



## Taneja Aerospace and Aviation Limited

Registered Office & Service Facility :  
Thally Road, Belagondapally-635 114. Denkanikottai Taluk,  
Krishnagiri Dist., Tamilnadu, INDIA  
Tel: +91 (04347) 233508, 233678 Website : www.taal.co.in

CIN L62200TZ1988PLC014480

TAAL/SEC/18-19

Date: 29 May 2018

To,  
BSE Limited

Dear Sirs,

**Subject: Outcome of Board Meeting**

Following is the outcome of the Board meeting held today, May 29, 2018, at 11:45 AM which concluded at 3:05 PM

The Board of Directors of the Company has approved Audited Financial Results (Standalone and Consolidated) for the quarter & year ended March 31, 2018. In compliance with the SEBI (LODR) Regulations, 2015 (Listing Regulations) we are enclosing herewith the said Results and the Auditors Reports (Standalone and Consolidated) for the quarter & year ended March 31, 2018 along with a declaration pursuant to second proviso to Regulation 33(3)(d) of the Listing Regulations as amended.

Pursuant to Regulation 30(5) of the SEBI (LODR) Regulations, 2015, the Board has authorized the following Key Managerial Personnel (KMP), to determine and disseminate the materiality of an event or information to the Stock Exchange in addition to the existing:

Name of KMP	Mr. Arif Ahmad, Chief Financial Officer
Contact details	<b>Taneja Aerospace and Aviation Limited</b> Belagondapalli Village, Thally Road, Denkanikottai Taluk, Krishnagiri District, Belgaondapalli – 635114, Tamil Nadu Phone: 04347-233508 E-mail: secretarial@taal.co.in

Please take the same on your record.

With Kind Regards

For Taneja Aerospace and Aviation Limited

*Arif Ahmad*  
Chief Financial Officer



Encl.: As above



**Taneja Aerospace and Aviation Limited**

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CIN L62200TZ1988PLC014466

TAAL/SEC/18-19

Date: 29 May 2018

To,  
BSE Limited

Dear Sirs,

Sub.: Declaration pursuant to Regulation 33(3)(d) of SEBI (LODR) Regulations,  
2015 as amended

**DECLARATION**

It is hereby declared that, the Statutory Auditors of the Company viz. M/s. MSKA & Associates (Formerly known as MZSK & Associates), Chartered Accountants, have issued Audit Reports on standalone and consolidated audited financial results of the Company for the financial year ended March 31, 2018 with unmodified opinion (except for emphasis of matter).

Please take the same on your record and oblige.

Best Regards,

**For Taneja Aerospace and Aviation Limited**

*Arif Ahmad*  
Chief Financial Officer



**TANEJA AEROSPACE AND AVIATION LIMITED**

Regd. office : Belagondapalli Village, Thally Road, Denkanikottai Taluk, Krishnagiri Dist., Belagondapalli - 635 114, Tamil Nadu, India  
Phone : +91 4347 233 508, Fax : +91 4347 233 414, E-mail : secretarial@taal.co.in, Web : www.taal.co.in, CIN L62200TZ1988PLC014460

**STATEMENT OF ASSETS AND LIABILITIES**

(Rs. in Lacs)

