June 11, 2021



# TAAL Enterprises Limited

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2021	Year ended March 31, 2020
<b>Income</b>			
Revenue from operations	25	10,491.80	12,990.94
Other income	26	1,892.04	778.86
<b>Total Income</b>		<b>12,383.85</b>	<b>13,769.80</b>
<b>Expenses</b>			
Employee benefits expense	27	6,449.48	7,590.16
Finance costs	28	104.71	176.70
Depreciation and amortization expense	29	227.92	583.25
Other expenses	30	1,788.01	2,263.98
<b>Total Expenses</b>		<b>8,570.12</b>	<b>10,614.09</b>
<b>Profit / (Loss) before exceptional items and tax</b>		<b>3,813.73</b>	<b>3,155.72</b>
<b>Exceptional items</b>			
Impairment of assets			
a) Right of use of asset	6	-	(138.35)
b) Goodwill	47	-	(456.27)
<b>Total Exceptional items</b>			<b>(594.63)</b>
<b>Profit / (Loss) before tax</b>		<b>3,813.73</b>	<b>2,561.09</b>
<b>Income-tax expense:</b>	31		
Current tax		646.44	621.87
Deferred tax (excluding MAT credit entitlement)		(13.03)	7.51
<b>Total Income-tax expense</b>		<b>633.41</b>	<b>629.38</b>
<b>Profit / (Loss) for the year</b>		<b>3,180.32</b>	<b>1,931.71</b>
<b>Other comprehensive income</b>			
<i>Other comprehensive income to be re-classified to profit or loss in subsequent periods</i>			
Exchange differences in translating the financial statements of a foreign operation		(23.43)	47.69
<i>Other comprehensive income not to be re-classified to profit or loss in subsequent periods</i>			
Re-measurement gains / (losses) on defined benefit plans		26.36	(3.97)
OCI on forward Contract		20.63	-
Income-tax effect		(7.68)	1.15
<b>Other comprehensive income for the year</b>		<b>15.88</b>	<b>44.88</b>
<b>Total Comprehensive income for the year</b>		<b>3,196.20</b>	<b>1,976.59</b>
<b>Profit attributable to :</b>			
Equity shareholders of parent company		3,180.32	1,728.37
Non-controlling interest		-	203.34
<b>Other comprehensive income attributable to:</b>			
Equity shareholders of parent company		15.88	40.15
Non-controlling interest		-	4.72
<b>Total Comprehensive income attributable to:</b>			
Equity shareholders of parent company		3,196.20	1,768.53
Non-controlling interest		-	208.06
<b>Earnings per share</b>			
Basic earnings per share (INR)	32	102.05	55.46
Diluted earnings per share (INR)	32	102.05	55.46
Summary of significant accounting policies	2		

The accompanying notes (1 - 56) are an integral part of the consolidated financial statements

As per our report of even date attached

**For V. P. Thacker & Co.**  
**Chartered Accountants**

Firm Registration No. 118696W

**Abuali Darukhanawala**

Partner

Membership No. 108053

Place: Mumbai

Date: June 11, 2021

**For and on behalf of the Board of Directors of**  
**TAAL Enterprises Limited**

CIN: L62200TN2014PLC096373

**Salil Taneja**

Chairman

DIN: 00328668

Place: Pune

Date: June 11, 2021

**Jitendra R. Muthiyar**

Chief Financial Officer

Place: Pune

Date: June 11, 2021

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### (A) Equity share capital

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	Amount	No. of shares	Amount
Equity shares of INR 10 each issued, subscribed and fully paid-up				
Opening	31,16,342	311.63	31,16,342	311.63
Add: Shares issued during the year	-	-	-	-
<b>Closing</b>	<b>31,16,342</b>	<b>311.63</b>	<b>31,16,342</b>	<b>311.63</b>

### (B) Other equity

Particulars	Attributable to equity shareholders of parent company					Total Other equity	Non- Controlling interest	Total
	Reserves and Surplus				Items of OCI			
	Securities premium account	Capital reserve	Retained earnings	Capital redemption reserve	Foreign currency translation reserve			
Balance as on April 1, 2019	42.55	1,151.36	3,362.57	-	15.65	4,572.13	559.58	5,131.70
Profit for the year	-	-	1,728.00	-	-	1,728.00	203.34	1,931.34
Adjustment : Buy-back of shares	(42.55)	-	(1,556.16)	-	-	(1,598.71)	(767.64)	(2,366.35)
Other comprehensive income	-	-	(3.21)	-	42.97	39.76	-	39.76
Less : Transfer to capital redemption reserve	-	-	(5.00)	5.00	-	-	4.72	4.72
<b>Total Comprehensive income for the year</b>	<b>(42.55)</b>	<b>-</b>	<b>163.63</b>	<b>5.00</b>	<b>42.97</b>	<b>169.05</b>	<b>(559.58)</b>	<b>(390.53)</b>
<b>Balance as at March 31, 2020</b>	<b>-</b>	<b>1,151.36</b>	<b>3,526.20</b>	<b>5.00</b>	<b>58.61</b>	<b>4,741.17</b>	<b>-</b>	<b>4,741.17</b>

Particulars	Attributable to equity shareholders of parent company					Total Other equity	Non- Controlling interest	Total
	Reserves and Surplus				Items of OCI			
	Securities premium account	Capital reserve	Retained earnings	Capital redemption reserve	Foreign currency translation reserve			
<b>Balance as on April 1, 2020</b>	<b>-</b>	<b>1,151.36</b>	<b>3,526.20</b>	<b>5.00</b>	<b>58.61</b>	<b>4,741.17</b>	<b>-</b>	<b>4,741.17</b>
Profit for the year	-	-	3,180.31	-	-	3,180.31	-	3,180.31
Dividend (Refer note 41)	-	-	(623.27)	-	-	(623.27)	-	(623.27)
Other comprehensive income	-	-	39.32	-	(23.43)	15.89	-	15.89
Less : Transfer to capital redemption reserve	-	-	-	-	-	-	-	-
<b>Total Comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>2,596.36</b>	<b>-</b>	<b>(23.43)</b>	<b>2,572.93</b>	<b>-</b>	<b>2,572.93</b>
<b>Balance as at March 31, 2021</b>	<b>-</b>	<b>1,151.36</b>	<b>6,122.56</b>	<b>5.00</b>	<b>35.18</b>	<b>7,314.10</b>	<b>-</b>	<b>7,314.10</b>

Summary of significant accounting policies (Refer note 2)

The accompanying notes (1 - 56) are an integral part of the consolidated financial statements

As per our report of even date attached

**For V. P. Thacker & Co.**  
**Chartered Accountants**  
 Firm Registration No. 118696W

**Abuali Darukhanawala**  
 Partner  
 Membership No. 108053

Place: Mumbai  
 Date: June 11, 2021

**For and on behalf of the Board of Directors of**  
**TAAL Enterprises Limited**  
 CIN: L62200TN2014PLC096373

**Salil Taneja**  
 Chairman  
 DIN: 00328668

Place: Pune  
 Date: June 11, 2021

**Jitendra R. Muthiyar**  
 Chief Financial Officer

Place: Pune  
 Date: June 11, 2021

# TAAL Enterprises Limited

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
<b>Cash flow from Operating activities</b>		
Profit before tax	3,813.73	2,561.09
<b>Adjustments for:</b>		
Depreciation, amortization and impairment	227.92	583.25
Amortization of right of use of asset	-	138.35
Amortization of goodwill	-	456.27
Aircraft purchase option	-	15.55
Gain on changes in fair value of investments (mutual funds)	(7.91)	(74.95)
Income from sale of investments (mutual funds)	(15.88)	(55.32)
Interest expense	57.15	93.53
Interest income	(247.45)	(61.26)
Provision for bad and doubtful debts	-	23.74
Gain on re-measurement of liability towards buy-back of shares	-	(125.92)
Actuarial gain / (loss) on post-employment benefit obligation	-	(15.51)
Unrealised foreign exchange loss	(33.67)	43.55
<b>Operating profit / (loss) before working capital changes</b>	<b>3,793.90</b>	<b>3,582.36</b>
<b>Changes in working capital</b>		
Decrease/ (increase) in trade and other receivables	1,233.65	(774.70)
Increase / (decrease) in trade payables	(721.92)	1,023.23
<b>Cash generated from / (used in) operations</b>	<b>4,305.62</b>	<b>3,830.89</b>
Income-tax paid	(555.35)	(571.78)
<b>Net cash flow from / (used in) Operating activities (A)</b>	<b>3,750.27</b>	<b>3,259.11</b>
<b>Cash flow from Investing activities</b>		
Payment for property, plant and equipments and intangible assets	(24.28)	(35.82)
Investment in PPE - ROU of lease arrangements ( Ind AS adjustment)	116.84	(1,011.23)
Purchase of investments	100.80	(3,955.00)
Proceeds from sale of investments	2,555.19	2,402.52
Re-payment of loans (net)	23.81	16.19
Interest / Income received from investments	247.45	116.58
<b>Net cash flow from / (used in) Investing activities (B)</b>	<b>3,019.81</b>	<b>(2,466.76)</b>
<b>Cash flow from Financing activities</b>		
Addition / (Re-payment) of short-term borrowings (net)	-	(36.06)
Payment towards buy-back of shares (Including tax on buy-back)	-	(765.55)
Dividend paid (including dividend distribution tax)	(623.27)	-
Interest paid	-	(2.08)
<b>Net cash flow from / (used in) Financing activities (C)</b>	<b>(623.27)</b>	<b>(803.69)</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>6,146.81</b>	(11.34)
Cash and cash equivalents at the beginning of the year	<b>1,448.52</b>	1,427.19
Effect of exchange gain on cash and cash equivalents	<b>(7.37)</b>	(14.50)
Foreign currency translation reserve / adjustments	<b>(23.43)</b>	47.18
<b>Cash and cash equivalents at the end of the year</b>	<b>7,564.51</b>	1,448.52
<b>Cash and cash equivalents comprise (Refer notes 11 and 12)</b>		
Balances with banks		
On current accounts	<b>2,195.99</b>	1,074.78
Fixed deposits with banks of less than 3 months maturity	<b>1,469.78</b>	-
Cash on hand	<b>0.61</b>	0.86
Margin money or under lien deposits	<b>312.00</b>	91.26
On unpaid dividend accounts	<b>29.34</b>	9.55
In fixed deposit with maturity for more than 3 months but less than 12 months from Balance Sheet date	<b>3,552.64</b>	267.92
Money in fractional share entitlement account	<b>4.15</b>	4.15
<b>Total Cash and bank balances at end of the year</b>	<b>7,564.51</b>	1,448.52
Summary of significant accounting policies (Refer note 2)		
The accompanying notes (1 - 56) are an integral part of the consolidated financial statements		

As per our report of even date attached

**For V. P. Thacker & Co.**  
**Chartered Accountants**  
 Firm Registration No. 118696W

**Abuali Darukhanawala**  
 Partner  
 Membership No. 108053

Place: Mumbai  
 Date: June 11, 2021

**For and on behalf of the Board of Directors of  
 TAAL Enterprises Limited**  
 CIN: L62200TN2014PLC096373

**Salil Taneja**  
 Chairman  
 DIN: 00328668

Place: Pune  
 Date: June 11, 2021

**Jitendra R. Muthiyar**  
 Chief Financial Officer

Place: Pune  
 Date: June 11, 2021

# TAAL Enterprises Limited

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

### 1 General information

TAAL Enterprises Limited (“TEL” or “the Parent Company” or “the Company”) together with its subsidiaries (collectively, “the Group”) is a public limited company incorporated in India under the Companies Act, 2013. TEL was earlier a wholly owned subsidiary of Taneja Aerospace and Aviation Limited (TAAL). However, pursuant to approval of the Scheme of Arrangement under Section 391 to 394 of the Companies Act, 1956 between TAAL & TEL, the Air Charter business of TAAL including investment in First Airways, Inc, USA and Engineering Design Services business conducted through TAAL Tech India Private Limited (TTIPL) has been demerged into TEL w.e.f. October 1, 2014 and TEL has ceased to be a subsidiary of TAAL. Its principal business activity is providing Aircraft Charter Services.

