

(Annexure 5)

Private and Confidential

KEYNOTE

October 08, 2014

To,
The Board of Directors
Taneja Aerospace & Aviation Limited
Belagondapalli Village, Thally Road,
Denkanikotta, Krishnagiri,
Tamil Nadu, 635114

&

The Board of Directors
TAAL Enterprises Limited,
2nd Floor, MMPDA Towers,
184, Royapettah High Road,
Chennai - 600014

Dear Sirs,

Re: Fairness Opinion on the swap ratio of equity shares for the purpose of proposed demerger of Air Charter Business carried out by Taneja Aerospace and Aviation Limited ("TAAL") and Investments in First Airways Inc. and TAAL Tech India Private Limited into TAAL Enterprises Limited ("TEL").

Keynote Corporate Services Limited ("Keynote" or "we" or "us") is Category I Merchant Banker registered with Securities Exchange Board of India ("SEBI"). We have been requested by the management of the companies to issue a report on fairness on the swap ratio of equity shares for the purpose of proposed demerger of Air Charter Business carried out by TAAL and Investments in First Airways Inc. and TAAL Tech India Private Limited into TEL. We have perused the documents/ information provided by you in respect of the proposed demerger. We have perused the Valuation Report as issued by M/s MZSK & Associates dated October 08, 2014 and state as follows:

Company Profile:

Taneja Aerospace and Aviation Limited is primarily engaged in the business of aircraft manufacturing and maintenance, airfield services, Engineering Design Services (through its subsidiary TAAL Tech India Private Limited) and air-charter business. The Company is listed on BSE Limited. The registered office of the Company is in Tamil Nadu, India.

The Issued, Subscribed and Paid-up Share Capital of TAAL as on October 1, 2014 is as under:

Particulars	Amount (in Rs. million)
Issued, Subscribed and Paid Up Capital	
24,930,736 Equity Shares of Rs. 5/- each fully paid up	124.65

TAAL Enterprises Limited is a newly incorporated public limited Company having its registered office in Tamil Nadu, India. TEL is a wholly owned subsidiary of TAAL. TEL was incorporated on July 1, 2014. TEL is in process of obtaining the Certificate of Commencement of Business from the concerned Registrar of

Certified True Copy
Taneja Aerospace and Aviation Limited

Prajnan

Keynote Corporate Services Limited

The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (West), Mumbai - 400028

Tel: 91 22 3026 6000 • Fax: 91 22 3026 6088 • Email: info@keynoteindia.net • Website: www.keynoteindia.net

CIN-L67120MH1993PLC072407

Page 1 of 4

(33)

[Handwritten signature]

KEYNOTE

Companies. Its main object would be to provide Air Charter services by operating Charter Plane for the purpose of transporting or carrying passengers.

The Issued, Subscribed and Paid-up Share Capital of TEL as on October 1, 2014 is as under:

Particulars	Amount (in Rs. million)
Issued, Subscribed and Paid Up Capital	
50,000 Equity Shares of Rs. 10/- each fully paid up	0.5

Purpose of the Report:

We are made to understand that the management of TAAL is proposing to demerge its Air Charter Business and Investments in First Airways Inc. and TAAL Tech India Private Limited to TEL. TEL would discharge the consideration by issuing shares to shareholders of TAAL. In this regard, we have been requested to suggest Fairness on the proposed transaction.

Sources of Information:

For arriving at the fairness opinion set forth below, we have relied upon the following sources of information:

- Valuation Certificate by M/s MZSK & Associates dated October 08, 2014
- Standalone and Consolidated Financial Statements of TAAL for 2013-14
- Shareholding pattern of TAAL and TEL
- Draft Scheme Of Arrangement between TAAL And TEL and their respective shareholders

In addition to the above, we have also obtained such other information and explanations, which were considered relevant for the purpose of our Analysis.


Our Recommendation:

As stated in the Valuation Report, M/s MZSK & Associates has recommended the following:

"1 (One) fully paid equity shares of Face Value Rs. 10 (Rupees Ten) each of TEL for every 8 (Eight) fully paid equity shares of Rs. 5 (Rupees Five) each held in TAAL."

The aforesaid Arrangement shall be pursuant to the Draft Scheme of Arrangement and shall be subject to receipt of approval from the Jurisdictional High Court of Madras and other statutory approvals as may be required. The detailed terms and conditions of the transaction are more fully set forth in the Draft Scheme of Arrangement. Keynote has issued the fairness opinion with the understanding that Draft Scheme of Arrangement shall not be materially altered and the parties hereto agree that the Fairness Opinion would not stand good in case the final Scheme of Arrangement alters the transaction.

Certified True Copy
Taneja Aerospace and Aviation Limited


Company Secretary
Keynote Corporate Services Limited

The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (West), Mumbai - 400028

Tel: 91 22 3026 6000 • Fax: 91 22 3026 6088 • Email: info@keynoteindia.net • Website: www.keynoteindia.net

CIN-L67120MH1993PLC072407

KEYNOTE

Based on the information, data made available to us, including the Valuation Report, to the best of our knowledge and belief, the basis to arrive at share swap ratio suggested by M/s MZSK & Associates proposed under the Draft Scheme of Arrangement is fair in our opinion.