Particulars	STANDALONE		CONSOLIDATED	
	As at 31st March 2018	As at 31st March 2017	As at 31st March 2018	As at 31st March 2017
	Audited	Audited	Audited	Audited
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	10,063.73	10,132.96	10,713.08	10,782.31
Capital work-in-progress	1.08	-	1.08	-
Investment property	1,222.27	1,269.09	1,222.27	1,269.09
Goodwill on consolidation	-	-	0.78	0.78
<b>Financial assets</b>				
Investments	651.05	651.05	-	-
Deferred tax asset (net)	134.69	146.38	134.69	146.38
Other non-current assets	205.72	198.33	205.47	198.33
<b>Total non-current assets</b>	<b>12,278.54</b>	<b>12,397.81</b>	<b>12,277.37</b>	<b>12,396.89</b>
<b>Current assets</b>				
Inventories	487.40	407.37	487.40	407.37
<b>Financial assets</b>				
Trade receivables	425.32	890.05	425.32	890.04
Cash and cash equivalents	514.72	294.23	514.76	294.40
Bank balances other than cash and cash equivalents	89.26	85.03	89.26	85.03
Loans	189.67	160.74	189.67	160.49
Current tax assets (net)	371.91	413.74	371.91	413.66
Other current assets	291.43	80.03	291.43	80.03
<b>Total current assets</b>	<b>2,369.71</b>	<b>2,331.19</b>	<b>2,369.75</b>	<b>2,331.02</b>
<b>TOTAL ASSETS</b>	<b>14,648.25</b>	<b>14,729.00</b>	<b>14,647.12</b>	<b>14,727.91</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity share capital	1,246.54	1,246.54	1,246.54	1,246.54
Other equity	7,532.82	7,504.06	7,531.60	7,502.97
<b>Total Equity</b>	<b>8,779.36</b>	<b>8,750.60</b>	<b>8,778.14</b>	<b>8,749.51</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
<b>Financial liabilities</b>				
Borrowings	2,517.02	1,898.13	2,517.02	1,898.13
Other financial liabilities	128.36	111.81	128.45	111.81
Provisions	202.13	176.92	202.13	176.92
Other non-current liabilities	562.41	526.66	562.41	526.66
<b>Total non-current liabilities</b>	<b>3,409.92</b>	<b>2,713.52</b>	<b>3,410.01</b>	<b>2,713.52</b>
<b>Current liabilities</b>				
<b>Financial liabilities</b>				
Borrowings	293.71	891.18	293.71	891.18
Trade payables	472.15	316.59	472.15	316.59
Other financial liabilities	1,409.75	1,302.64	1,409.75	1,306.22
Other current liabilities	272.98	739.39	272.98	739.39
Provisions	10.34	15.00	10.34	11.42
Current tax liabilities (net)	0.04	0.08	0.04	0.08
<b>Total current liabilities</b>	<b>2,458.97</b>	<b>3,264.88</b>	<b>2,458.97</b>	<b>3,264.88</b>
<b>Total liabilities</b>	<b>5,868.89</b>	<b>5,978.40</b>	<b>5,868.98</b>	<b>5,978.40</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>14,648.25</b>	<b>14,729.00</b>	<b>14,647.12</b>	<b>14,727.91</b>




**TANEJA AEROSPACE AND AVIATION LIMITED**

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**STATEMENT OF STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2018**

(Rs. In Lacs, unless otherwise stated)

