Taneja Aerospace and Aviation Limited

Annual Report 2024-25

COMPANY INFORMATION

BOARD OF DIRECTORS

Dr. Prahlada Ramarao	Chairman of the Board
Rakesh Duda	Managing Director
Salil Taneja	Director
Rahael Shobhana Joseph	Director
Muralidhar Chitteti Reddy	Director
Arvind Nanda	Director

CHIEF FINANCIAL OFFICER

Jitendra Muthiyan

COMPANY SECRETARY

Ashwini Navare

AUDITORS

M/s. KKC & Associates LLP

BANKERS

ICICI Bank

Bank of Baroda

Canara Bank

REGISTERED OFFICE

Belagondapalli Village, Thally Road, Denkanikottai Taluk, Krishnagiri District,

Belagondapalli - 635114, Tamil Nadu

Phone: 04347-233508, Fax: 04347-233414

E-mail: secretarial@taal.co.in, **Website:** www.taal.co.in

CIN: L62200TZ1988PLC014460

REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Private Limited

BOARDS' REPORT

To,

The Members,

Taneja Aerospace and Aviation Limited

Your Directors have pleasure in presenting the thirty-sixth Annual Report and the Audited Financial Statements for the financial year ended March 31, 2025.

FINANCIAL HIGHLIGHTS **(Rs. in Lakhs)**

Particulars	2024-25	2023-24
Revenue from operations	**4061.69**	**3035.20**
Expenditure	**1871.44**	**1535.75**
Profit/ (Loss) after Tax	**1807.62**	**1113.15**

OPERATIONS

During the year under review, the total income of the Company was Rs. 4,214.61 lakh as compared to Rs. 3086.05 Lakhs during the comparable previous year. The total comprehensive income for the year was Rs. 1,829.43 lakh as compared to Rs. 1082.14 Lakhs during the comparable previous 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 Dividend twice during the FY 2024-25 as below:

1. 1st interim dividend of Rs. 1.00/- (One Rupee only) on each fully paid equity shares of Rs. 12,75,02,680 to those members whose name appear in the register of members as on 19th November, 2024 being the record date for the payment of interim dividend during the Financial Year 2024-25.
2. 2nd interim dividend of Rs. 1.50/- (One Rupee Fifty Paisa only) on each fully paid equity shares of Rs. 12,75,02,680 to those members whose name appear in the register of members as on 14th February, 2025 being the record date for the payment of interim dividend during the Financial Year 2024-25.

The interim dividend(s) was paid to those members of the Company whose names appeared in the Register of Members of the Company as on November 19, 2024 and February 14, 2025 respectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013 ('Act') and Articles of Association of the Company, Ms. Rahael Shobhana Joseph, Director of the Company, retires by rotation and being eligible, offers herself, for re-appointment.

The Independent Directors have given Declaration pursuant to Section 149(7) of the Act & Regulation 25(8) of ('Listing Regulations') stating that they meet the criteria of independence.

The Board is assured that the Independent Directors of the Company posses adequate proficiency, experience, expertise and integrity. 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 details of familiarization program of Independent Directors, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company & related matters are put up on the Company's website: www.taal.co.in.

SUBSIDIARIES, ASSOCIATE AND JOINT VENTURE COMPANIES

As on the date of this report, the Company has one subsidiary company. In accordance with Section 129 (3) of the Act, a statement containing salient features of the financial statement of the subsidiary company in Form AOC-1 is provided in financial statements forming part of this Annual Report.

A report on the performance and financial position of the subsidiary company is provided in the Financial Statements forming part of this Annual Report for the Financial Year 2024-25.

The Company has framed a Policy for determining Material Subsidiaries which is available on its website: www.taal.co.in

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 Listing Regulations, a separate section on Management Discussion & Analysis is forming part of this Report.

CORPORATE GOVERNANCE REPORT

In terms of Regulation 34 of the Listing Regulations, a separate section on Corporate Governance Report together with Certificates is forming part of this Report.

The Managing Director and Chief Financial Officer have certified to the Board with regard to the financial statements and other matters as required under Regulation 17(8) of the Listing Regulations.

Certificate from Practicing Company Secretary regarding compliance of conditions of Corporate Governance is annexed to this Report.

MEETINGS OF THE BOARD

The Board met 5 times during the financial year. The meeting details are provided in the Corporate Governance Report that forms part of this Annual Report.

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

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, 2025 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.taal.co.in

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

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

POLICY ON NOMINATION & REMUNERATION OF DIRECTORS

The Nomination & Remuneration Policy of the Company on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director & other matters is available on the website at www.taal.co.in

The criteria for performance evaluation as laid down by Nomination & Remuneration Committee ('NRC') have been defined in the Nomination & Remuneration Policy.

Details pertaining to remuneration of Directors and employees required under Section 197(12) of the Act read with Rules framed thereunder are forming 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 and other office as mentioned on the Company Master data during business hours on working days up to the date of the ensuing Annual General Meeting ('AGM'). If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard at secretarial@taal.co.in.

AUDITORS

a. STATUTORY AUDITORS

M/s. KKC & Associates LLP, Chartered Accountants (Firm Registration No. 105146W/ W100621) was appointed as the Statutory Auditors of the Company in the 33rd AGM held on September 27, 2022 for a period of five years i.e. till the conclusion of the 38th AGM of the Company. Accordingly M/s. KKC & Associates LLP, Chartered Accountants holds office of Statutory Auditors till conclusion of 38th AGM.

b. SECRETARIAL AUDITOR

Pursuant to Section 204 of the Act and the Rules made thereunder, the Board of Directors has appointed Anuj Nema, Practicing Company Secretary as Secretarial Auditor to undertake Secretarial Audit of the Company for the period ended March 31, 2025.

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

There are no observations made by the Secretarial Auditor in their audit report for the year ended March 31, 2025, the Report is self-explanatory and do not call for any further comments.

c. REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor have reported to the Audit Committee, under Section 143(12) of the Act, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

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 faces both internal and external risks. Also, we focus on risks in the short, medium as well as long term. Risk management is an integrated aspect of Company's business operations. On a regular basis, an extensive risk assessment is conducted in which business lines and corporate functions identify all significant risks. The risks are then consolidated and assessed on their potential impact and probability, which is then reported to the Board of Directors. Responsibilities are assigned for significant risks and mitigating initiatives are established and tracked.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has duly constituted CSR Committee in compliance with the Section 135 of the Act and the applicable Rules.

The composition of CSR Committee is mentioned in Report on Corporate Governance forming part of this Report.

Annual Report on CSR Activities for the Financial Year ended March 31, 2024 forms part of this Report as Annexure 'D'.