### 2 Significant accounting policies

Significant accounting policies adopted by the Group are as under:

#### 2.1 Basis of preparation of Consolidated Financial Statements

##### (a) Statement of compliance with Ind AS

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the “Act”) read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

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

##### (b) Basis of measurement

The consolidated financial statements have been prepared on a historical cost convention on accrual basis, except for items that have been measured at fair value as required by relevant Ind AS.

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

An asset is treated as current when it is:

- ▶ Expected to be realised or intended to be sold or consumed in normal operating cycle;
- ▶ Held primarily for the purpose of trading;

- ▶ Expected to be realised within twelve months after the reporting period; or
- ▶ Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

An liability is current when:

- ▶ It is expected to be settled in normal operating cycle;
- ▶ It is held primarily for the purpose of trading;
- ▶ It is due to be settled within twelve months after the reporting period; or
- ▶ There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The Group has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

##### (c) Use of estimates

The preparation of consolidated financial statements in conformity with Ind AS requires the Management to make estimates and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying consolidated financial statements are based upon the Management’s evaluation of the relevant facts and circumstances as at the date of the consolidated financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognised in the year in which the estimates are revised and in any future years affected. Refer note 3 for detailed discussion on estimates and judgments.

##### (d) Principles of consolidation

The consolidated financial statements comprise the financial statements of the parent company and its subsidiaries as at March 31, 2021.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

Specifically, the Group controls an investee if and only if the Group has:

- ▶ Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- ▶ Exposure, or rights, to variable returns from its involvement with the investee; and
- ▶ The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- ▶ The contractual arrangement with the other vote holders of the investee;
- ▶ Rights arising from other contractual arrangements;
- ▶ The Group's voting rights and potential voting rights;
- ▶ The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company i.e., year ended on March 31. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- (i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (ii) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (iii) Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and property, plant and equipments, are eliminated in full). Intra-group losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 - "Income Taxes" applies to temporary differences that arise from the elimination of profits and losses resulting from intra-group transactions.

Profit or loss and each component of Other Comprehensive Income (OCI) are attributed to the equity shareholders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

# TAAL Enterprises Limited

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

The following subsidiary companies have been considered in the preparation of consolidated financial statements :

Sr. No.	Name of the Company	Relationship	Country of Incorporation	Ownership Interest held by the Parent as at March 31, 2021	Accounting Period	Audited / Un-audited
1	TAAL Tech India Private Limited (TTIPL)	Direct subsidiary	India	89%	April 20- March 21	Audited
2	First Airways Inc.	Direct subsidiary	USA	100%	April 20 - March 21	Audited
3	TAAL Technologies Inc.	Indirect subsidiary of TEL and direct subsidiary of TTIPL	USA	100%	April 20 - March 21	Audited
4	TAAL Tech Innovations GmbH		Austria	100%	April 20 - March 21	Un-audited
5	TAAL Tech GmbH		Switzerland	100%	April 20 - March 21	Audited

### 2.2 Business combination and goodwill

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed off, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

### 2.3 Property, plant and equipments

a) Property, plant and equipments are stated at their original cost of acquisition or construction less accumulated depreciation and impairment loss, if any. The cost of property, plant and equipments comprises of its purchase price including duties, taxes, freight and any other directly attributable cost of bringing the asset to its working condition for its

intended use. However, cost excludes Excise duty, VAT, GST and Service tax, wherever credit of the duty or tax is availed of.

All indirect expenses incurred during acquisition / construction of property, plant and equipments including interest cost on funds deployed for the property, plant and equipments are treated as incidental expenditure and are capitalised for the period until the asset is ready for its intended use. Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the year in which they are incurred.

b) Advances paid towards the acquisition of property, plant and equipments outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Property, plant and equipments received from Taneja Aerospace and Aviation Limited pursuant to Demerger of its "Air Charter Business" are recorded at its book value as on the appointed date.

#### Depreciation methods, estimated useful lives

In case of parent company, depreciation is provided on straight line method on Computer - Hardware and on written down value method on Office Equipments and Furniture and Fixtures, based on the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act, 2013.

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

In case of subsidiary company TAAL Tech India Private Limited, depreciation on property, plant and equipments is provided on written down value method based on the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act, 2013. Leasehold improvements are depreciated over their estimated useful life or the remaining period of lease from the date of capitalization, whichever is shorter.

Depreciation on addition to property, plant and equipments is provided on pro-rata basis from the date of acquisition. Depreciation on sale / deduction from property, plant and equipments is provided upto the date preceding the date of sale / deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

### 2.4 Intangible assets

An intangible asset is recognised when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes, freight, and installation and allocated incidental expenditure during construction / acquisition and exclusive of CENVAT credit or other tax credit available to the Group.

Subsequent expenditure relating to intangible assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Intangibles assets are amortized over a period of three financial years starting with the year in which these assets are procured.

### 2.5 Foreign currency transactions

#### (a) Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian Rupee (INR), which is the Group's functional and presentation currency.

Foreign currency transactions are recorded in the reporting currency by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### (b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains / (Losses) arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are re-stated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when such values were determined.

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their Statements of Profit or Loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

### 2.6 Fair value measurement

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability; or



## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

- ▶ In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Group.

Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ▶ Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- ▶ Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- ▶ Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

### 2.7 Revenue recognition

Effective April 1, 2018 the Group adopted Ind AS 115 - "Revenue from Contracts with Customers" using the cumulative catch-up transition method applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The following is a summary of new and / or revised significant accounting policies related to revenue recognition.

Revenue is recognized upon transfer of control of promised goods and services to the customers in an amount that reflects the consideration we expect to receive in exchange for those goods and services and where there is no uncertainty as to measurement or collectability of consideration.

Charter income from aircraft given on charter is booked on the basis of contract with customers and on completion of actual flying hours of the aircraft.

Revenue from time and material service contracts is recognized pro-rata over the period of the contract as and when services are rendered and the collectability is reasonably assured.

Revenue from long-term fixed price, fixed time frame contracts where the performance obligations are satisfied over time and there is no uncertainty as to measurement or collectability of consideration is recognized as per the percentage-of-completion method or the completion

method, whichever best depicts measurement of the progress in transferring control to the customer and billed in terms of the agreement with and certification by the customer.

The Group accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the ratable allocation of the discounts / incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discounts / incentives. Also, when the level of discount varies with increases in levels of revenue transactions, the Group recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The Group recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs. The discounts are passed on to the customer either as direct payments or as a reduction of payments due from the customer.

The Group presents revenues net of indirect taxes in its Statement of Profit and loss.

Revenue recognized in excess of billings is classified as contract assets (Unbilled revenue) included in other current financial assets.

Billings in excess of revenue recognized is classified as contract liabilities (Deferred revenue) included in other current liabilities.

The impact of applying Ind AS 115 - "Revenue from Contract with Customers" instead of the erstwhile Ind AS 18 Revenue on the financials statements of the Group for the year ended and as at March 31, 2021 is not significant.

### Other Income

Interest income is recognized on the basis of effective interest method as set out in Ind AS 109 - "Financial Instruments", and where no significant uncertainty as to measurability or collectability exists. Claims towards insurance claims are accounted in the year of settlement and / or in the year of acceptance of claim / certainty of realization as the case may be. Dividend income is recognized when the right to receive payment is established.

### 2.8 Taxes

Tax expense for the year comprising current tax, deferred tax and minimum alternate tax credit are included in the determination of the net profit or loss for the year.

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

### (a) Current income-tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity 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.

### (b) Deferred tax

Deferred income-tax is provided in full, using the Balance Sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in consolidated financial statements. Deferred income-tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income-tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income-tax asset is realised or the deferred income-tax liability is settled.

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

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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 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.

### (c) Minimum alternate tax

Minimum Alternate Tax (MAT) under the provisions of the Income Tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognized as asset only when and to the extent there is convincing evidence that the Group will pay normal income-tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognized as an asset is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

## 2.9 Leases

### As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as a lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Also initial direct cost incurred in operating lease such as commissions, legal fees and internal costs is recognised immediately in the Statement of Profit and Loss.

Where the Group, as lessee, has substantially transferred all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

## 2.10 Impairment of non-financial assets

The Group assesses at each year end whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, the Group estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an assets carrying amount and recoverable amount. Losses are recognised in the Statement of Profit and Loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit is the greater of its value-in-use and its fair value less costs to sell. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

### 2.11 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

De-commissioning costs (if any), are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the de-commissioning liability. The unwinding of the discount is expensed as incurred and recognised in the Statement of Profit and Loss as a finance cost. The estimated future costs of de-commissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. When there is an obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed in the consolidated financial statements.

### 2.12 Borrowing cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of the assets upto the date the asset is ready for its intended use. All other borrowing costs are recognized as an expense in the Statement of Profit and Loss in the year in which they are incurred.

### 2.13 Cash and cash equivalents

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

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

### 2.14 Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grants are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

### 2.15 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### (a) Financial assets

##### (i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

##### (ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the Effective Interest Rate method (EIR).

Fair Value Through Other Comprehensive Income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at Fair Value Through Other Comprehensive Income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in Statement of Profit and Loss. When the financial asset is de-recognized, the cumulative gain or loss

previously recognized in OCI is re-classified from equity to the Statement of Profit and Loss and recognized in other gains / (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

##### Fair Value Through Profit or Loss (FVTPL):

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

##### (iii) Impairment of financial assets

In accordance with Ind AS 109 - "Financial Instruments", the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on twelve months ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The twelve months ECL is a portion of the lifetime ECL which results from default events that are possible within twelve months after the year end.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including pre-payment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot

be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

### **Trade receivables**

An impairment analysis is performed at each reporting date on an individual basis for major clients. It is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Group estimates the provision at the reporting date.