S.N.	Particulars	STANDALONE				CONSOLIDATED		
		Qtr ended	Qtr ended	Qtr ended	Year ended	Year ended	Year ended	Year ended
		31-Mar-18	31-Dec-17	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
		Note 2	(Unaudited)	Note 2	(Audited)	(Audited)	(Audited)	(Audited)
<b>1</b>	<b>Income from operations</b>							
	Revenue from operations other than trading activities	733.37	679.15	833.42	2,862.53	3,724.06	2,862.53	3,724.06
	Trading Activities	-	8.89	-	288.43	-	288.43	-
	Other Income	45.60	28.72	67.34	95.79	172.23	95.79	172.23
	<b>Total Income from operations</b>	<b>778.97</b>	<b>716.76</b>	<b>900.76</b>	<b>3,246.75</b>	<b>3,896.29</b>	<b>3,246.75</b>	<b>3,896.29</b>
<b>2</b>	<b>Expenses</b>							
	(a) Cost of materials consumed	64.56	63.23	140.17	355.91	715.64	355.91	715.64
	(b) Purchase of stock-in-trade	-	8.47	-	276.31	-	276.31	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	58.72	(17.05)	16.20	(20.49)	292.19	(20.49)	292.19
	(d) Excise Duty	-	-	0.18	0.46	6.97	0.46	6.97
	(e) Employee benefits expense	241.58	239.06	249.22	972.83	1,050.38	972.83	1,050.38
	(f) Finance Costs	122.78	125.42	138.57	501.15	576.06	501.20	576.06
	(g) Depreciation and amortisation expense	75.06	74.58	45.52	294.07	303.78	294.07	303.79
	(h) Administration and Other expenses							
	i- Legal, Professional & Consultancy Chgs	80.27	66.35	48.62	298.11	155.85	298.11	155.85
	ii-Other Expenses	115.86	106.33	214.43	541.71	719.47	541.79	719.55
	<b>Total expenses (a to h)</b>	<b>758.83</b>	<b>666.39</b>	<b>852.91</b>	<b>3,220.06</b>	<b>3,820.34</b>	<b>3,220.19</b>	<b>3,820.43</b>
<b>3</b>	<b>Profit / (Loss) before exceptional items and tax (1 - 2)</b>	<b>20.14</b>	<b>50.37</b>	<b>47.85</b>	<b>26.69</b>	<b>75.95</b>	<b>26.56</b>	<b>75.86</b>
<b>4</b>	<b>Exceptional Items</b>	-	-	-	-	-	-	-
<b>5</b>	<b>Profit / (Loss) before tax (3 - 4)</b>	<b>20.14</b>	<b>50.37</b>	<b>47.85</b>	<b>26.69</b>	<b>75.95</b>	<b>26.56</b>	<b>75.86</b>
<b>6</b>	<b>Income Tax expense</b>							
a	Current Tax	-	-	-	-	4.79	-	4.79
b	Deferred Tax	2.92	2.92	-	11.69	-	11.69	-
<b>7</b>	<b>Total Income Tax expense (a to b)</b>	<b>2.92</b>	<b>2.92</b>	<b>-</b>	<b>11.69</b>	<b>4.79</b>	<b>11.69</b>	<b>4.79</b>
<b>8</b>	<b>Profit / (Loss) for the period after tax (5 - 7)</b>	<b>17.22</b>	<b>47.45</b>	<b>47.85</b>	<b>15.00</b>	<b>71.16</b>	<b>14.87</b>	<b>71.07</b>
<b>9</b>	<b>Other comprehensive income (OCI), net of tax</b>							
	Re-measurement gains/ (losses) on defined benefit plans	13.75	-	4.65	13.75	4.65	13.75	4.65
	Income tax effect	-	-	-	-	-	-	-
		13.75	-	4.65	13.75	4.65	13.75	4.65
<b>9</b>	<b>Other comprehensive income for the year</b>	<b>13.75</b>	<b>-</b>	<b>4.65</b>	<b>13.75</b>	<b>4.65</b>	<b>13.75</b>	<b>4.65</b>
<b>10</b>	<b>Total other comprehensive income for the period (8 + 9)</b>	<b>30.97</b>	<b>47.45</b>	<b>52.50</b>	<b>28.75</b>	<b>75.81</b>	<b>28.62</b>	<b>75.72</b>
<b>11</b>	<b>Paid-up equity share capital (Face value of Rs. 5/- each)</b>	<b>1246.54</b>	<b>1246.54</b>	<b>1246.54</b>	<b>1246.54</b>	<b>1246.54</b>	<b>1246.54</b>	<b>1246.54</b>
<b>12</b>	<b>Earnings / (Loss) per share (of Rs 5/- each) (not annualised):</b>							
	(a) Basic earnings / (loss) per share (INR)	0.07	0.19	0.19	0.06	0.29	0.06	0.29
	(b) Diluted earnings / (loss) per share (INR)	0.07	0.19	0.19	0.06	0.29	0.06	0.29
	See accompanying notes to the financial results							