INTERNAL FINANCIAL CONTROLS

The Internal Financial Controls with reference to the Financial Statements are commensurate with the size and nature of business by virtue of internal audit of the Company. Internal Audits are periodically conducted by an external firm of Chartered Accountants who monitor and evaluate the efficiency and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Board also takes review of internal audit functioning and accounting systems, in order to take suitable corrective actions in case of any deviations.

During the year, such controls were tested by the Statutory Auditors and no material weakness in control design of operations was observed by them.

AUDIT COMMITTEE AND VIGIL MECHANISM

The details pertaining to the composition, terms of reference, and other details of the Audit Committee of the Board of Directors of your Company and the meetings thereof held during the Financial Year 2024-25 are given in the Report on Corporate Governance forming part of this Annual Report.

The Whistle Blower Policy / Vigil Mechanism of the Company as established by the Board is available on its website of the Company at www.taal.co.in

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All transactions entered into by the Company with Related Parties for the year under review were on arm's length basis. The related party transactions are entered into based on considerations of various business requirements. Pursuant to section 177 of the Companies Act, 2013 and regulation 23 of SEBI LODR Regulations, 2015, all Related Party Transactions were placed before the Audit Committee for its approval.

As stipulated by Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, particulars of Related Party Transactions are given in Form No. AOC – 2 as Annexure 'E' and the same form an integral part of this report.

Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions as approved by the Board may be accessed on the Company's website: www.taal.co.in

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place policy for Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Board of Directors of the Company has also constituted an Internal Complaint Committee in this regard to redress complaints. During the year under review, there were no complaints received pursuant to the aforesaid Act. The details and Members of the Committee are displayed on the website of the Company www.taal.co.in

KEY MANAGERIAL PERSONNEL (KMP)

Sr. No.	Name of the Person	Designation
1.	Rakesh Duda	Managing Director
2.	Rahael Shobhana Joseph	Whole Time Director
3.	Jitendra Muthiyan	Chief Financial Officer
4.	Ashwini Navare	Company Secretary

COMPANY'S POLICIES

The Board ensured that all Company policies are in line with the changes in legislation. The updated policies have been hosted on the official website of the Company www.taal.co.in

SECRETARIAL STANDARDS

The Ministry of Corporate Affairs notified the Secretarial Standard on Meetings of the Board of Directors (SS– 1), Secretarial Standard on General Meetings (SS–2), Secretarial Standard on Dividend (SS–3) and Secretarial Standard on Report of the Board of Directors (SS-4). The Company complies with Secretarial Standards and guidelines issued by the Institute of Company Secretaries of India (ICSI).

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 ends of the financial year of the Company to which the financial report relates and the date of the report.

5. In terms of provisions of Section 148 of the Act read with Rule 3 of Companies (Cost Record and Audit) Rules, 2014, the Company is not required to maintain the cost records for the Financial Year 2024-25.

ACKNOWLEDGEMENTS

Your Directors express their appreciation for the continued support and co-operation received by the Company from its employees, Customers, Bankers, Shareholders, Suppliers, Business Partners, Defence Research and Developmental Organizations, Aviation Authorities and other Indian Services and the Central and State Governments. The Directors also express their gratitude and sincere appreciation to all the employees of the Company for their contribution, hard work and commitment.

For and on behalf of the Board of Directors

Date: May 13, 2025 **Dr. Prahlada Ramarao**
Place: Bengaluru **Chairman**

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure and Development

The aviation industry in India is currently experiencing rapid technological advancements and undergoing significant transformation in all fields - from pilot training and aircraft maintenance to airport infrastructure and management and beyond. The sector has emerged as one of the fastest growing sectors in the country.

Companies are entering the Indian aviation market due to its strong growth potential driven by a rising middle class, increased disposable incomes, and a large young and aspirational population. This has led to a surge in domestic as well as international air travel demand making India a promising market for airline operations as well as for the support services s like airport infrastructure, maintenance, repair, and overhaul (MRO) services, etc.

The Company earns its revenue by providing technical support and leasing services.

The Company has leased hangar space and buildings to a Maintenance, Repair and Overhaul (MRO) organization. The Company also generates income from the use of infrastructure facilities including runway and hangars.

Performance

(Rs. in lakh)

Particulars	2024-25	2023-24
Total Income	**4214.61**	**3086.05**
Profit after Tax	**1807.62**	**1113.15**

Opportunities

The Indian government has approved 100% Foreign Direct Investment (FDI) via the automatic route for the Maintenance, Repair, and Overhaul (MRO) Sector. The Government of india has been instrumental in developing policies to give a boost to the aviation sector. For this, the UDAN-RCS scheme has been launched by the government which aims to increase air connectivity by providing affordable, economically viable, and profitable travel on regional routes. The industry is experiencing growth resulting in a rising demand for professionals and increasing MRO (Maintenance, Repair, and Overhaul) activity. The Government of India is investing in expanding airport capacity, upgrading existing facilities, and developing new greenfield airports to handle the increasing air traffic. Establishing GIFT City as a hub for aircraft leasing and financing aims to reduce reliance on foreign leasing companies and promote domestic capabilities in this area.

The Government of India is promoting carbon neutrality and net-zero emissions at airports, encouraging responsible aviation practices and reducing the environmental impact of the industry.

The Company is on a constant lookout for partners to strengthen its defence and aviation sector presence and penetration and has, in this endeavour, invested in Altair and Zenith Precision.

Threats

Shortage of skilled workforce, political risks, changes in legislation and regulation, business interruption and cyber incidents are major challenges faced by aviation industry. Along with these delay in decision making and finalisation of contracts by the Defence Sector for their modification / refurbishment projects is a challenge for the industry.

Outlook

A stronger collaboration between the government and the private sector under the Atmanirbhar Program is expected to provide a fillip to the growth of the aviation sector. With increased demand and the ability of the Indian industry to leverage this for sustained technology upgradation, India has the potential to transform itself into an aerospace manufacturing hub in the near future.

There is a renewed thrust of indigenous manufacturing especially in Defence. The Company, being one of the first organized players in defence space, will explore new opportunities in the area under Atmanirbhar Bharat Scheme.

Risks and Concerns

Possible delayed lease rentals from the major customer and the resultant outstanding amount may affect the upkeep of the infrastructure. Our approach to risk management is well entrenched in our Management System which is monitored internally and externally by well qualified personnel and third party agencies.

Internal Control Systems

The internal control system is designed to ensure that all the financial and other records are reliable for preparing financial statements and for maintaining accountability of the assets. The Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported correctly.