#### (iv) De-recognition of financial assets

A financial asset is de-recognised only when:

- a) the rights to receive cash flows from the financial asset is transferred; or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is de-recognised only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

### **(b) Financial liabilities**

#### (i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

#### (ii) Subsequent measurement

The measurement of financial liabilities depends on their classification as described below:

##### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

##### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the Statement of Profit and Loss when the liabilities are de-recognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

#### (iii) De-recognition

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

#### (c) **Embedded derivatives**

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract - with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. Derivatives embedded in all other host contract are separated if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

Re-assessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a re-classification of a financial asset out of the fair value through profit or loss.

### (d) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

## 2.16 Employee benefits

### (a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the year in which the employees render the related service are recognized in respect of employees' services upto the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

### (b) Other long-term employee benefit obligations

#### (i) Defined contribution plan

The Group makes defined contribution to provident fund and superannuation fund, which are recognized as an expense in the Statement of Profit and Loss on accrual basis. The Group has no further obligations under these plans beyond its monthly contributions.

#### (ii) Defined benefit plans

The Group's liabilities under Payment of Gratuity Act and long-term compensated absences are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method, except for short-term compensated absences, which are provided on actual basis. Actuarial losses / gains are recognised in the other comprehensive income in the year in which they arise. Obligations are measured at the present value of estimated future cash flows using a discount rate that is determined by reference to market yields at the Balance

Sheet date on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

### (iii) Leave encashment - Encashable

Accumulated compensated absences, which are expected to be availed or encashed within twelve months from the end of the year are treated as short-term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond twelve months from the end of the year end are treated as other long-term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses / gains are recognized in the Statement of Profit and Loss in the year in which they arise.

## 2.17 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders of parent company by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Group's earnings per share is the net profit or loss for the year attributable to equity shareholders of parent company after deducting preference dividends and any attributable tax thereto for the year (if any). The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders of parent company and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

## 2.18 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group's operating businesses are organised and managed separately according to the nature of services provided, with each segment

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

representing a strategic business unit that offers different services and serves different markets. Thus, as defined in Ind AS 108 - "Operating Segments", the business segments are 'Air Charter' and 'Engineering Design Service'. The Group does not have any geographical segment.

### 2.19 Aircraft purchase option

Aircraft purchase options are recorded at cost on the date of acquisition. Aircraft purchase option is amortised over its estimated useful life or the legal life (as per the amended agreement), whichever is lower with a mid-quarter convention.

### 2.20 Rounding off amounts

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

## 3. Significant accounting judgments, estimates and assumptions

The preparation of consolidated financial statements requires Management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

### 3.1 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

#### (a) Defined benefits and other long-term benefits

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long-term basis.

#### (b) Impairment of non-financial assets and goodwill

In assessing impairment, Management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate. During the year, the Group does not recognize an impairment loss on goodwill.

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### 4 Property, plant and equipments

For the F.Y. 2020-21	Gross block				Depreciation				Net block	
	As on April 1, 2020	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2021	As on April 1, 2020	For the year	Deductions / Adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
<b>Owned assets</b>										
Computer - Hardware	266.72	19.72	-	286.44	227.23	20.60	-	247.83	38.61	39.49
Office Equipment	13.89	0.81	-	14.70	10.01	1.77	-	11.78	2.93	3.89
Vehicles	33.39	0.63	-	34.02	24.57	2.94	-	27.50	6.52	8.82
Furniture and Fixtures	30.23	-	-	30.23	20.04	3.43	-	23.47	6.77	10.19
Leasehold Improvements	88.66	-	-	88.66	88.66	0.00	0.08	88.66	-	0.00
<b>Total</b>	<b>432.90</b>	<b>21.16</b>	<b>-</b>	<b>454.06</b>	<b>370.50</b>	<b>28.74</b>	<b>0.08</b>	<b>399.24</b>	<b>54.82</b>	<b>62.39</b>

For the F.Y. 2019-20	Gross block				Depreciation				Net block	
	As on April 1, 2019	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2020	As at April 1, 2019	For the year	Deductions / Adjustments	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
<b>Owned assets</b>										
Computer - Hardware	247.94	19.27	0.50	266.72	199.32	27.90	-	227.23	39.49	48.12
Office Equipment	13.64	0.26	-	13.89	7.53	2.97	-	10.50	3.40	6.11
Vehicles	33.39	-	-	33.39	14.85	9.72	-	24.57	8.82	18.54
Furniture and Fixtures	29.61	0.62	-	30.23	16.51	3.04	-	19.55	10.68	13.10
Leasehold Improvements	88.66	-	-	88.66	79.69	9.05	0.08	88.66	0.00	8.97
<b>Total</b>	<b>413.24</b>	<b>20.15</b>	<b>0.50</b>	<b>432.90</b>	<b>317.90</b>	<b>52.68</b>	<b>0.08</b>	<b>370.50</b>	<b>62.39</b>	<b>94.84</b>

### 5 Intangible Assets

For the F.Y. 2020-21	Gross block				Depreciation				Net block	
	As at April 1, 2020	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2021	As at April 1, 2020	For the year	Deductions / Adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Computer - Software	199.50	3.75	-	203.25	188.58	7.35	-	195.93	7.32	10.92
<b>Total</b>	<b>199.50</b>	<b>3.75</b>	<b>-</b>	<b>203.25</b>	<b>188.58</b>	<b>7.35</b>	<b>-</b>	<b>195.93</b>	<b>7.32</b>	<b>10.92</b>

For the F.Y. 2019-20	Gross block				Depreciation				Net block	
	As on April 1, 2019	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2020	As on April 1, 2019	For the year	Deductions / Adjustments	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Computer - Software	184.33	15.17	-	199.50	164.13	24.45	-	188.58	10.92	20.19
<b>Total</b>	<b>184.33</b>	<b>15.17</b>	<b>-</b>	<b>199.50</b>	<b>164.13</b>	<b>24.45</b>	<b>-</b>	<b>188.58</b>	<b>10.92</b>	<b>20.19</b>

### 6 Right of use of assets

For the F.Y. 2020-21	Gross block				Depreciation				Net block	
	As at April 1, 2020	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2021	As at April 1, 2020	For the year	Deductions / Adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Right of use assets	1,092.97	-	-	1,092.97	644.55	191.84	256.58	1,092.97	-	448.42
<b>Total</b>	<b>1,092.97</b>	<b>-</b>	<b>-</b>	<b>1,092.97</b>	<b>644.55</b>	<b>191.84</b>	<b>256.58</b>	<b>1,092.97</b>	<b>-</b>	<b>448.42</b>

For the F.Y. 2019-20	Gross block				Depreciation				Net block	
	As at April 1, 2019	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2020	As at April 1, 2019	For the year	Deductions / Adjustments	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Right of use assets	-	1,092.97	-	1,092.97	-	506.20	138.35	644.55	448.42	-
<b>Total</b>	<b>-</b>	<b>1,092.97</b>	<b>-</b>	<b>1,092.97</b>	<b>-</b>	<b>506.20</b>	<b>138.35</b>	<b>644.55</b>	<b>448.42</b>	<b>-</b>

During the year ended March 31, 2020, the leased aircraft (Right of use of asset) operated by the Parent Company as part of the charter business had veered off the runway during a landing, resulting in damage to the aircraft. This mishap has caused damage to the aircraft. The aircraft remains grounded since the incident on September 12, 2019. Considering the uncertainty around the timing of re-commencement of the charter operations and notwithstanding the future receipt of insurance claim, the Group has assessed the carrying value of the right of use asset and consequently written down the carrying value of the ROU by recognizing an impairment loss of INR 1,38,35,332/- as an exceptional charge during the year. This incident was duly reported to the Bombay Stock Exchange and the Directorate General of Civil Aviation.

The Parent Company has received full insurance claim on December 31, 2020.



# TAAL Enterprises Limited

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### 7 Financial assets - Investments

Particulars		As at March 31, 2021	As at March 31, 2020
a)	<b>Investments at Fair Value Through Profit and Loss (FVTPL) (fully paid)</b>		
	- Investments in mutual funds / debentures (Refer footnote i)	100.80	2,531.41
	<b>Total Current financial assets - Investments</b>	<b>100.80</b>	<b>2,531.41</b>
	<u>Classified into:</u>		
i)	Current	100.80	2,531.41
ii)	Non- Current	-	-
	<b>Total</b>	<b>100.80</b>	<b>2,531.41</b>
	<b>Aggregate book value of:</b>		
	Quoted investments	100.80	2,531.41
	Unquoted investments	-	-
	<b>Aggregate market value of:</b>		
	Quoted investments	100.80	2,531.41
	Unquoted investments	-	-
	<b>Aggregate amount of impairment in value of Investments</b>	-	-

#### Footnote:

#### i. Details of investments in mutual funds (Quoted) designated as FVTPL:

Particulars	Number of units		Amount	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
ILF Wealth Finance Ltd. - Debenture	100.00	-	100.80	-
TATA Liquid Fund	-	74,429.67	-	2,331.02
HDFC Arbitrage fund	-	38,874.00	-	200.39

### 8 Non-current financial assets - Loans

Particulars	As at March 31, 2021	As at March 31, 2020
<b><u>Unsecured, considered good</u></b>		
Security deposits	275.16	180.82
<b>Total Non-current financial assets - Loans</b>	<b>275.16</b>	<b>180.82</b>

### 9 Other non-current assets

Particulars	As at March 31, 2021	As at March 31, 2020
Prepaid rent	57.80	-
Prepaid expenses	6.55	-
<b>Total Other non-current assets</b>	<b>64.35</b>	-

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### 10 Trade receivables

Particulars	As at March 31, 2021	As at March 31, 2020
<u>Unsecured</u>		
Considered good	1,716.56	2,285.97
Considered doubtful	-	23.74
Less : Allowance for bad and doubtful debts	-	(23.74)
	<u>1,716.56</u>	<u>2,285.97</u>
<u>Further classified as:</u>		
Receivable from related parties	-	-
Receivable from others	1,716.56	2,285.97
<b>Total Trade receivables</b>	<u><u>1,716.56</u></u>	<u><u>2,285.97</u></u>

### 11 Cash and cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with banks		
- On current accounts	2,195.99	1,074.78
- Margin money deposits with banks (Less than 3 months maturity)	1,469.78	-
Cash on hand	0.61	0.86
<b>Total Cash and cash equivalents</b>	<u><u>3,666.38</u></u>	<u><u>1,075.64</u></u>

### 12 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
In fixed deposits with maturity for more than 3 months but less than 12 months from Balance Sheet date	3,552.64	267.92
Margin money or under lein deposits	312.00	91.26
Unpaid dividend accounts	29.34	9.55
Money in fractional share entitlement account	4.15	4.15
<b>Total Bank balances other than Cash and cash equivalents</b>	<u><u>3,898.13</u></u>	<u><u>372.87</u></u>

### 13 Current financial assets - Loans

Particulars	As at March 31, 2021	As at March 31, 2020
<u>Unsecured, considered good</u>		
Loans recoverable in cash	90.00	113.81
Security deposits	9.51	9.51
<b>Total Current financial assets - Loans</b>	<u><u>99.51</u></u>	<u><u>123.32</u></u>

# TAAL Enterprises Limited

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### 14 Current financial assets - Others