**Notes to the financial results:**

- This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning April 1, 2017, the Company has for the first time adopted Ind AS with a transition date of April 1, 2016.
- Figures of the quarter ended 31st March 2018 & 2017 are the balancing figures between audited figures in respect of full Financial Year and published year to date figures for nine months ended 31st December 2017 & 2016.
- Revenue from operations has been presented in accordance with Ind AS 18. Excise duty has been presented as expense.
- The reconciliation of the financial results to those reported under previous Generally Accepted Accounting Principle (GAAP) are summarised as follows:

Description	Standalone		Consolidated
	Quarter Ended 31-Mar-17	Twelve months ended 31-Mar-17	Twelve months ended 31-Mar-17
		(AUDITED)	(AUDITED)
<b>Net Profit / (Loss) reported as per previous GAAP (Indian GAAP)</b>	47.40	57.71	57.64
<b>Ind AS adjustments</b>			
Increase in borrowing cost due to amortisation of processing fees	(1.10)	(4.42)	(4.42)
Increase in rent income due to amortisation of advance rent pursuant to fair valuation of interest free lease deposit	8.81	35.74	35.74
Increase in finance cost due to unwinding of Lease deposit received	(3.42)	(13.21)	(13.21)
Financial guarantee liability recognised charged to Profit & Loss since no direct and indirect benefit receivable	-	(3.28)	(3.28)
Income due to amortisation of financial guarantee liability	0.81	3.28	3.28
Impact of Actuarial Gain/loss transferred to OCI	(4.65)	(4.65)	(4.65)
<b>Net Profit / (Loss) reported as per Ind AS</b>	47.85	71.17	71.09
Impact on Other comprehensive income on Re-measurement gains/ (losses) on defined benefit plans	4.65	4.65	4.65
<b>Total comprehensive income for the period</b>	52.50	75.81	75.73

- 4B Reconciliation of equity as reported under previous GAAP is summaries as follows:

Description	Standalone	Standalone	Consolidated	Consolidated
	As at 1 April 2016	As at 31 March 2017	As at 1 April 2016	As at 31 March 2017
	(AUDITED)	(AUDITED)	(AUDITED)	(AUDITED)
Equity as reported under previous GAAP attributable to -Taneja Aerospace and Aviation Limited	8,510.18	8,567.90	8,509.17	8,566.82
Amortisation of transaction cost/ processing fees on borrowing expensed out in Indian GAAP using EIR	13.49	9.04	13.49	9.03
Fair valuation of financial instrument	(1.65)	(1.65)	(1.65)	(1.65)
Deposit from Lessee - Interest	750.93	737.72	750.93	737.72
Deferred Rent Income	(598.15)	(562.41)	(598.15)	(562.41)
Total Adjustment	164.63	182.70	164.62	182.69
<b>Equity Shareholder's of parent as per Ind AS</b>	8,674.80	8,750.60	8,673.79	8,749.51
<b>Comprising:</b>				
Paid Up Share Capital	1,246.54	1,246.54	1,246.54	1,246.54
Reserves	7,428.26	7,504.06	7,427.25	7,502.97
	8,674.80	8,750.60	8,673.79	8,749.51

- As per Clause 9.2 of the Scheme of Arrangement, 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.
- This Statement has been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 29, 2018.
- Previous period figures have been regrouped, re-arranged and re-classified wherever necessary to make them comparable with figures of current period.

For Taneja Aerospace and Aviation Limited



*[Signature]*  
Pralhad Ramarao  
Director

Date: May 29, 2018  
Place: Bangalore

**TANEJA AEROSPACE AND AVIATION LIMITED**

Regd Office : Belagondapalli Village, Thally Road, Denkanikottai Taluk, Krishnagiri Dist. Belagondapalli-635114, Tamil Nadu.  
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**AUDITED/ UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER/TWELVE MONTHS ENDED 31ST March, 2018**

(Rs. in Lacs, unless otherwise stated)