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	2024-25	2023-24	Change (%)
Debtors Turnover	6.39	4.26	**50%**
Inventory Turnover	8.58	NA	**-**
Debt- Service coverage ratio	NA	NA	**-**
Current Ratio	3.84	2.89	**32.87%**
Debt Equity Ratio	Nil	Nil	**-**
Operating Profit Margin (%)	58.73	52.65%	**11.55%**
Net Profit Margin (%)	45.04	35.65%	**26.34%**
Return on Net Worth	16.02	11.28%	**42.02%**

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, raw material prices, changes in Government regulations, tax regime, economic developments within the country and other factors such as litigation and labour negotiations.

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company has a strong value system comprising of honesty, integrity, secularity and equal opportunity for all. The Company strives to provide its stakeholders with maximum information relating to the affairs of the Company with an attempt to bring about total transparency in its working. We believe that good governance is the corner stone of any successful organization and we continuously endeavour to improve our standards of governance

BOARD OF DIRECTORS

The Board of Directors of the Company (Board) has an optimum combination of executive and non-executive Ddirectors & comprises of 6 Directors.

The composition of the Board, their attendance at the Board Meetings held during the financial year 2024-25 and at the last Annual General Meeting and other details are as follows:

Name of the Director	Category	Number of Board Meetings held during the Year 2024-25			Whether attended last AGM	No. of Directorships in other public companies^	Committee positions in other public companies$	
		Held	Entitled to attend	Attended			Member	Chairman
Dr. Prahlada Ramarao	Independent-NED	5	5	5	Yes	-	-	-
Mr. Salil Taneja	Promoter-NED	5	5	4	No	2	-	-
Mr. Muralidhar Chitteti Reddy	Non-Independent NED	5	5	5	Yes	1	1	-
Mrs. Rahael Shobhana Joseph	Promoter-ED	5	5	2	No	-	-	-
Mr. Arvind Nanda	Independent-NED	5	5	5	Yes	2	3	1
Mr. Rakesh Duda	Managing Director	5	5	5	Yes	-	-	-

NED-Non-Executive Director; ED-Executive Director;

^ This includes the directorship held in deemed public company but does not include directorships in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 (Act).

The names of the listed entities where the person is a Director and the category of directorship is as under:

Name of the Director	Name of the Listed entity	Category
Mr. Salil Taneja	TAAL Enterprises Limited	Promoter-whole Time Director
Mr.Arvind Nanda	TAAL Enterprises Limited	Independent-Director

During the financial year 2024-25, Five Board meetings held as under:

Sr. No.	Date of Meetings
1	May 17, 2024
2	August 06, 2024
3	October 25, 2024
4	November 08, 2024
5	February 05, 2025

As on March 31, 2025, the composition of the Board was in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

The Board has complete access to all the relevant information available within the Company.

APPOINTMENT/ RE-APPOINTMENT OF DIRECTORS

Pursuant to the Articles of Association of the Company and the Companies Act, 2013 (Act), Ms.Rahael Shobhana Joseph, Director of the Company retires by rotation at ensuing Annual General Meeting (AGM) and being eligible, offers herself for re-appointment.

Brief resume of Director(s) proposed to be re-appointed will be given in the Notice convening the General Meeting.

AUDIT COMMITTEE

Audit Committee of the Board is mainly entrusted with the responsibility to supervise the Company’s financial reporting process. The composition, powers, role, scope and terms of reference of the Audit Committee are in conformity with the stipulations under Regulation 18 of the Listing Regulations and Section 177 of the Act.

The Audit Committee, inter alia, performs the functions of reviewing annual/ quarterly financials, approval of related party transactions, recommending appointment of Auditors and their remuneration, Review of the Management Discussions and Analysis, Internal Audit Reports.

The composition of Audit Committee and attendance of each member is as under:

Name of Director	Chairman/ Member	Number of Meetings Attended
Mr. Arvind Nanda	Chairman	4
Dr. Prahlada Ramarao	Member	4
Mrs. Rahael Shobhana Joseph	Member	1

During the year under review, Four meetings of Audit Committee were held as under:

Sr. No.	Date of Meeting
1	May 17, 2024
2	August 06, 2024
3	October 25, 2024
4	February 05, 2025

Mr. Arvind Nanda, Chairman, Member of Audit Committee was present at the last Annual General Meeting held on September 06, 2024.

MANAGERIAL REMNERATION

a. NOMINATION AND REMUNERATION COMMITTEE:

The Company has a Nomination and Remuneration Committee of Directors ("NRC").

Terms of reference of NRC are in conformity with Regulation 19 of Listing Regulations & Section 178 of the Act. NRC, inter alia, performs functions of recommending to the Board appointment of directors and senior management, create evaluation framework for independent directors and the Board and recommend to the Board remuneration payable to directors and senior management.

The composition of NRC and attendance of members is as under:

Name of Director	Chairman/ Member	Number of Meetings Attended
Mr.Arvind Nanda	Chairman	1
Dr. Prahlada Ramarao	Member	1
Mr. Muralidhar Chitteti Reddy	Member	1

During year under review, one meeting of NRC held as under:

Sr. No.	Date of Meeting
1	May 17, 2024

❖ The Company does not have any Employee Stock Option Scheme.

b. REMUNERATION POLICY:

➢ Based on recommendations of NRC, the remuneration payable to Managing Director, Whole Time Director, Key Managerial Personnel and Senior Management is decided by the Board which inter-alia is based on the criteria such as industry benchmarks, financial performance of the Company, performance of the Whole Time Director etc.

➢ The Company pays remuneration by way of salary, perquisites and allowances to its Managing Director and Whole Time Director. No remuneration was paid by way of commission to any Non-Executive Director.

➢ The Company paid sitting fees of Rs. 30,000/- each for attending Board and Audit Committee Meetings and Rs. 15,000/- each for all other committee meetings to the Non-Executive Directors.

➢ Performance evaluation of the Independent Directors shall be done by the Board of Directors on the performance evaluation criteria's as recommended by the NRC and approved by the Board of Directors.

➢ The Company has framed a Remuneration Policy upon the recommendation of NRC and as approved by the Board.

c. REMUNERATION TO DIRECTORS AND KMP:

A Statement on remuneration paid/ payable to the Directors and KMP along with the sitting fees paid to NEDs, during FY 2024-25 is given below:

Name of Director(s) and KMP	Salary & Perquisites (Rs. In Lakhs)	Commission (Rs.)	Sitting fees (Rs.)
Mr. Rakesh Duda	95.00	-	-
Mr. Muralidhar Chitteti Reddy	-	-	1.80
Mr. Salil Taneja	-	-	1.35
Dr. Prahlada Ramarao	-	-	3.00
Mrs. Rahael Shobhana Joseph	36.00	-	-
Mr. Arvind Nanda	-	-	3.15
Mr. Jitendra Muthiyan	7.87	-	-
Ms. Ashwini Navare	11.96	-	-
Total	**150.83**	**-**	**9.30**

Note: Salary and perquisites include other allowances, Contribution to Provident Fund and Superannuation, Leave Travel Allowance, Medical Reimbursement and Accommodation provided.