Particulars	As at March 31, 2021	As at March 31, 2020
Other receivables (Unbilled revenue)	125.96	144.77
Interest accrued on fixed deposits	71.45	8.65
Advance recoverable in cash or in kind	71.06	114.79
Foreign exchange forward contracts	20.63	-
Export incentives receivable (SEIS)	-	545.96
<b>Total Current financial assets - Others</b>	<b>289.11</b>	<b>814.17</b>

### 15 Current tax assets (net)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance income-tax [Net of tax provision INR Nil (March 31, 2020 : INR Nil)]	-	14.17
<b>Total Current tax assets (net)</b>	<b>-</b>	<b>14.17</b>

### 16 Other current assets

Particulars	As at March 31, 2021	As at March 31, 2020
Balance with government authorities	408.67	1,005.82
Prepaid expenses	169.71	190.41
Advance to suppliers	20.81	37.72
Other receivables	-	25.75
Advance to staff	-	0.54
<b>Total Other current assets</b>	<b>599.19</b>	<b>1,260.24</b>

### 17 Equity share capital

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Authorised</b>		
50,00,000 (March 31, 2020: 50,00,000) Equity Shares of INR 10 each	500.00	500.00
	<b>500.00</b>	<b>500.00</b>
<b>Issued, subscribed and paid-up</b>		
31,16,342 (March 31, 2020: 31,16,342) Equity Shares of INR 10 each fully paid-up	311.63	311.63
<b>Total Equity share capital</b>	<b>311.63</b>	<b>311.63</b>

#### (a) Reconciliation of shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Amount	Number of shares	Amount
Equity Shares at the beginning of the year	31,16,342	311.63	31,16,342	311.63
Add: Equity Shares issued during the year	-	-	-	-
Less: Equity Shares bought back during the year	-	-	-	-
<b>Equity Shares outstanding at the end of the year</b>	<b>31,16,342</b>	<b>311.63</b>	<b>31,16,342</b>	<b>311.63</b>

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

**(b) Rights, preferences and restrictions attached to shares**

The parent company has only one class of equity shares of INR 10/- each. Each shareholder is entitled to one vote per share held. Dividend, if any, declared is payable 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 parent company, the holders of equity shares will be entitled to receive remaining assets of the parent company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders of the parent company.

**(c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:**

Particulars	As at March 31, 2021	As at March 31, 2020
Equity shares allotted as fully paid-up pursuant to contracts for consideration other than cash as per the Scheme of Demerger	31,16,342	31,16,342

**(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the parent company**

Name of the shareholder	As at March 31, 2021		As at March 31, 2020	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Vishkul Enterprises Pvt. Ltd.	15,81,297	50.74%	15,81,297	50.74%
Mukul Mahavir Prasad Agrawal	2,23,636	7.18%	1,14,119	3.66%

As per records of the parent company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**(e) No class of shares have been bought back by the Company during the period of five years or period elapsed from the date of incorporation whichever is earlier.**

**18 Other equity**

	Particulars	As at March 31, 2021	As at March 31, 2020
<b>(a) Capital reserve</b>	Opening balance	1,151.36	1,151.36
	Less: Adjustment for consolidation Goodwill / Capital Reserve	-	-
	<b>Closing balance</b>	<b>1,151.36</b>	<b>1,151.36</b>
<b>(b) Securities premium account</b>	Opening balance	-	42.55
	Less: Buy Back of shares	-	(42.55)
	<b>Closing balance</b>	<b>-</b>	<b>-</b>
<b>(c) Capital redemption reserve</b>	Opening balance	5.00	-
	Add: Transfer from retained earnings	-	5.00
	<b>Closing balance</b>	<b>5.00</b>	<b>5.00</b>

# TAAL Enterprises Limited

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

	Particulars	As at March 31, 2021	As at March 31, 2020
<b>(d)</b>	<b>Foreign currency translation reserve</b>		
	Opening balance	-	-
	Add: Currency translation gain / (loss) during the year	(23.43)	47.69
	Less: Transfer to other comprehensive income	23.43	(42.97)
	Less: Transfer to non-controlling interest	-	(4.72)
	<b>Closing balance</b>	<b>-</b>	<b>-</b>
<b>(e)</b>	<b>Retained earnings</b>		
	Opening balance	3,526.20	3,361.57
	Net profit for the current year	3,180.32	1,931.71
	Re-measurement gains / (losses) on defined benefit plans	39.32	(2.81)
	Buy back of shares	-	(2,323.58)
	Transfer to capital redemption reserve	-	(5.00)
	Dividend (Refer note 41)	(623.27)	-
	Transfer to non-controlling interest	-	564.30
	<b>Closing balance</b>	<b>6,122.57</b>	<b>3,526.20</b>
<b>(f)</b>	<b>Other comprehensive income</b>		
	Opening balance	58.61	15.65
	Add: Transfer from foreign currency translation reserve	(23.43)	42.97
	<b>Closing balance</b>	<b>35.18</b>	<b>58.61</b>
	<b>Total Other equity</b>	<b>7,314.10</b>	<b>4,741.17</b>

### 19 Provisions

	Particulars	As at March 31, 2021	As at March 31, 2020
<b>(a)</b>	<b>Non-current provisions</b>		
	<b>Provision for employee benefits</b>		
	Provision for gratuity	40.91	11.56
	Provision for leave encashment	47.99	16.14
	<b>Total Non-current provisions</b>	<b>88.90</b>	<b>27.70</b>
<b>(b)</b>	<b>Current provisions</b>		
	<b>Provision for employee benefits</b>		
	Provision for gratuity	-	-
	Provision for leave encashment	-	-
	<b>Total Current provisions</b>	<b>-</b>	<b>-</b>
	<b>Total Provisions</b>	<b>88.90</b>	<b>27.70</b>

### 20 Other non-current liabilities

	Particulars	As at March 31, 2021	As at March 31, 2020
	Derivative liability - Buyback of shares	1,721.40	1,473.25
	<b>Total Other non-current liabilities</b>	<b>1,721.40</b>	<b>1,473.25</b>

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### 21 Trade payables

Particulars	As at March 31, 2021	As at March 31, 2020
Total outstanding dues of micro enterprises and small enterprises *	35.91	55.06
Total outstanding dues of creditors other than micro enterprises and small enterprises	299.69	346.47
<b>Total Trade payables</b>	<b>335.60</b>	<b>401.54</b>
* The identification of micro, small and medium enterprise suppliers as defined under the provisions of "The Micro, Small and Medium Enterprise Development Act, 2006" [MSMED Act] is based on confirmation received from suppliers.		
i. The principal amount due thereon remaining unpaid as at the year end, interest amount due and remaining unpaid as at the year end.	35.91	55.06
ii. The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along-with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
iv. The amount of interest accrued and remaining unpaid as the year end in respect of principal amount settled during the year	-	-
v. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act.	-	-

### 22 Other current financial liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Employee related liabilities	267.69	612.32
Other payables	597.82	364.21
Unpaid dividend	29.34	9.55
Lease liability	-	833.53
Customer claims payable	-	371.05
<b>Total Other current financial liabilities</b>	<b>894.85</b>	<b>2,190.67</b>

### 23 Other current liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory dues payable	101.71	126.54
Advance from customers	8.92	14.15
<b>Total Other current liabilities</b>	<b>110.64</b>	<b>140.69</b>

### 24 Current tax liabilities (net)

Particulars	As at March 31, 2021	As at March 31, 2020
Current tax provision	289.19	312.71
[Net of advance taxes INR 271.13 lakhs (31 March 2020: INR 807 lakhs)]	-	-
<b>Total Current tax liabilities (net)</b>	<b>289.19</b>	<b>312.71</b>

# TAAL Enterprises Limited

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### 25 Revenue from operations

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
<u>Sale of services</u>		
Charter income	-	425.30
Export of engineering design services	10,491.80	12,563.10
<u>Sale of goods</u>		
Export of goods	-	2.54
<b>Total Revenue from operations</b>	<b>10,491.80</b>	<b>12,990.94</b>
<b>De-segregation of revenue (Sale of engineering design services)</b>		
Time & material contracts	10,075.19	12,357.15
Fixed price contracts	416.61	205.95
<b>Total</b>	<b>10,491.80</b>	<b>12,563.10</b>
<b>Reconciliation of revenue recognised with contract price</b>		
Contract price	10,491.80	13,045.79
Adjustments for:		
Volume discounts	-	(54.85)
<b>Revenue recognised</b>	<b>10,491.80</b>	<b>12,990.94</b>

### Performance obligations and remaining performance obligations

Aggregate amount of the transaction price allocated to long-term fixed price contracts that are partially or fully unsatisfied as on March 31, 2021 is INR 40.95 lakhs which the Company expects to fully recognize as revenue in the financial year 2021-22. All other contracts are for one year or less or billed based on time incurred. As permitted under Ind AS 115, the transaction price allocated to these unsatisfied contracts is not disclosed.

### 26 Other income

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Insurance income <sup>^</sup>	1,041.40	-
PPP loan forgiven	368.17	-
Interest income	199.11	39.38
Gain on leased asset	69.86	-
Interest income on security deposits	48.34	24.14
Liabilities written back	47.99	24.53
Net gain on foreign currency transactions	42.61	124.97
Income from export incentives (SEIS) *	39.93	136.99
Gain on changes in fair value of investments (mutual funds)	23.79	74.95
Written off assets recovered	6.28	-
Fair valuation adjustments of investments designated as FVTPL **	3.56	96.01
Miscellaneous income	1.02	76.65
Gain on re-measurement of liability towards buy back of shares	-	125.92
Income from sale of investments (mutual funds)	-	55.32
<b>Total Other income</b>	<b>1,892.04</b>	<b>778.86</b>

<sup>^</sup> The Company has accounted the insurance claim of INR 20.01 crores net off INR 9.60 crores payable to Cessna Finance Corporation being the beneficiary of the insurance policy and in terms of lease agreement.

\* Pursuant to the notification 57/2015-2020 issued by the Director General Foreign Trade (DGFT) the rates for availing the SEIS incentives for the period April 1, 2019 to March 31, 2020 are not yet notified by the authorities and therefore pending this the Company has not made any accrual towards SEIS. Amount recognized in current year relates to export incentives of earlier year.

\*\* FVTPL of investments represent fair valuation changes in mutual funds which include dividend declared and not distributed (distributed based on record dates) as at reporting dates, which have not been recognized separately in financial statements.

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### 27 Employee benefits expense

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salaries, wages, bonus and other allowances*	6,237.08	7,383.57
Contribution to provident and other funds	128.58	125.92
Gratuity expenses (Refer note 33)	59.69	44.66
Staff welfare expenses	24.12	36.00
<b>Total Employee benefits expense</b>	<b>6,449.48</b>	<b>7,590.16</b>

\* The amount includes INR 147.52 lakhs (March 31, 2020 - INR 419.05 lakhs) incurred towards expenses for hiring of contract employees for the technical services and the amount has been re-grouped from other expenses.