Exclusions and Limitations:

We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly available or provided or otherwise made available to us by TAAL & TEL for the purpose of this opinion. We express no opinion and accordingly accept no responsibility with respect to the analysis or the assumptions on which they were based. Our work does not constitute an audit or certification or due diligence of the working results, financial statements, financial estimates or estimates of value to be realized for the assets of TAAL & TEL. We have solely relied upon the information provided to us by TAAL & TEL. We have not reviewed any books or records of TAAL & TEL (other than those provided or made available to us). We have not assumed any obligation to conduct, nor have we conducted any physical inspection or title verification of the properties or facilities of TAAL & TEL and neither express any opinion with respect thereto nor accept any responsibility therefore. We have not made any independent valuation or appraisal of the assets or liabilities of TAAL & TEL. We have not reviewed any internal management information statements or any non-public reports, and, instead, with your consent we have relied upon information which was publicly available or provided or otherwise made available to us by TAAL & TEL for the purpose of this opinion. We are not experts in the evaluation of litigation or other actual or threaten claims and hence have not commented on the effect of such litigation or claims on the valuation. We are not legal, tax, regulatory or actuarial advisors. We are financial advisors only and have relied upon, without independent verification, the assessment of TAAL & TEL with respect to these matters.

We understand that the managements of TAAL & TEL during our discussion with them would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion. Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and on the information made available to us as of the date hereof. It should be understood that although subsequent developments may affect this opinion, we do not have any obligation to update, revise or reaffirm this opinion.

We have acted as a financial advisor to TAAL & TEL for providing a fairness view on the share swap ratio and will receive a fee for our services. In the past, Keynote has not provided any valuation service to TAAL or TEL.

In the ordinary course of business, Keynote is engaged in securities trading, securities brokerage and investment activities, as well as providing investment banking and investment advisory services. In the ordinary course of its trading, brokerage and financing activities, any member of Keynote may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities or senior loans of any company that may be involved in the transaction.

It is understood that this letter is solely for the benefit of and confidential use by the Board of Directors of TAAL & TEL for the purpose of this transaction and may not be relied upon by any other person and may not be used or disclosed for any other purpose without our prior written consent. The opinion is not meant for meeting any other regulatory or disclosure requirements, save and except as specified above,

Certified True Copy
Taneja Aerospace and Aviation Limited

Page 3 of 4

(35)


Keynote Corporate Services Limited

The Ruby, 9th Floor, Senapati Bapat Marg (West), Mumbai - 400028

Tel.: 91 22 3026 6000 • Fax: 91 22 3026 6088 • Email: info@keynoteindia.net • Website: www.keynoteindia.net

CIN-L67120MH1993PLC072407

Private and Confidential

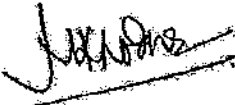
KEYNOTE

under any Indian or foreign law, Statute, Act, guideline or similar instruction. Management of TAAL & TEL should not make this report available to any party, including any regulatory or compliance authority/agency except as mentioned above. The letter is only intended for the aforementioned specific purpose and if it is used for any other purpose; we will not be liable for any consequences thereof.

We express no opinion whatever and make no recommendation at all as to TAAL's & TEL's underlying decision to effect to the proposed transaction or as to how the holders of equity shares or preference shares or secured or unsecured creditors, if any, of TAAL & TEL should vote at their respective meetings held in connection with the transaction. We do not express and should not be deemed to have expressed any views on any other terms of transaction. We also express no opinion and accordingly accept no responsibility for or as to the prices at which the equity shares of TAAL & TEL will trade following the announcement of the transaction or as to the financial performance of TAAL & TEL following the consummation of the transaction.

In no circumstances however, will Keynote Corporate Services Limited or its associates, directors or employees accept any responsibility or liability to any third party and in the unforeseen event of any such responsibility or liability being imposed on Keynote Corporate Services Limited or its associates, directors or employees by any third party, TAAL & TEL and their affiliates shall indemnify them.

For KEYNOTE CORPORATE SERVICES LTD



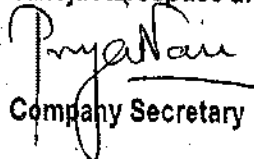
Nipun Lodha

Executive Vice President and Head- Corporate Finance

SEBI Registration No. INM000003606

(Merchant Banker)

Certified True Copy
Taneja Aerospace and Aviation Limited



Company Secretary

(36)

Page 4 of 4

Keynote Corporate Services Limited

The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (West), Mumbai - 400028

Tel: 91 22 3026 6000 • Fax: 91 22 3026 6088 • Email: info@keynoteindia.net • Website: www.keynoteindia.net

CIN-L67120MH1993PLC072407