Details of shares of the Company held by NEDs along with Dependents as on March 31, 2025:

Name of Director	Number of Equity Shares
Mr. Salil Taneja	**3,500***
Mr. Muralidhar Chitteti Reddy	**5000**
Mr. Arvind Nanda	**500**
Mr. Prahlada Ramarao	**-**

* includes shares held in the name of the spouse.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Company has a Stakeholders' Relationship Committee ("SRC") to look into the redressal of shareholder and investors' complaints like Transfer or Credit of Shares, non-receipt of Annual Reports/ Dividends etc.

The composition of SRC and attendance of each member is as under:

Name of the Director	Chairman/ Member	Number of Meetings Attended
Mr. Arvind Nanda	Chairman	1
Dr. Prahlada Ramarao	Member	1
Mrs.Rahael Shobhana Joseph	Member	0

During the year under review, one meetings of SRC were held as under:

Sr. No.	Date of Meeting
1.	May 17, 2024

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Company has a CSR Committee as per Section 135 of the Act.

The composition of CSR and attendance of members is as under:

Name of the Director	Chairman/ Member	Number of Meetings Attended
Mr. Muralidhar Chitteti Reddy	Chairman	1
Mr. Arvind Nanda	Member	1
Mr. Salil Taneja	Member	1

During the year under review, one CSR Committee Meeting was held as under:

Sr. No.	Date of Meeting
1.	May 17, 2024

INDEPENDENT DIRECTORS MEETING

The Independent Directors met on March 14, 2024 in conformity with the stipulations in Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to discuss:

- The performance of Non-Independent Directors and the Board as a whole.
- The performance of Executive Directors.
- The quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present at the Meeting.

COMPLIANCE OFFICER

During the year under review there has been no change in the Compliance Officer. Ms. Ashwini Navare, Company Secretary and Compliance Officer of the Company for ensuring compliances with the requirements of the Listing Regulations, the SEBI Insider Trading Regulations and other SEBI Regulations.

During the year, all complaints/ grievances received from shareholders including via SEBI SCORES, ROC and Stock Exchanges, have been attended to and resolved. No valid transfer/ transmission of shares were pending as on March 31, 2025.

Details of investor complaints received and redressed during Financial Year 2024-25 are as follows:

Number of complaints pending at the beginning of the year	0
Number of complaints received during the year	14
Number of complaints disposed of during the year	13
Number of complaints remaining unresolved at the end of the year (This complaint was resolved subsequent to the year)	1

CODE OF CONDUCT

The Board has laid down a Code of Conduct for Board Members and Senior Management Personnel of the Company. The Code of Conduct is available on website of the Company: www.taal.co.in

CEO/ CFO CERTIFICATION

MD and CFO Certificate under Regulation 17(8) of Listing Regulations is enclosed herewith.

GENERAL BODY MEETINGS

Details of Annual General Meetings held in last three years:

Year	Date	Venue/ Deemed Venue	Time
2024-25	06.09.2024	Video Conferencing/OAVM	12:00 p.m

POSTAL BALLOT

Pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, No resolutions were passed through postal ballot in the financial year 2024-25.

MEANS OF COMMUNICATION

The quarterly, half-yearly and annual financial results and other statutory notices of the Company are published in leading newspapers in India which include Business Standard, Malai Murasu (Salem edition). After the declaration of the quarterly, half-yearly and annual result, the same are submitted to the BSE Limited (BSE) as well as uploaded on the Company's website: www.taal.co.in

General Shareholder Information

AGM Date and Time	August 12, 2025 at 12:00 p.m.
Deemed Venue as AGM will be held electronically through Video or Other Audio Visual Means	Belagondapalli Village, Thally Road, Denkanikottai Taluk, Krishnagiri District, Belagondapalli - 635114, Tamil Nadu
Financial Year	April 01, 2024 to March 31, 2025
Dividend Payment date	Not Applicable
Listed on Stock Exchange	BSE Ltd, PJ Towers, Dalal Street, Fort, Mumbai - 400 001
Security Code (BSE)	522229
ISIN Number allotted to equity shares	INE692C01020
Registered Office	Belagondapalli Village, Thally Road, Denkanikottai Taluk, Krishnagiri District, Belagondapalli - 635114, Tamil Nadu

The Company has paid annual listing fees for the Financial Year 2025-26 to the Stock Exchange where the shares of the Company are listed.

DESIGNATED EXCLUSIVE EMAIL ID OF THE COMPANY

The Company has the following E-mail Id exclusively for investor servicing: secretarial@taal.co.in

STOCK MARKET DATA & SHARE PRICE PERFORMANCE

BSE Limited (BSE):

The performance of Company's scrip on BSE as compared to BSE 500 Index is as under:

Month	Market Price		BSE 500 INDEX	
	High	Low	High	Low
April, 2024	520.00	380.90	33381.68	31654.71
May, 2024	484.90	404.00	34136.87	31897
June, 2024	655.00	363.50	35814.54	31041.54
July, 2024	710.00	575.00	37202.61	35251.61
August, 2024	697.00	535.80	37517.84	35394.27
September, 2024	585.05	471.00	38740.08	36766.44
October, 2024	519.80	403.10	38362.95	35260.15
November, 2024	440.00	379.45	36405.72	34166.54
December, 2024	498.90	409.95	36829.35	34854.32
January, 2025	456.80	335.00	35956.42	32677.75
February, 2025	376.85	250.95	34405.59	31197.56
March, 2025	359.85	218.55	34122.5	30967.74

REGISTRAR AND SHARE TRANSFER AGENT

Shareholders may contact Registrar and Share Transfer Agent at the following addresses:

Bigshare Services Private Ltd.
Pinnacle Business Park, Office No S6-2, 6th,
Mahakali Caves Rd, next to Ahura Centre,
Andheri East, Mumbai, Maharashtra 400093
Tel.: 022- 62638200 **Fax.:** 022- 62638299
e-mail: investor@bigshareonline.com/
sandeep@bigshareonline.com

As regard to shareholding in electronic form shareholders are requested to write to their respective Depository Participant & provide Bank Mandate details, N-ECS particulars, email ID etc. so as to facilitate expeditious payment of Corporate Action, if any.