### 28 Finance costs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest on leases	70.15	114.37
Bank charges	18.40	36.36
Other finance costs	16.15	20.92
Interest on delayed payment of taxes	0.01	2.98
Interest on loans	-	2.08
<b>Total Finance costs</b>	<b>104.71</b>	<b>176.70</b>

### 29 Depreciation and amortization expense

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation on ROU (Refer note 6)	191.84	506.20
Depreciation on property, plant and equipments (Refer note 4)	28.73	52.60
On intangible assets (Refer note 5)	7.35	24.45
<b>Total Depreciation and amortization expense</b>	<b>227.92</b>	<b>583.25</b>

### 30 Other expenses

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Rent	506.31	348.42
Loss on re-measurement of liability towards buy back of shares	248.15	-
Legal and professional charges	177.64	350.88
Insurance	144.50	198.39
Repairs and maintenance - Others	124.72	139.17
Travelling expenses	110.62	502.88
Miscellaneous expenses	85.56	73.23
Debtors written off	84.40	57.91
Visa and work permit expenses	80.62	45.28
Power, fuel, gas and water	65.40	88.07
Communication expenses	46.98	58.79
Provision for bad and doubtful debts	35.64	46.74
Auditor's remuneration #	23.71	26.47
Training expenses	18.49	42.77
Rates and taxes	15.96	28.00



# TAAL Enterprises Limited

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Customer claims	7.08	34.71
Sitting fees	5.40	7.00
Printing and stationery	5.14	8.82
Advertisement	1.48	1.33
Registration and renewal	0.22	8.97
Aircraft fuel charges	-	68.78
Other aircraft operating expenses	-	45.77
Consumption of stores and spare parts	-	27.81
Amortisation of aircraft purchase option (Refer note 37)	-	15.55
Rent - Flight parking and equipment	-	16.59
Aircraft repairs and maintenance	-	10.87
Loss on foreign exchange transactions (net)	-	9.75
Aircraft lease rent ^	-	1.05
<b>Total Other expenses</b>	<b>1,788.01</b>	<b>2,263.98</b>

### ^ Aircraft lease rent

The aircraft operating lease has ended during the financial year 2020-21.

The payments under lease for the future period as at March 31, 2021 are:

Particulars	Amount in US\$ in lakhs	Equivalent INR in lakhs
Within one year	-	-
After one year but not more than five years	-	-
More than five years	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

The payments under lease for the future period as at March 31, 2020 are:

Particulars	Amount in US\$ in lakhs	Equivalent INR in lakhs
Within one year	1.50	112.99
After one year but not more than five years	-	-
More than five years	-	-
<b>Total</b>	<b>1.50</b>	<b>112.99</b>

### # The following is the break-up of auditor's remuneration (exclusive of service tax / GST)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
<b>As auditor:</b>		
Statutory audit- Parent company	1.25	2.00
Statutory audit- Subsidiary company	18.51	18.17
<b>In other capacity:</b>		
Limited review - Parent company	2.50	3.00
GST audit fee - Parent company	-	1.13
Other matters - Subsidiary company	1.30	1.66
Re-imburement of expenses - Parent company	0.15	0.52
<b>Total</b>	<b>23.71</b>	<b>26.47</b>

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### 31 Income tax

Sr. No.	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
<b>(A)</b>	<b>Deferred tax relates to the following:</b>		
	<b>Deferred tax assets</b>		
	On property, plant and equipment	27.05	28.69
	On provision for doubtful debts	-	-
	On provision for employee benefits	22.55	17.22
	Others	13.05	3.65
	MAT Credit Entitlement	232.34	369.44
	<b>Total Deferred tax assets</b>	<b>294.99</b>	<b>419.01</b>
	<b>Deferred tax liabilities</b>		
	On property, plant and equipments	-	-
	<b>Total Deferred tax liabilities</b>	-	-
	<b>Deferred tax asset (net)*</b>	<b>294.99</b>	<b>419.01</b>
<b>(B)</b>	<b>Recognition of deferred tax asset to the extent of deferred tax liability</b>		
	<b>Balance Sheet</b>		
	Deferred tax assets	62.65	49.57
	Earlier adjustment	(2.95)	-
	MAT credit entitlement	369.43	369.44
	<b>Deferred tax assets / (liabilities) (net)</b>	<b>429.13</b>	<b>419.01</b>
<b>(C)</b>	<b>The reconciliation of tax expense and the accounting profit multiplied by India's tax rate :</b>		
	<b>Tax expenses as per the Statement of Profit and Loss</b>		
	Current tax	646.44	621.87
	Deferred tax (excluding MAT credit entitlement)	(13.03)	7.51
	Earlier year adjustment	-	-
	Dividend distribution tax	-	-
	MAT credit entitlement	-	-
	<b>Total Income-tax expense</b>	<b>633.41</b>	<b>629.38</b>
	<b>Profit from continuing operations before income-tax expense</b>	<b>3,813.73</b>	3,155.72
	<b>Income tax rate</b>	<b>29.12%</b>	29.12%
	<b>Tax computed using statutory tax rate</b>	<b>1,110.56</b>	918.94
	Tax effect of:		
	Permanent disallowances	60.75	5.57
	Section 10AA deduction (SEZ unit)	(322.61)	(281.57)
	Tax impact of other group companies	(126.60)	65.01
	Earlier year adjustment	-	-
	Dividend distribution tax	-	-
	Deferred tax on temporary differences not recognized earlier	(16.00)	(6.65)
	Overseas taxes	-	(82.67)
	Others	(72.69)	10.74
	<b>Income-tax expense</b>	<b>633.41</b>	<b>629.38</b>
	<b>Effective tax rate</b>	<b>16.61%</b>	19.94%

**Note:**

\* Deferred tax asset (net) pertains to the subsidiary TAAL Tech India Private Limited. Deferred tax calculations of the Parent Company results into deferred tax assets as at March 31, 2021 as well as at March 31, 2020. However, as a matter of prudence, the Parent Company has not recognized deferred tax assets as it is not probable that the Parent Company will have future taxable profits.

# TAAL Enterprises Limited

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### 32 Earnings per share

Basic earnings / (loss) per share amounts are calculated by dividing the profit / (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings / (loss) per share amounts are calculated by dividing the profit / (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following table reflects the income and share data used in the basic and diluted EPS computations:

Particulars	Year ended	Year ended
	March 31, 2021	March 31, 2020
Profit for the year attributable to equity shareholders of the parent company	3,180.32	1,728.37
Weighted average number of equity shares for basic EPS	31,16,342	31,16,342
Basic earnings per share (INR)	102.05	55.46
Diluted earnings per share (INR)	102.05	55.46

### 33 Employee benefits

The Group has calculated the various benefits provided to employees as under:

#### (A) Defined contribution plans

During the period, the Group has recognized the following amounts as an expense in the Consolidated Statement of Profit and Loss:-

Particulars	Year ended	Year ended
	March 31, 2021	March 31, 2020
a) Employer's contribution to provident fund	127.88	125.92
b) Employer's contribution to superannuation fund	0.70	0.44

#### (B) Defined benefit plans

Gratuity payable to employees

##### i) Actuarial assumptions:

Particulars	Gratuity	
	March 31, 2021	March 31, 2020
Discount rate (per annum)	6.50% - 7.60%	6.50% - 7.60%
Rate of increase in salary	8% - 10%	8% - 10%
Retirement age	58 years	58 years
Attrition rate	2% - 12%	2% - 12%

##### ii) Changes in the present value of defined benefit obligation:

Particulars	Gratuity	
	March 31, 2021	March 31, 2020
<b>Present value of obligation as at the beginning of the year</b>	<b>195.60</b>	171.60
Interest cost	12.97	11.40
Past service cost	-	(4.82)
Current service cost	59.06	47.12
Benefits paid	(4.14)	(33.65)
Actuarial (gain) / loss on obligation	(25.93)	3.96
<b>Present value of obligation as at the end of the year</b>	<b>237.55</b>	<b>195.60</b>

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

iii) **Changes in the fair value of plan assets are as follows:**

Particulars	Gratuity	
	March 31, 2021	March 31, 2020
<b>Fair value of plan assets at the beginning of the year</b>	<b>184.04</b>	192.74
Interest income on plan assets	<b>12.33</b>	13.86
Contributions by employer	-	-
Mortality charges and taxes	<b>(0.16)</b>	(1.78)
Benefits paid	-	(20.77)
Actuarial (gain)/ loss on plan assets	<b>0.43</b>	-
<b>Fair value of plan assets at the end of the period</b>	<b>196.65</b>	<b>184.04</b>

iv) **Expense recognised in the Consolidated Statement of Profit and Loss:**

Particulars	Gratuity	
	March 31, 2021	March 31, 2020
Current service cost	<b>59.06</b>	47.12
Past service cost	-	-
Interest cost	<b>0.64</b>	(2.46)
Actuarial (gain) / loss on obligations	<b>(26.36)</b>	-
<b>Total Expense recognized in the Consolidated Statement of Profit and Loss *</b>	<b>33.33</b>	<b>44.66</b>

\* Included in employee benefits expense (Refer note 27). Actuarial loss of INR 26.36 lakhs (March 31, 2020: INR (3.97) lakhs) is included in other comprehensive income.

v) **Assets and liabilities recognised in the Consolidated Balance Sheet:**

Particulars	Gratuity	
	March 31, 2021	March 31, 2020
Present value of unfunded obligation as at the end of the year	<b>237.55</b>	195.60
Fair value of plan assets at the end of the period	<b>(196.65)</b>	(184.04)
<b>Unfunded net liability recognised in the Consolidated Balance Sheet *</b>	<b>40.91</b>	<b>11.56</b>

\* Included in provision for employee benefits (Refer note 19).

vi) **A quantitative sensitivity analysis for significant assumption as at March 31, 2021 is as shown below:**

Particulars	Gratuity	
	March 31, 2021	March 31, 2020
<b>Impact on defined benefit obligation:</b>		
<b>Discount rate</b>		
1% increase	<b>255.43</b>	210.50
1% decrease	<b>221.83</b>	182.51
<b>Salary rate</b>		
1% increase	<b>223.89</b>	184.19
1% decrease	<b>252.74</b>	208.30

# TAAL Enterprises Limited

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### vii) Maturity profile of defined benefit obligation:

Particulars	Gratuity	
	March 31, 2021	March 31, 2020
<b>Years</b>		
Upto one year	<b>27.47</b>	19.44
One to two years	<b>21.56</b>	19.15
Two to three years	<b>26.53</b>	21.36
Three to four years	<b>42.49</b>	26.45
Four to five years	<b>41.63</b>	43.14
More than five years	<b>245.71</b>	232.28

(C) The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules to determine the financial impact are published.