S.No.	Particulars	For the quarter ended			Year ended	
		March 31, 2018	December 31, 2017	March 31, 2017	March 31, 2018	March 31, 2017
		Unaudited	Unaudited	Unaudited	Audited	Audited
1	<b>Segment Revenue</b>					
	(a) Trading of Goods	-	8.89	-	288.43	-
	(b) Aviation	778.97	707.88	900.76	2,958.32	3,896.29
	<b>Total income from operations</b>	<b>778.97</b>	<b>716.77</b>	<b>900.76</b>	<b>3,246.75</b>	<b>3,896.29</b>
2	<b>Segment Results</b>					
	(a) Trading of Goods	20.00	0.42	(40.00)	32.11	(40.00)
	(b) Aviation	0.14	49.95	87.85	(5.42)	115.95
	<b>Total profit/(loss) before tax</b>	<b>20.14</b>	<b>50.37</b>	<b>47.85</b>	<b>26.69</b>	<b>75.95</b>
3	<b>Capital Employed (Segment assets - Segment Liabilities)</b>					
	(a) Trading of Goods	0.01	(93.64)	113.65	(67.42)	113.65
	(b) Aviation	8,846.78	8842.09	8,636.95	8,846.78	8,636.95
	<b>Total Capital Employed</b>	<b>8,779.36</b>	<b>8748.45</b>	<b>8,750.60</b>	<b>8,779.36</b>	<b>8,750.60</b>



**Auditor's Report On Quarterly Financial Results and Year to Date Financial Results of the Company  
Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements)  
Regulations, 2015**

**To the Board of Directors of Taneja Aerospace & Aviation Limited**

1. We have audited the accompanying Statement of Standalone Financial Results of Taneja Aerospace & Aviation Limited ('the Company') for the quarter and year ended March 31, 2018 (the 'Statement'), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. The Statement, as it relates to the quarter ended March 31, 2018, are the balancing figures between audited standalone figures in respect of the full financial year and the published standalone year to date figures up to the end of the third quarter of the financial year, prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34'). The Statement also relates to the year ended March 31, 2018, has been prepared on the basis of the related standalone financial statements for the year ended March 31, 2018, prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This Statement is the responsibility of the Company's Management and is approved by the Board of Directors. Our responsibility is to express an opinion on the Statement based on our audit of standalone financial statements for the year ended March 31, 2018 and our review of standalone financial results for the nine months period ended December 31, 2017.
3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the Statement that give a fair presentation view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting

estimates made by the Company's Directors, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Statement.

#### Opinion

4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
  - ii. gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net loss, total comprehensive income and other financial information of the Company for the year ended March 31<sup>st</sup>, 2018.
  
5. We draw attention to Note 5 to the accompanying Statement which states that As per Clause 9.2 of the Scheme of Arrangement between Taneja Aerospace and Aviation Limited (TAAL) and TAAL Enterprises Limited (TEL) dated October 1<sup>st</sup>, 2015, TAAL will carry on the business and activities relating to the demerged charter business for and on account of and in trust for TEL until the time TEL obtains the statutory licences required for carrying on the demerged charter business. The said licences are yet to be obtained by TEL 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. However, the accounting entries pertaining to the demerged charter business are accounted in the books of accounts of TAAL Enterprises Limited.

The said matter was stated as an Emphasis of Matter in our Limited Review Report dated February 14, 2018 for the quarter ended December 31, 2017, Statutory Audit Report dated May 30, 2017 for the year ended March 31, 2017 as well as in our Statutory Audit Report dated May 30, 2016 for the year ended March 31, 2016.

Our opinion is not modified in respect of this matter.





**Other Matter**

6. The comparative financial information of the Company for the year ended 31<sup>st</sup> March, 2017 included in the Statement is based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 for the year ended 31<sup>st</sup> March, 2017 on which we issued an unmodified audit opinion vide our reports dated May 30<sup>th</sup>, 2017 on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have also been audited by us.

Our opinion is not modified in respect of this matter.