SHARE TRANSFER SYSTEM

The Company's shares are traded compulsorily in Demat segment on the Stock Exchanges. Shares of the Company can be transferred only in dematerialized form except in case of request received for transmission or transposition of shares. Members holding shares in physical form are requested to convert their holdings to dematerialized form as transfer of physical shares are no longer permitted as per SEBI Regulations. Pursuant to Regulation 40(9) of the Listing Regulations, certificate on yearly basis have been filed with the Stock Exchange for due compliance of share transfer formalities by the Company. In terms of guidelines issued by SEBI, the Reconciliation of Share Capital Audit Report for all the quarters have been filed with the Stock Exchange, which inter-alia gives details about the reconciliation of Share Capital (both physical and demat).

DISTRIBUTION OF SHAREHOLDING OF THE COMPANY AS ON MARCH 31, 2025

Shareholding of Nominal Value of Rs.		No. of Share-holders	% to Total	Share Amount in Rs.	% to Total
1	5000	41768	97.63	1,85,58,330	14.55
5001	10000	443	1.04	33,15,225	2.61
10001	20000	260	0.60	37,68,915	2.94
20001	30000	104	0.24	25,84,370	2.03
30001	40000	40	0.09	14,12,745	1.11
40001	50000	41	0.10	19,55,950	1.53
50001	100000	54	0.13	39,70,510	3.11
100001	And above	72	0.17	9,19,36,635	72.12
Total		**42,782**	**100**	**12,75,02,680**	**100**

SHAREHOLDING PATTERN

Sr. No.	Category	As on March 31, 2025	
		No. of shares	% of total no. of shares
1	Promoters	1,32,66,190	52.02
2	Public	1,22,34,346	47.98
	TOTAL	**2,55,00,536**	**100.00**

97.10 % of total Equity Share Capital is held in demat with NSDL & CDSL as on March 31, 2025.

CORPORATE FILINGS

The financial and other information filed by the Company with BSE (through BSE Listing Centre), from time to time, is available on the website of BSE Limited at www.bseindia.com

OUTSTANDING GDRS/ ADRS/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

The Company has no outstanding GDRs/ ADRs and the Company has not issued any GDRs/ADRs or any convertible instruments during the year under review.

PLANT LOCATION

The Company has aircraft manufacturing & maintenance facilities at Factory at Thally Road, Denkanikottai Taluk, Krishnagiri District, Belagondapalli - 635114, Tamil Nadu.

ADDRESS FOR CORRESPONDENCE

Registered Office at Thally Road, Denkanikottai Taluk, Krishnagiri District, Belagondapalli - 635114, Tamil Nadu.

CREDIT RATINGS

During Financial Year 2024-25, the Company was not required to obtain the credit rating as there were NIL fund based and non-fund based credit limits.

OTHER DISCLOSURES

i) Details of related party transactions are furnished under Notes to Financial Statement.

ii) There were no instances of material non-compliances and no strictures or penalties imposed on the Company either by SEBI, Stock Exchange or any statutory authorities on any matter related to capital markets during the last three years.

iii) None of the Directors have any relation inter-se except Mr. Salil Taneja and Mrs. Rahael Shobhana Joseph.

iv) The internal audit report was placed before the Audit Committee.

v) The Company has established Vigil Mechanism and Whistle Blower Policy. It is hereby affirmed that no personnel has been denied access to the Audit Committee.

vi) Familiarization Programmes for Independent Directors and various policies including Policy on determination of material subsidiaries and dealing with related party transactions are placed on the Company's website: www.taal.co.in

vii) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part Financial Year 2024-25.

viii) The below table discloses the list of core skills/expertise/ competencies identified by the Board as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board:

Core skills/expertise/ competencies are identified	Directors who have the identified skills / expertise / competencies
Business Management, Planning & Strategy	Mr. Salil Taneja, Dr. Prahlada Ramarao, Mrs. Rahael Shobhana Joseph, Mr.Rakesh Duda
Business Development & Marketing	Mr. Salil Taneja, Mr. Arvind Nanda, Mr. Rakesh Duda, Mrs. Rahael Shobhana Joseph
Operations, Research & Development	Dr. Prahlada Ramarao, Mr. Rakesh Duda
Finance and Accounts & Administration & Others	Mr. Salil Taneja, Mr. Rakesh Duda, Mrs. Rahael Shobhana Joseph

ix) In the opinion of the Board, the Independent Directors fulfil the conditions specified in the Listing Regulations and are independent of the Management.

x) 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.

xi) The Company has duly complied with the requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of the Listing Regulations.

xii) A certificate from Company Secretary in Practice is enclosed herewith confirming that that none of the directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority.

For and on behalf of the Board of Directors

Date: May 13, 2025
Place: Bengaluru

Dr. Prahlada Ramarao
Chairman

DECLARATION REGARDING COMPLIANCE WITH COMPANY'S CODE OF CONDUCT

As required by Regulation 17(5)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), this is to confirm that the Company has adopted a Code of Conduct for all Board Members & Senior Management of the Company. The Code of Conduct is available on the Company's website: www.taal.co.in

As per Regulation 26 of the Listing Regulations, this is to confirm that the Company has received from the Senior Management Personnels of the Company and from the Members of the Board, a declaration of compliance with the Code of Conduct for the Financial Year 2024-25.

For the purpose of this declaration, Senior Management Personnels comprises of employees in the Vice President and above Cadre as on March 31, 2025.

For and on behalf of the Board of Directors

Date: May 13, 2025 **Dr. Prahlada Ramarao**
Place: Bengaluru **Chairman**

CERTIFICATE ON CORPORATE GOVERNANCE

(Pursuant to Part E of Schedule V of SEBI (LODR) Regulations, 2015)

To,

The Members

Taneja Aerospace and Aviation Limited

I have examined the compliance of conditions of Corporate Governance by Taneja Aerospace and Aviation Limited ("Company") for the year ended March 31, 2025, as stipulated in Regulations 17 to 27 of the SEBI (LODR) Regulations, 2015 ("Listing Regulations").