### 34 Leases

#### Operating leases where Group is a lessee:

The Holding Company operates a chartered plane obtained under a lease agreement dated December 11, 2007 which is the sole aircraft being operated by the Company as a part of its business operations. As per the lease agreement with the lessor, the lease was for a period of 120 months which expired on December 11, 2017. During the year 2017-18, the Company and lessor agreed for an extension of the lease for a period of one year from December 12, 2017 to December 11, 2018. During the year 2018-19, the Company has entered into an amended lease agreement dated September 21, 2018 for the aircraft taken on lease from Cessna Finance Corporation extending the lease upto September 2020 for carrying on the business and activities related to the demerged charter business. Further, as per the purchase option agreement entered between the Company, lessor and First Airways Inc. (wholly owned subsidiary), First Airways Inc. has an option to purchase the aircraft at the end of lease period. On this basis, the Company intends to either renew the lease term or exercise the purchase option at the end of lease period through its subsidiary. In view of above, the lease is ended during the financials year and closed the both lease and purchase option agreement.

TAAL Tech India Private Limited (Subsidiary company) has entered into non-cancellable operating lease for its office premises with a lock-in-period of 4 years and six months. The operating lease payments recognized in the Statement of Profit and Loss for the year. The amounts disclosed in below table are undiscounted cash flow.

#### (A) Changes in the carrying value of right-of-use assets

##### (ia) Category of Right of Use Asset (Asset class 1 - Land & Buildings)

Particulars	March 31, 2021	March 31, 2020
Balance as at April 1, 2020	<b>814.97</b>	814.97
Depreciation / adjustments	<b>814.97</b>	366.55
Balance as at March 31, 2021	<b>-</b>	<b>448.42</b>

##### (ib) Category of Right of Use Asset (Asset class 2 - Land & Buildings)

Particulars	March 31, 2021	March 31, 2020
Balance as at April 1, 2020	<b>499.62</b>	499.62
Depreciation	<b>499.62</b>	(212.64)
Balance as at March 31, 2021	<b>-</b>	<b>286.98</b>

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### (ic) Category of Right of Use Asset (Asset class 3 - Aircraft lease)

Particulars	March 31, 2021	March 31, 2020
Balance as at April 1, 2020	278.01	278.01
Depreciation	278.01	139.65
Impairment	-	138.35
Balance as at March 31, 2021	-	-

### (ii) Future minimum rentals payable under non-cancellable operating leases are as follows:

Particulars	March 31, 2021	March 31, 2020
Within one year	512.37	363.67
After one year but not more than five years	-	386.46
More than five years	-	-

As per disclosures required under para B11 of Ind AS 107 - "Financial Instruments", in preparing the maturity analysis an entity uses its judgement to determine an appropriate number of time bands.

### (iii) Amounts recognized in the Consolidated Statement of Profit and Loss account

Particulars	March 31, 2021	March 31, 2020
Interest on lease liabilities	70.15	114.37
<b>Total</b>	<b>70.15</b>	<b>114.37</b>

### (iv) Amounts recognized in the Consolidated Statement of Cash Flows

Particulars	March 31, 2021	March 31, 2020
Total cash outflow for leases	116.84	(1,011.23)
<b>Total</b>	<b>116.84</b>	<b>(1,011.23)</b>

### 35 Contingent liabilities not provided for:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Claims against the Company not acknowledged as debt	-	2,300.00
Income-tax (tax on expenses subject to inadmissibility under income-tax laws)	98.81	10.11

Future cash outflows in respect of the above, if any, is determined only on receipt of judgment / decisions pending with relevant authorities. The Group does not expect the outcome of matter stated above to have a material adverse effect on the Group's financial condition, result of operations or cash flows.

### 36 Related party disclosures

#### (A) Names of related parties and description of relationship as identified and certified by the Group:

<b>Holding company</b> Vishkul Enterprises Pvt. Ltd.
<b>Entities under common control:</b> ISMT Limited Laurus Tradecon Private Limited (erstwhile known as Lighto Technologies Private Limited) First Airways Inc. Taneja Aerospace and Aviation Limited Katra Auto Engineering Private Limited Indian Seamless Enterprises Limited
<b>Key Management Personnel (KMP) and their relatives</b> Mr. Salil Taneja (Whole Time Director) Mr. Prakash Saralaya CEO & Whole Time Director of TAAL Tech India Private Limited (upto March 30, 2019)
<b>Non-Whole Time Director</b> Mrs. Rahael Shobhana Joseph Mr. Arvind Nanda Mr. Muralidhar Chittetti Reddy Mr. Shyam Powar (w.e.f. September 30, 2019)

# TAAL Enterprises Limited

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### (B) Details of transactions / balances with related parties for the year ended:

Sr. No.	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(i)	<b>Entities under common control:</b> <b>Taneja Aerospace and Aviation Limited</b>		
	- Loans given to related parties during the year	325.00	-
	- Loan re-paid by related parties during the year	(325.00)	-
	- Interest income	20.89	-
	- Rent paid	-	4.50
	- Commission paid	2.75	3.12
(ii)	<b>Key Management Personnel (KMP)</b>		
	- Mr. Salil Taneja (Managerial Remuneration inclusive of commission)	247.24	308.64
	- Mr. Prakash Saralaya (Buy back of shares)	-	650.00
	<b>Sitting fees</b>	10.57	7.00
	<b>Balance payable as at the end of the year</b>		
	- Mr. Salil Taneja	94.84	146.19

# Excludes contribution to gratuity fund and provision for leave encashment as separate figures are not ascertainable for the managerial personnel.

### (C) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free except for borrowings and settlement occurs in cash. For the year ended 31 March 2020, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2020: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

### 37 Pre-paid rent

On December 11, 2020 Subsidiary Company (TAAL Tech India Private Limited) has entered a lease agreement with K Damodhar HUF for the lease of the office space on the third floor of the building known as AKR Tech Park for a period of 9 years. Accordingly, interest-free rent deposits used to be recognized at fair value and balance used to be treated as prepaid rent, which was amortised over the period of lease. Lessees to initially recognize a lease liability for the obligation to make lease payments and a right of use asset for the right to use the underlying asset for the lease term. The lease liability is measured at the present value of the lease payments to be made over the lease term. The right of use asset is initially measured at the amount of the lease liability, adjusted for lease pre-payments, lease incentives received, the lessee's initial direct costs such as commissions and an estimate cost of restoration, removal and dismantling of an asset. Lessee increases the lease liability to reflect interest cost and reduce the same to reflect lease payments made over a period.

### 38 Fair values of financial assets and financial liabilities

The fair value of other current financial assets, cash and cash equivalents, trade receivables, trade payables, short-term borrowings and other financial liabilities approximate the carrying amounts because of the short-term nature of these financial instruments.

The amortized cost using Effective Interest Rate (EIR) of non-current financial assets consisting of security and term deposits are not significantly different from the carrying amounts.

Financial assets that are neither past due nor impaired include cash and cash equivalents, security deposits, term deposits, and other financial assets.

### 39 Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Level 1 - Quoted price in active markets</b>		
Investments in mutual funds (Quoted) designated as FVTPL :	100.80	2,531.41
<b>Level 2</b>	Nil	Nil
<b>Level 3</b>		
<u>Financial assets measured at amortized cost</u>		
Trade receivables	1,716.56	2,285.97
Security deposits	284.67	190.32
Cash and cash equivalents & Bank balances other than cash and cash equivalents	7,564.51	1,448.52
Other current financial assets	379.11	927.98
<u>Financial liabilities measured at amortized cost</u>		
Borrowings	-	-
Trade payables	335.60	401.54
Other current financial liabilities	894.85	2,190.67
<u>Financial assets and liabilities measured at amortized cost for which fair value are disclosed</u>		
Security deposits	275.16	177.69

The fair values of security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own and counterparty credit risk.

The significant unobservable inputs used in the fair value measurement categorized within level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2021 and March 31, 2020 are as shown below:

### Description of significant unobservable inputs to valuation:

<b>Financial instrument</b>	Security deposits
<b>Valuation technique</b>	DCF method
<b>Significant unobservable inputs</b>	Discounting rate
<b>Range (weighted average)</b>	10% - 14.5%
<b>Sensitivity of the input to fair value</b>	100 basis point increase / decrease in the discounting rate would result in decrease / increase in fair value by INR 6.00 lakhs (March 31, 2020: INR 11.36 lakhs).

The carrying amount of cash and cash equivalents, trade receivables, fixed deposits, trade payables, other payables and short-term borrowings are considered to be the same as their fair values.

## 40 Financial risk management objectives and policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is co-ordinated by the Board of Directors and focuses on securing long-term and short-term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

### (A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings. The Company is also exposed to fluctuations in foreign currency exchange rates.

#### (i) Interest-rate risk

Interest-rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to short-term borrowings with floating interest rates. The Group does not have any short-term or long-term borrowings from any of the bank or financial institutions, however presented below risk on future cash flow due to interest-rate risk.



# TAAL Enterprises Limited

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/ (decrease) in basis points	Effect on profit before tax
<b>March 31, 2021</b>		
INR	+0.45%	-
INR	-0.45%	-
<b>March 31, 2020</b>		
INR	+0.45%	-
INR	-0.45%	-

### (ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a different currency from the Group's functional currency).

### Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rate (or any other material currency), with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities). The Group's exposure to foreign currency changes for all other currencies is not material.

Particulars	(i)		(ii)		(iii)		(iv)	
	Change in US \$ rate	Effect on profit before tax	Change in NOK rate	Effect on profit before tax	Change in US \$ rate	Effect on profit before tax	Change in NOK rate	Effect on profit before tax
<b>March 31, 2021</b>								
INR	+2.5%	191.35	+5%	1.06	+2%	79.79	+1.5%	4.02
INR	-2.5%	(191.35)	-5%	(1.06)	-2%	(79.79)	-1.5%	(4.02)
<b>March 31, 2020</b>								
INR	+2.5%	40.80	+5%	0.97	+2%	13.31	+1.5%	1.84
INR	-2.5%	(40.80)	-5%	(0.97)	-2%	(13.31)	-1.5%	(1.84)

### (B) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Group's receivables from deposits with landlords, loans and advances and other statutory deposits with regulatory agencies and also arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

The Group limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts. The Group does a proper financial and credibility check on the entities to whom such loans and advances and security deposits are given. The Group does not foresee any credit risks on deposits with regulatory authorities.

The Company's maximum exposure to credit risk for the components of the Balance Sheet at March 31, 2021 and March 31, 2020 is the carrying amounts as mentioned in notes 7 to 16.

### (C) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The table below summarises the maturity profile of the Group's financial liabilities:

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
<b>March 31, 2021</b>				
Short-term borrowings	-	-	-	-
Long-term borrowings	-	-	-	-
Trade payables	335.60	-	-	335.60
Other financial liabilities	894.85	-	-	894.85
<b>Total</b>	<b>1,230.45</b>	<b>-</b>	<b>-</b>	<b>1,230.45</b>
<b>March 31, 2020</b>				
Short-term borrowings	-	-	-	-
Long-term borrowings	-	-	-	-
Trade payables	401.54	-	-	401.54
Other financial liabilities	2,190.67	-	-	2,190.67
<b>Total</b>	<b>2,592.20</b>	<b>-</b>	<b>-</b>	<b>2,592.20</b>

### 41 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity shareholders. The primary objective of the Group's capital management is to maximise the shareholder value and to ensure the Group's ability to continue as a going concern.