For MSKA & Associates  
(Formerly known as MZSK & Associates)  
Chartered Accountants  
ICAI Firm Registration No.105047W



Deepak Rao  
Partner  
Membership No.: 113292



Place: Bengaluru  
Date: May 29<sup>th</sup>, 2018

**Auditor's Report On Quarterly Consolidated Financial Results and Consolidated Year to Date  
Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and  
Disclosure Requirements) Regulations, 2015**

To the Board of Directors of Taneja Aerospace & Aviation Limited

1. We have audited the accompanying Statement of Consolidated Financial Results of Taneja Aerospace & Aviation Limited (the 'Company') and its subsidiary (the Company and its subsidiary together referred to as "the Group") for the year ended March 31, 2018 (the 'Statement'), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. The Statement, as it relates to the quarter ended March 31, 2018, are the balancing figures between audited consolidated figures in respect of the full financial year and the published consolidated year to date figures up to the end of the third quarter of the financial year, prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34'). The Statement also relates to the year ended March 31, 2018, has been prepared on the basis of the related consolidated financial statements for the year ended March 31, 2018, prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This Statement is the responsibility of the Company's Management and is approved by the Board of Directors. Our responsibility is to express an opinion on the Statement based on our audit of consolidated financial statements for the year ended March 31, 2018 and our review of consolidated financial results for the nine months period ended December 31, 2017.
3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the Statement that give a fair presentation view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Statement.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Statement.

4. We did not audit financial statements of one subsidiary company whose financial statements reflect total assets of Rs. 649.38 lakhs as at March 31<sup>st</sup>, 2018, total revenues of Rs. Nil as at March 31<sup>st</sup>, 2018, as considered in the Statement. The financial statements of this subsidiary have been audited by the other auditor whose reports have been furnished to us by the Management, and our opinion on this Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary is based solely on the report of other auditor.

#### Opinion

5. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - i. includes the financial results of the entity considered for consolidation for the year ended March 31<sup>st</sup>, 2018;
    - a. Katra Auto Engineering Pvt Ltd
  - ii. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
  - iii. gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit, total comprehensive income and other financial information of the Group for the year ended March 31<sup>st</sup>, 2018.
6. We draw attention to Note 5 to the accompanying Statement which states that As per Clause 9.2 of the Scheme of Arrangement between Taneja Aerospace and Aviation Limited (TAAL) and TAAL Enterprises Limited (TEL) dated October 1<sup>st</sup>, 2015, TAAL will carry on the business and activities relating to the demerged charter business for and on account of and in trust for TEL until the time TEL obtains the statutory licences required for carrying on the demerged charter business. The said licences are yet to be obtained by TEL 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. However, the accounting entries pertaining to the demerged charter business are accounted in the books of accounts of TAAL Enterprises Limited.

The said matter was stated as an Emphasis of Matter in our Limited Review Report dated February 14, 2018 for the quarter ended December 31, 2017, Statutory Audit Report dated May 30, 2017 for the year ended March 31, 2017 as well as in our Statutory Audit Report dated May 30, 2016 for the year ended March 31, 2016.



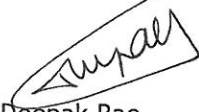
Our opinion is not modified in respect of this matter.

**Other Matter**

7. The comparative financial information of the Group for the year ended 31<sup>st</sup> March, 2018 included in the Statement is based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 for the year ended 31<sup>st</sup> March, 2017 on which we issued an unmodified audit opinion vide our reports dated May 30<sup>th</sup>, 2017 on those consolidated financial statements, as adjusted for the differences in the accounting principles adopted by the Group on transition to the Ind AS, which have also been audited by us.

Our opinion is not modified in respect of this matter.

For MSKA & Associates  
(Formerly known as MZSK & Associates)  
Chartered Accountants  
ICAI Firm Registration No.105047W

  
Deepak Rao  
Partner  
Membership No.: 113292



Place: Bengaluru  
Date: May 29<sup>th</sup>, 2018