Managements' Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

My examination has been limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with conditions of Corporate Governance as stipulated in the said Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

I have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Opinion

In my opinion and to the best of my information and according to the explanations given to me and representations made by the Directors and the Management, I certify that the Company has complied, in material respect, with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

I state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

ANUJ NEMA
Practicing Company Secretary
ACS: 39389/CP: 20646
Place: Vidisha **UDIN: A039389G000433741**
Date: May 13, 2025 **Peer Review Certificate No.: 2051/2022**

CEO/ CFO CERTIFICATION TO THE BOARD

Under Regulation 17(8) of SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 ('Listing Regulations')

To,
The Board of Directors
Taneja Aerospace and Aviation Ltd

We, Rakesh Duda, Managing Director and Jitendra Muthiyan, Chief Financial Officer of Taneja Aerospace and Aviation Limited, to the best of our knowledge and belief, certify that:

(A) We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2025 and that to the best of our knowledge and belief:

i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

(C) We accept the responsibility for establishing & maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(D) We have indicated to the Auditors and the Audit Committee:

i. There are no significant changes in internal control over financial reporting during the financial year ended March 31, 2025;

ii. All significant changes in accounting policies during the financial year ended March 31, 2025 and that the same have been disclosed in the notes to the financial statements; and

iii. There are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Rakesh Duda
Managing Director

Date: May 13, 2025
Place: Bengaluru

Jitendra Muthiyan
Chief Financial Officer

Date: May 13, 2025
Place: Bengaluru

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to clause 10 of Part C of Schedule V of SEBI (LODR) Regulations, 2015)

In pursuance of sub-clause (i) of clause 10 of Part C of Schedule V of The Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR); in respect of Taneja Aerospace and Aviation Limited (CIN: L62200TZ1988PLC014460) I hereby certify that:

On the basis of the written representation / declaration received from the directors and taken on record by the Board of Directors, as on March 31, 2025, none of the directors on the board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

Sr. No.	DIN	Name of Director	Designation	Date of Appointment in the Company
1	07548289	Dr. Prahlada Ramarao	Director	02.12.2017
2	00328668	Mr. Salil Baldev Taneja	Director	01.01.1994
3	01621083	Mr. Muralidhar Chitteti Reddy	Director	02.12.2017
4	01846107	Mr. Arvind Nanda	Director	14.08.2018
5	02427554	Mrs. Rahael Shobhana Joseph	Whole-time Director	14.12.2017
6	05234273	Mr. Rakesh Duda	Managing Director	31.03.2022

I further state that such compliance 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.

ANUJ NEMA
Practicing Company Secretary
ACS: 39389/CP: 20646
UDIN: A039389G000433741
Peer Review Certificate No.: 2051/2022

Place: Vidisha
Date: May 25, 2025

Annexure 'A' to the Directors Report

Information required under Section 134(3)33(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 for the financial year ended on March 31, 2025

I. Conservation of energy:

i. The steps taken or impact on conservation of energy: Harmonic filter installed at powerhouse which reduces the power loss.

The Company is basically a low energy consumer.

Minimizing environmental pollution by reducing carbon discharge to the atmosphere with reduced running of diesel or engine driven power sources.

Company has started using solar lights instead of conventional lights.

ii. The steps taken by the company for utilizing alternate sources of energy:

a) Using 250 KVA genset only in case of emergency.

iii. The capital investment on energy conservation equipment's: 5 Lakhs

II. Technology absorption:

i. The efforts made towards technology absorption: Major work carried out by the Company is with Defence sector & most of this work is confidential in nature.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution:

Better Quality, minimized rejections, improved production throughput, operator's knowledge enhancement and skill improvement, increased indigenization efforts for DPSUs, and armed services (IN & IAF).

iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

a. The details of technology imported- Nil

b. The year of import- Nil

c. Whether the technology been fully absorbed- Nil

d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof- 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 was involved in the export process which was generating the direct inflow of Foreign Exchange.

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 ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year

Sr. No	Name of Director	Ratio of remuneration of each Director to the medium remuneration of the employees of the Company
1	Salil Baldevraj Taneja	0.37
2	Muralidhar Chitteti Reddy	0.49
3	Arvind Nanda	0.81
4	Rahael Shobhana Joseph	9.77
5	Prahlada Ramarao	0.86
6	Rakesh Duda	25.79

2) The percentage increase in remuneration of each Director and Chief Financial Officer and Company Secretary in the Financial Year 2024-25:

Sr. No.	Name of Directors/ KMP and Designation	Designation	% Increase/(Decrease)in the Remuneration (Including sitting fees paid to the Directors)
1	Salil Baldevraj Taneja	Non-Executive Director	-
2	Muralidhar Chitteti Reddy	Non-Executive Director	-
3	Arvind Nanda	Independent Director	-
4	Rahael Shobhana Joseph	Whole Time Director	-
5	Prahlada Ramarao	Independent Director	-

Sr. No.	Name of Directors/ KMP and Designation	Designation	% Increase/(Decrease)in the Remuneration (Including sitting fees paid to the Directors)
6	Rakesh Duda	Managing Director	26.67%
7	Jitendra Muthiyan	Chief Financial Officer	16.13%
8	Ashwini Navare	Company Secretary	15.00%

1) The median remuneration of employees of the Company during the financial year was Rs. 3.86 Lakhs p.a.
2) During the year under review, there is slightly change in median remuneration of employees.
3) The number of permanent employees on the rolls of the company as on March 31, 2025 is 35.
4) There was marginal increase in the salaries of employees other than the managerial personnel and managerial personnel in the last financial year.
5) It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company

INFORMATION OF EMPLOYEES PURSUANT TO RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

The List of Top 10 Employees who were employed through the financial year and received a remuneration of sixty lakh rupees per financial year or five lakh rupees per month or more under section 197 (12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014 forms part of this report. However, pursuant to first proviso of 136 (1) of the Act, this report is being sent to the shareholders excluding the aforesaid information. Any shareholder interested in obtaining said information may write to Company Secretary and the said information is open for inspection.

Annexure 'C' to the Board's Report – MR 3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

[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 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended]

To,
The Members,

Taneja Aerospace and Aviation Limited
(CIN: L62200TZ1988PLC014460)

Belagondapalli Village, Thally Road,

Denkanikottai Belagondapalli 635114

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the Adherence to good corporate practices by Taneja Aerospace and Aviation Limited having CIN L62200TZ1988PLC014460 (hereinafter called the 'Company'). Secretarial Audit was conducted in a Manner that provided me a reasonable basis for evaluating the corporate conducts/statutory Compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended March 31, 2025 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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended March 31, 2025 and made available to me, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; Not Applicable as there was no reportable event during the financial year under review;
5. The 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, 2015;
   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
   (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; *Not Applicable as there was no reportable event during the financial year under review;*
   (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; *Not Applicable as there was no reportable event during the financial year under review;*
   (f) 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;
   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; *Not Applicable as there was no reportable event during the financial year under review;*
   (h) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018; *Not Applicable as there was no reportable event during the financial year under review; and*
   (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
6. Other general and industry specific laws applicable to the Company were out of the scope of this report.