The Group monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. The Group does not have any debt. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Particulars		March 31, 2021	March 31, 2020
Total equity	(i)	7,625.73	5,052.80
Total debt	(ii)	-	-
Overall financing	(iii) = (i) + (ii)	7,625.73	5,052.80
Gearing ratio	(ii) / (iii)	-	-

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.

#### Dividends

Particulars	March 31, 2021	March 31, 2020
(i) Equity Shares		
<u>Dividend distributed by Parent Company</u>		
Interim dividend for the year ended March 31, 2021 of INR 20/-	623.27	-

(March 31, 2020 - INR Nil) per fully paid-up equity share

No dividend distributed by Subsidiary Company (TAAL Tech India Private Limited) pertaining to non-controlling interest.

# TAAL Enterprises Limited

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### 42 Interest in other entities

#### (a) Subsidiaries

The Group's subsidiaries as at March 31, 2021 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held by the Group, and proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of entity	Country of incorporation	Ownership interest held by the group	Ownership interest held by the non-controlling interest
TAAL Tech India Private Limited and its subsidiaries	India	89%	11%
First Airways Inc., USA	USA	100%	-

#### (b) Non-controlling interests

Below is the summarised financial information (Consolidated financial information) for TAAL Tech India Pvt. Ltd. that has non-controlling interests that is material to the Group. The amounts disclosed for the subsidiary are before inter-company eliminations with the parent company.

##### (i) Information regarding non-controlling interest:

Particulars	March 31, 2021	March 31, 2020
Accumulated balances of material non-controlling interest:		
-TAAL Tech India Private Limited (TTIPL)	-	-

##### (ii) Summarised Statement of Consolidated Profit and Loss of TTIPL:

Particulars	March 31, 2021	March 31, 2020
Revenue	10,491.80	12,563.10
Other income	774.55	661.96
<b>Total Income</b>	<b>11,266.35</b>	<b>13,225.06</b>
Purchases	-	-
Employee benefits expense	6,440.32	7,470.93
Finance costs	78.23	133.59
Depreciation and amortization expense	224.51	440.46
Other expenses	1,746.55	1,972.05
<b>Total Expenses</b>	<b>8,489.60</b>	<b>10,017.03</b>
<b>Profit/(Loss) before tax</b>	<b>2,776.75</b>	3,208.03
Income tax expense	556.14	626.97
<b>Profit/(Loss) for the year</b>	<b>2,220.61</b>	2,580.96
Other comprehensive income for the year	17.86	37.51
<b>Total Comprehensive income for the year</b>	<b>2,238.47</b>	<b>2,618.07</b>
<b>Total Comprehensive Income attributable to:</b>		
Equity shareholders of parent company	2,238.47	2,410.57
Non-controlling interest	-	208.00

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### (iii) Summarised Consolidated Balance Sheet of TTIPL:

Particulars	March 31, 2021	March 31, 2020
Property, plant and equipment and Intangible assets	57.48	65.24
Financial assets (Non-current)	275.16	180.82
Deferred tax asset (net)	294.99	419.43
Right to use assets	-	448.42
Other non-current assets	64.35	-
Financial assets (Current)	8,331.53	5,871.22
Other current assets	570.11	1,200.76
<b>Total Assets</b>	<b>9,593.63</b>	<b>8,185.88</b>
Other non-current liabilities and provisions	88.90	27.70
Financial liabilities (Current)	1,177.35	2,262.92
Other current liabilities and provisions	2,102.88	1,909.22
<b>Total Liabilities</b>	<b>3,369.12</b>	<b>4,199.83</b>
<b>Total Equity</b>	<b>6,224.51</b>	<b>3,986.05</b>
<b>Total Equity attributable to :</b>		
Equity shareholders of parent company	6,224.51	3,986.05
Non-controlling interest	-	-

### (iv) Summarised Consolidated Cash Flow Statement of TTIPL:

Particulars	March 31, 2021	March 31, 2020
Net cash flow from / (used in) operating activities	3,058.41	3,502.19
Net cash flow from / (used in) investing activities	1,943.81	(2,372.41)
Net cash flow from / (used in) financing activities	-	(765.55)
Net increase/ (decrease) in cash and cash equivalents and bank balances other than cash and cash equivalents	<b>5,002.22</b>	<b>364.23</b>

**43** In terms of the Scheme of Arrangement under section 391 to 394 of the Companies Act, 1956 (“the Scheme”) between Taneja Aerospace and Aviation Limited (TAAL) and TAAL Enterprises Limited (“the Company”), TAAL has demerged its Air Charter Business including investment in First Airways Inc., USA and Engineering Design Services Business conducted through TAAL Tech India Private Limited into the Company. Pursuant to the Scheme as sanctioned by the Hon’ble High Court of Madras vide order dated June 22, 2015, received on July 23, 2015, the Air Charter Business of TAAL including investment in First Airways Inc., USA and Engineering Design Services Business conducted through TAAL Tech India Private Limited has been demerged into the Company on a going concern basis with effect from October 1, 2014 being the appointed date. The certified copy of the said order of the Hon’ble High Court of Madras has been filed with the Registrar of Companies, Chennai on August 21, 2015 and as such the Scheme has become effective from that date.

As per Clause 9.2 of the Scheme of Arrangement as approved / sanctioned by the Hon’ble Madras High Court, Taneja Aerospace and Aviation Limited (TAAL) will carry on the business and activities relating to the demerged charter business for and on account of and in trust for TAAL Enterprises Limited (TEL) until the time TEL obtains the requisite statutory licences required for carrying on the demerged charter business. The said licences are yet to be obtained and accordingly the demerged charter business has continued to be operated by TAAL in trust for and on behalf of TEL including banking transactions, statutory compliances and all other commercial activities. Accordingly, the accounting entries pertaining to the demerged charter business are accounted in the books of account of TEL.

## 44 Segment reporting

### A) Business segments

The primary reporting of the Group has been performed on the basis of business segment. The Chief Operating Decision Maker (CODM) reviews the operations of the Group as three operating segments viz., “Air Charter”, “Trading of Goods” and “Engineering Design Services”. Segments have been identified and reported based on the nature of the service, the risks and returns, the organization structure and the internal financial reporting systems.

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Air Charter	Trading of Goods	Engineering Design Services	Total 2020-21	Air Charter	Trading of Goods	Engineering Design Services	Total 2019-20
<b>a. Segment revenue</b>								
Segmental revenue from : External sales and services	-	-	10,491.80	10,491.80	425.30	2.54	12,563.10	12,990.94
<b>Total Segment revenue</b>	-	-	10,491.80	10,491.80	425.30	2.54	12,563.10	12,990.94
<b>b. Segment result</b>								
<b>Operating Profit / (Loss)</b>	1,064.55	(3.26)	2,854.98	3,918.44	7.63	(16.60)	3,341.39	3,332.41
Less: Finance costs			104.71	104.71				176.70
Less: Exceptional items								
- Impairment of assets			-	-				594.63
<b>Profit / (Loss) before tax</b>			3,813.73	3,813.73				2,561.09
Less: Tax (benefit) / expense			633.41	633.41				629.38
<b>Profit / (Loss) after tax</b>			3,180.32	3,180.32				1,931.71
<b>c. Other information</b>								
Segment assets	1,401.43	71.26	9,593.63	11,066.31	1,333.72	80.10	8,185.53	9,599.34
Segment liabilities	71.48	-	3,369.10	3,440.58	396.15	-	4,150.40	4,546.54
Capital employed	1,329.95	71.26	6,224.53	7,625.73	937.57	80.10	4,035.13	5,052.80
<b>d. Cost incurred for acquiring:</b>								
Assets	-	-	24.91	24.91	-	-	35.33	35.33
Segment depreciation	3.41	-	32.67	36.08	3.14	-	73.91	77.05

### Note:

- (i) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment.
- (ii) Segment assets and segment liabilities represent assets and liabilities in respective segments.

### B) Geographical segments

Secondary segmental reporting of the Group has been performed on the basis of the geographical location of customers. The Management views the Indian market and export markets as distinct geographical segments. The following is the distribution of the Group's sale by geographical markets:

Particulars	India	Outside India	Total 2020-21	India	Outside India	Total 2019-20
<b>Revenue</b>	-	10,491.80	10,491.80	425.30	12,565.64	12,990.94

**Note:** The Management believes that it is currently not practicable to provide disclosure of geographical location-wise assets, since the meaningful segregation of the available information is onerous.

### Major customers

Revenue from two customers of the Group's engineering design services amounting to INR 2829.66 lakhs (March 31, 2020: Revenue from one customer amounting to INR 2187.34 lakhs) is more than 10% of the total revenue of the Group.

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### 45 Corporate Social Responsibility expenditure (CSR)

	Particulars	March 31, 2021		March 31, 2020	
		Paid in cash	Yet to be paid in cash	Paid in cash	Yet to be paid in cash
(a)	Gross amount required to be spent by the Group during the year	<b>54.52</b>		41.14	
(b)	Details of amount spent towards CSR is as follows:				
(i)	Construction / acquisition of any asset	-	-	-	-
(ii)	On purposes other than (i) above	54.52	-	16.02	25.12

### 46 Disclosure of additional information, as required under Schedule III to the Companies Act, 2013, pertaining to the parent company and subsidiaries:

#### (i) Net Assets (Total Assets – Total Liabilities)

Name of the company	March 31, 2021		March 31, 2020	
	As % of Consolidated net assets	Net assets	As % of Consolidated net assets	Net assets
<b>Parent company</b>				
TAAL Enterprises Limited	<b>17.44%</b>	<b>1,329.95</b>	18.56%	937.57
<b>Indian subsidiary</b>				
<b>Direct subsidiary</b>				
TAAL Tech India Pvt. Ltd.	<b>67.61%</b>	<b>5,155.95</b>	60.45%	3,054.37
<b>Foreign subsidiaries</b>				
<b>Direct subsidiary</b>				
First Airways, Inc., USA	<b>0.93%</b>	<b>71.26</b>	1.59%	80.10
<b>Indirect subsidiaries</b>				
TAAL Technologies Inc, USA	<b>13.62%</b>	<b>1,038.60</b>	18.01%	910.09
TAAL Tech Innovations GmbH, Austria	<b>0.00%</b>	-	0.00%	-
TAAL Tech GmbH, Switzerland	<b>0.39%</b>	<b>29.98</b>	<b>1.40%</b>	<b>70.66</b>
	<b>100%</b>	<b>7,625.73</b>	100%	5,052.80
<u>Adjustment arising on consolidation</u>		-		-
Non-controlling interest		-		-
<b>TOTAL</b>		<b>7,625.73</b>		<b>5,052.80</b>

Note: The above figures are stated at gross values after eliminating investment in subsidiaries and goodwill arising on consolidation but without eliminating intra-group balances.