I have also examined compliance with the applicable clauses of the Secretarial Standards (SS) issued by The Institute of Company Secretaries of India (ICSI) and the Listing Agreement entered into by the Company with the Stock Exchange, BSE Ltd, Mumbai.

I report that, during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards mentioned above subject to following observation:

I further report that, the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by the statutory financial auditors, tax auditors, and other designated professionals.

I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except that of meeting held on shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the Minutes of the Meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that, based on the information provided and the representation made by the Company and also on the review of the Compliance certificates/reports taken on record by the Board of Directors of the Company, in my opinion there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This report is to be read with my letter of even date which is annexed as Annexure-A forms an integral part of this report.

ANUJ NEMA
Practicing Company Secretary
ACS: 39389/CP: 20646
Place: Vidisha **UDIN: A039389G000334706**
Date: May 13, 2025 **Peer Review Certificate No.: 2051/2022**

Annexure 'D' to the Board's Report

Annual Report on Corporate Social Responsibility (CSR) Activities for the Financial Year ended March 31, 2025

{Pursuant to Section 135 of Companies Act, 2013 and as per the annexure attached to Companies (Corporate Social Responsibility) Rules, 2014}

1. **Brief outline on CSR Policy of the Company:**

   The Corporate Social Responsibility Policy of the Company has been developed in accordance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014.

   As per the CSR Policy, Company can undertake any of the program or activities as mentioned in Schedule VII of the Companies Act, 2013 and which will include any modification or amendment thereof. The CSR policy of the Company is placed on the website of the Company at https://www.taal.co.

2. **Composition of CSR Committee:**

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Muralidhar Chitteti Reddy	Chairman/Non-Executive Director	1	1
2	Mr. Salil Taneja	Member/ Non-Executive Director	1	1
3	Mr. Arvind Nanda	Member/ Independent Director	1	1

3. Web-link where composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

   CSR Policy: https://www.taal.co.in

   CSR Committee: https://www.taal.co.in

   CSR Reports: https://www.taal.co.in

4. Executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).: **Not Applicable**

5. **Details:**

a)	Average net profit of the company as per section 135(5)	**Rs. 1488.70 Lakhs**
b)	Two percent of average net profit of the company as per section 135(5)	**Rs. 29.77 Lakhs**
c)	Surplus arising out of the CSR project or programmes or activities of the previous financial year	**Nil**
d)	Amount required to be set off for the financial year,if any	**-**
E)	Total CSR obligation for the financial year (b + c – d)	**Rs. 29.77 Lakhs**

6. **Details:**

(a)	Amount spent on CSR Projects:	
	(i) On going Project	**Nil**
	(ii) Other than On going Project	**Rs. 28,79,566**
b)	Amount Spent in Administrative Overheads	**Rs. 97,838**
C)	Amount Spent on impact Assessment, if applicable	**NA**
d)	Total amount spent for the Financial year [(a) + (b) + (c)]	**Rs. 29,77,404**

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in Rs.)	**Amount Unspent (in Rs.)**				
	Total Amount transferred to Unspent CSR Account as per section 135 (6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135 (5)		
	Amount	Date of Transfer	Name of Fund	Amount	Date of Transfer
Rs. 29,77, 404	-	-	-		

(f) Excess Amount for set off, if any: Nil.

7. **Details of Unspent CSR amount for the preceding three financial years: Not Applicable**

S. No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under section 135 (6) (in Lakhs)	Balance amount in unspent CSR amount under section 135(6) (in Lakhs)	Amount spent in the Financial Year (in ₹)	Amount transferred to a fund as specified under Schedule VII as per section 135(5), if any		Amount remaining to be spent in succeeding financial years (in Lakhs)	Deficiency, if any
					Amount (in Lakhs)	Date of transfer		

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable.

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered address

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).: Not Applicable.**

Date: Place:	(Chief Executive Officer or Managing Director or Director	Chairman CSR Committee	(Person specified under clause (d) of sub-section (1) of section 380) (Wherever applicable)

For and on behalf of the Board of Directors

Muralidhar Chitteti Reddy
Director and Chairman of CSR Committee
DIN: 01621083

Date: May 13, 2025
Place: Bengaluru

Salil Taneja
Director
DIN: 00328668

Date: May 13, 2025
Place: Pune

Annexure 'E' to the Board's Report

FORM NO. AOC.2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:
   (a) Name(s) of the related party and nature of relationship: NA
   (b) Nature of contracts/arrangements/transactions: Availing of Financial Assistance: NA
   (c) Duration of the contracts/arrangements/transactions: NA
   (d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA
   (e) Justification for entering into such contracts or arrangements or transactions: NA
   (f) Date of approval by the Board: NA
   (g) Amount paid as advances, if any: NA
   (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: NA
2. Details of material contracts or arrangement or transactions at arm's length basis:

   There were no material contracts or arrangements or transactions entered into by the Company with related parties at arm's length basis during the financial year.

For and on behalf of the Board
Taneja Aerospace and Aviation Limited

Rakesh Duda	**Prahlada Ramarao**	**Jitendra Muthiyan**	**Ashwini Navare**
Managing Director	**Chairman**	**Chief Financial Officer**	**Company Secretary**
DIN: 05234273	**DIN: 07548289**		**Membership No.: A51288**

INDEPENDENT AUDITOR'S REPORT

To The Members of

Taneja Aerospace and Aviation Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying Standalone Financial Statements of Taneja Aerospace and Aviation Limited ('the Company'), which comprise the Standalone Balance Sheet as at 31 March 2025, and the Standalone Statement of Profit And Loss (including Other Comprehensive Income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year ended on that date, and notes to the Standalone Financial Statements, including a summary of material accounting policy information and other explanatory information ('the Standalone Financial Statements').

2. 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 ('Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the State of Affairs of the Company as at 31 March 2025, and its Profit and Other Comprehensive Income, Changes in Equity and its Cash Flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs 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 on the Standalone Financial Statements.

Key Audit Matters

4. A 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 year. 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.

   We have determined that there are no key audit matters to communicate in our report.

Other Information

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the Standalone Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report.

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

7. In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available 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.

8. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

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

9. 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 State of Affairs, profit and Other Comprehensive Income, Changes in Equity and Cash Flows of the Company in) conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. 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 of the appropriate accounting software for ensuring compliance with applicable laws and regulations including those related to retention of audit logs; 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 Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

10. 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.

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

Auditor's responsibilities for the audit of the Standalone Financial Statements

12. 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.

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

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

    13.2. 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) the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.