# TAAL Enterprises Limited

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### (ii) Share in Profit or Loss

Name of the company	March 31, 2021		March 31, 2020	
	As % of Consolidated profit / (loss)	Profit / (Loss)	As % of Consolidated profit / (loss)	Profit / (Loss)
<b>Parent company</b>				
TAAL Enterprises Limited	30.32%	964.41	-7.24%	(172.83)
<b>Indian subsidiary</b>				
<b>Direct subsidiary</b>				
TAAL Tech India Pvt. Ltd.	54.59%	1,736.25	99.83%	2,383.95
<b>Foreign subsidiaries</b>				
<b>Direct subsidiary</b>				
First Airways, Inc., USA	-0.22%	(6.87)	-0.89%	(21.16)
<b>Indirect subsidiaries</b>				
TAAL Technologies Inc, USA	15.15%	481.92	8.09%	193.10
TAAL Tech Innovations GmbH, Austria	0.00%	-	0.00%	-
TAAL Tech GmbH, Switzerland	0.14%	4.61	0.21%	4.92
	<b>100%</b>	<b>3,180.32</b>	<b>100%</b>	<b>2,387.99</b>
Adjustment arising on consolidation		-		(456.27)
<b>TOTAL</b>		<b>3,180.32</b>		<b>1,931.72</b>

Note: The above figures are stated at gross values without eliminating intra-group transactions.

### (iii) Share in Other Comprehensive Income (OCI)

Name of the company	March 31, 2021		March 31, 2020	
	As % of Consolidated Other Comprehensive Income	Other Comprehensive Income	As % of Consolidated Other Comprehensive Income	Other Comprehensive Income
<b>Parent company</b>				
TAAL Enterprises Limited	0.00%	-	0.00%	-
<b>Indian subsidiary</b>				
<b>Direct subsidiary</b>				
TAAL Tech India Pvt. Ltd.	247.52%	39.32	83.58%	37.51
<b>Foreign subsidiaries</b>				
<b>Direct subsidiary</b>				
First Airways, Inc., USA	-12.42%	(1.97)	16.42%	7.37
<b>Indirect subsidiaries</b>				
TAAL Technologies Inc, USA	-132.14%	(20.99)	0.00%	-
TAAL Tech Innovations GmbH, Austria	0.00%	-	0.00%	-
TAAL Tech GmbH, Switzerland	-2.96%	(0.47)	0.00%	-
<b>TOTAL</b>	<b>100%</b>	<b>15.88</b>	<b>100%</b>	<b>44.88</b>

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

### (iv) Share in Total Comprehensive Income

Name of the company	March 31, 2021 As % of Consolidated Total Comprehensive Income	Total Comprehensive Income	March 31, 2020 As % of Consolidated Total Comprehensive Income	Total Comprehensive Income
<b>Parent company</b>				
TAAL Enterprises Limited	30.17%	964.41	-7.11%	(172.83)
<b>Indian subsidiary</b>				
<b>Direct subsidiary</b>				
TAAL Tech India Pvt. Ltd.	55.55%	1,775.57	99.57%	2,421.47
<b>Foreign subsidiaries</b>				
<b>Direct subsidiary</b>				
First Airways, Inc., USA	-0.28%	(8.85)	-0.57%	(13.80)
<b>Indirect subsidiaries</b>				
TAAL Technologies Inc, USA	14.42%	460.93	7.94%	193.10
TAAL Tech Innovations GmbH, Austria	0.00%	-	0.00%	-
TAAL Tech GmbH, Switzerland	0.13%	4.14	0.20%	4.92
	<b>100%</b>	<b>3,196.20</b>	<b>100%</b>	<b>2,431.86</b>
Adjustment arising on consolidation		-		(456.27)
<b>TOTAL</b>	<b>100%</b>	<b>3,196.20</b>	<b>100%</b>	<b>1,975.59</b>

### 47 Goodwill impairment testing :

#### (a) Goodwill

Particulars	March 31, 2021	March 31, 2020
Capital reserve on acquisition of TAAL Tech India Pvt. Ltd.	65.77	65.77
Goodwill on acquisition of First Airways Inc. USA	-	-
<b>Net (Goodwill)/ Capital Reserve</b>	<b>65.77</b>	<b>65.77</b>

#### (b) Impairment testing of goodwill and intangible assets with indefinite lives

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows, effect if any on goodwill is appropriately given. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Group's Cash Generating Units (CGU's) or groups of CGU's expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU.

Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill is recognized in the Consolidated Statement of Profit and Loss and is not reversed in the subsequent period (if any).



# TAAL Enterprises Limited

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Following is a summary of changes in the carrying amount of goodwill :

Particulars	March 31, 2021	March 31, 2020
Carrying value at the beginning	-	456.27
Goodwill on acquisition	-	-
Impairment of goodwill	-	(456.27)
Translation differences	-	-
<b>Carrying value at the end</b>	<b>-</b>	<b>-</b>

Based on the impairment assessment performed by the Company, the goodwill relating to subsidiary - First Airways Inc. has been impaired.

### 48 A) Contingent liabilities (to the extent not provided for)

Particulars	As at March 31, 2021	As at March 31, 2020
Claims against the Company not acknowledged as debts: - Custom duty	<b>622.67</b>	622.67

### B) Capital and other commitments (to the extent not provided for)

Particulars	As at March 31, 2021	As at March 31, 2020
Bank Guarantees	<b>312.00</b>	312.00

49 The Parent Company operates a chartered plane obtained under a lease agreement dated December 11, 2007 which is the sole aircraft being operated by the Company as a part of its business operations. As per the lease agreement with the lessor, the lease was for a period of 120 months which expired on December 11, 2017. During the year 2017-18, the Company and lessor agreed for an extension of the lease for a period of one year from December 12, 2017 to December 11, 2018. During the year 2018-19, the Company has entered into an amended lease agreement dated September 21, 2018 for the aircraft taken on lease from Cessna Finance Corporation extending the lease up to September 2020 for carrying on the business and activities related to the demerged charter business. Further, as per the purchase option agreement entered between the Company, lessor and First Airways Inc. (wholly owned subsidiary), First Airways Inc. has an option to purchase the aircraft at the end of lease period. On this basis, the Company intends to either renew the lease term or exercise the purchase option at the end of lease period through its subsidiary.

During the year ended March 31, 2020, the leased aircraft (Right-of-use asset) operated by the Parent Company as part of the charter business had veered off the runway during a landing, resulting in damage to the aircraft. This mishap has caused damage to the aircraft. The aircraft remains grounded since the incident on September 12, 2019. Pursuant to the above, the ROU has been fully impaired and recorded as an exceptional item. In view of the above both lease and the option agreement were mutually terminated during the year.

50 In the opinion of the Board, current assets and loans and advances are of the value stated if realised in the ordinary course of business. Further, provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.

51 Effective from tuesday, July 05, 2016 the equity shares of the parent company got listed and admitted to dealings on the Bombay Stock Exchange.

### 52 Buyback of Shares

During the year ended March 31, 2020 the Subsidiary of the Company (TAAL Tech India Private Limited - "TTIPL") has approved to buyback 1,50,000 equity shares from Mr. Prakash Saralaya. The buyback will be completed on a progressive basis by April 2023 in 3 equal tranches as per terms and other conditions of the buyback agreement. Pursuant to the aforementioned the first tranche of the buyback has been completed.

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(All amounts in INR lakhs, unless otherwise stated)

Pursuant to the Board Resolution Approvals of TTIPL received on March 29, 2021, 50,000 equity shares of the TTIPL which are issued, subscribed and paid-up equity capital of the TTIPL were bought back from an eligible shareholder as on the notified record date at a price of INR 1,500 per equity share. Pursuant to the aforementioned the second tranche of the buy back has been completed subsequent to year ended on March 31, 2021.

- 53** The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Indian Government announced a strict 21 day lockdown across the country to contain the spread of the virus, which has been / was further extended till May 3, 2020. This pandemic and government response are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown. The management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2021 and has concluded that there is no impact which is required to be recognized in the financial statements. Accordingly, no adjustments have been made to the financial statements.
- 54** During the quarter ended June 30, 2020 a step-down foreign subsidiary TAAL Technologies, Inc., USA of the parent company, has availed loan of USD 494,553 (equivalent to INR 370 lakhs) under Paycheck Protection Programme from IDAHO First Bank through SBA United States Federal Government under the scheme to support small businesses during COVID 19 pandemic. The loan has been forgiven fully as on May 10, 2021 and the same has been accounted as income in the books of TAAL Technologies, Inc. in FY20-21.
- 55** The directors of Subsidiary Company (Taal Tech India Private Limited) have recommended the payment of final dividend of INR 95/- per fully paid-up equity share (March 31, 2020 : INR Nil) in board meeting held June 11, 2021. This proposed dividend is subject to the approval of shareholders in ensuing annual general meeting.
- 56** Previous year figures have been re-grouped / re-classified to confirm presentation as per Ind AS as required by Schedule III of the Act.

As per our report of even date attached

**For V. P. Thacker & Co.**  
**Chartered Accountants**  
Firm Registration No. 118696W

**Abuali Darukhanawala**  
Partner  
Membership No. 108053

Place: Mumbai  
Date: June 11, 2021

**For and on behalf of the Board of Directors of**  
**TAAL Enterprises Limited**  
CIN: L62200TN2014PLC096373

**Salil Taneja**  
Chairman  
DIN: 00328668

Place: Pune  
Date: June 11, 2021

**Jitendra R. Muthiyan**  
Chief Financial Officer

Place: Pune  
Date: June 11, 2021

# TAAL Enterprises Limited

## AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013  
read with rule 5 of Companies (Accounts) Rules, 2014)

### Statement containing salient features of the financial statement of Subsidiaries/Associate Companies

#### PART "A": SUBSIDIARIES

(Rs. in Lakhs)

Sr. No.	Name of Subsidiary	Reporting Currency in case of foreign subsidiaries <sup>A</sup>	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) Before Taxation	Provision for Taxation	Profit / (Loss) After Taxation	Proposed Dividend	% of Shareholding
1	TAAL Tech India Private Limited	Rs	95.00	5060.94	9149.37	3993.43	32.58	10491.80	2241.48	507.40	1734.08	Rs. 95/- per share	89.47%
2	TAAL Technologies Inc. USA	US \$	18.88	1038.60	1169.37	111.89	0.00	2183.40	529.91	47.98	481.92	Nil	100%
3	TAAL Tech GmbH, Switzerland	CHF	13.70	29.98	60.18	16.50	0.00	112.53	5.36	0.76	4.60	Nil	100%
4	TAAL Tech GmbH, Austria	Euro	19.34	-	-	-	-	-	-	-	-	Nil	100%
5	First Airways Inc., USA	US \$	477.49	(406.23)	71.26	-	-	-	(3.32)	3.55	(6.87)	Nil	100%

<sup>A</sup> Exchange rate as on March 31, 2021: 1US \$=Rs.73.5047, 1CHF=Rs. 77.6902

#### Notes:

A Name of Subsidiaries which are yet to commence operations- None

B Name of Subsidiaries which have been liquidated or sold during the year - Nil

#### PART "B": ASSOCIATES AND JOINT VENTURES - None

For and on behalf of the Board of Directors

Salil Taneja  
Chairman

Jitendra Muthiyan  
Chief Financial Officer

DIN: 00328668

Pune, June 11, 2021

Pune, June 11, 2021