    13.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

    13.4. Conclude on the appropriateness of the 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 material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

    13.5. Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

14. 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.

15. 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.

16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current year 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.

Report on Other Legal and Regulatory Requirements

17. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

18. As required by Section 143(3) of the Act, we report that:

    18.1. 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.

    18.2. 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.

    18.3. The standalone balance sheet, the standalone statement of profit and loss including Other Comprehensive Income, the Statement of Changes in Equity and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account.

18.4. In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act read with the relevant rules thereunder.

18.5. On the basis of the written representations received from the directors as on 31 March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.

18.6. 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'.

18.7. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

19. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

19.1. The Company has disclosed the impact of pending litigations as at 31 March 2025 on its financial position in its Standalone Financial Statements – Refer Note 43 to the Standalone Financial Statements.

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

19.3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

19.4. The Management has represented, to best of their knowledge and belief, that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

19.5. The Management has represented, to best of their knowledge and belief, that no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

19.6. Based on such audit procedures, that have been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representation under para 19.4 and 19.5 contain any material misstatement.

19.7. In our opinion and according to the information and explanations given to us, the dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

19.8. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Praveen Kumar Daga
Partner
ICAI Membership No: 143762
UDIN: 25143762BMKVLB6959

Place: Bengaluru
Date: 13 May, 2025

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Taneja Aerospace and Aviation Limited for the year ended 31 March 2025

(Referred to in paragraph 17 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ('PPE').

The Company does not have any intangible assets.

(b) The Company has a regular programme of physical verification of its PPE by which all PPE are verified in a phased manner over a period of 1 year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain PPE were physically verified by the Management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company except for the following which are not held in the name of the Company.

Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of company
Freehold Land	198.08 lakhs	HRCE, Arulmigu Shree Basaveshwara Swamy, Arulmigu Bettadamma Temple, Arulmigu Shree Palagai Karagam Temple, Arul Migy Uttamma Karagam Temple	No	Since FY 2016-17	Pending with Tamil Nadu Government Authorities to transfer title deeds

(d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE.

(e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii. (a) In our opinion and according to the information and explanations given to us, the physical verification of inventories has been conducted at reasonable intervals by the Management and, the coverage and procedure of such verification by the Management is appropriate. The discrepancies noticed on verification between the physical stocks and the book records have been properly dealt with in the books of account.

(b) In our opinion and according to the information and explanations given to us, the Company has not been sanctioned any working capital limits at any point of time during the year, from banks or financial institutions.

iii. (a) In our opinion and according to the information and explanations given to us, the Company has made investments in companies, firms, Limited Liability Partnerships or any other parties, and the details are mentioned in the following table

Particulars	Investment	Security	Loans	Advances in the nature of loans
Aggregate amount granted/ provided during the year				
Subsidiaries	Nil	Nil	Nil	Nil
Joint Ventures	Nil	Nil	Nil	Nil
Associates	Nil	Nil	Nil	Nil
Others	974.99 lakhs	Nil	Nil	Nil
Balance outstanding as at balance sheet date in respect of above cases				
Subsidiaries	652.55 lakhs	Nil	Nil	Nil
Joint Ventures	Nil	Nil	Nil	Nil
Associates	Nil	Nil	Nil	Nil
Others	3,102.68 lakhs	Nil	Nil	Nil

(b) In our opinion and according to the information and explanations given to us, the investments made are not prejudicial to the Company's interest.

(c) In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated, and the repayments or receipts are regular during the year.

(d) No amount is overdue in respect of loans and advances in the nature of loans.

(e) In our opinion and according to the information and explanations given to us, neither loans nor advances in nature of loans have been renewed or extended nor any fresh loans have been granted to settle the overdue of existing loans.

(f) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or advances in the nature of loans to Promoters/ Related Parties (as defined in section 2(76) of the Act which are either repayable on demand or without specifying any terms or period of repayment.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act with respect to the loans given and investments made.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of directives issued by the Reserve Bank of India or the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. The Company is not required to maintain cost records under Section 148(1) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 and hence reporting under paragraph 3(vi) of the Order is not applicable to the Company.

vii. (a) In our opinion and according to the information and explanations given to us, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited by the Company with the appropriate authorities

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and Services Tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

(b) We confirm that there are no dues of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, which have not been deposited to/with the appropriate authority on account of any dispute

viii. In our opinion, and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) The Company has not borrowed any loans from any lender. Hence, reporting under clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.

(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) The Company has not raised any loans on short term basis and hence, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

x. (a) The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.

(b) The Company has not made any preferential allotment / private placement of shares / fully / partly / optionally convertible debentures during the year.

xi. (a) In our opinion and according to the information and explanations given to us, there has been no fraud by the Company or any fraud on the Company that has been noticed or reported during the year.

(b) In our opinion and according to the information and explanations given to us, no report under sub- section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the Management, there are no whistle blower complaints received by the Company during the year.

xii. In our opinion, and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is 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. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit report of the company issued till date, for the period under audit.

xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company

xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid CoR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India.

(d) The Company does not have CIC as part of the Group.

xvii. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly paragraph 3(xviii) of the Order is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. (a) In respect of other than ongoing projects, there are no unspent amounts in respect of CSR that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act.

(b) In respect of ongoing projects, there are no unspent amounts in respect of CSR, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Praveen Kumar Daga
Partner
ICAI Membership No: 143762
UDIN: 25143762BMKVLB6959

Place: Bengaluru
Date: 13 May, 2025

Annexure 'B' to the Independent Auditors' report on the Standalone Financial Statements of Taneja Aerospace and Aviation Limited for the year ended 31 March 2025

(Referred to in paragraph '18.6' under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act').

Opinion

1. We have audited the internal financial controls with reference to the Standalone Financial Statements of Taneja Aerospace and Aviation Limited ('the Company') as at 31 March 2025 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

2. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the Standalone Financial Statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note').

Management's responsibility for Internal Financial Controls

3. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in 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 the 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

4. Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA '), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Standalone Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Standalone Financial Statements were established and maintained and whether such controls operated effectively in all material respects.

5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to the 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.

6. 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 the Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to the Standalone Financial Statements

7. A company's internal financial controls with reference to the 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 controls with reference to the Standalone Financial Statements include 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

8. Because of the inherent limitations of internal financial controls with reference to the 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 the Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Praveen Kumar Daga
Partner
ICAI Membership No: 143762
UDIN: 25143762BMKVLB6959

Place: Bengaluru
Date: 13 May, 2025

Standalone Balance Sheet as at March 31, 2025

(INR in lakh, unless otherwise stated)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	4	**9,228.83**	9,434.01
Capital work-in-progress	5	**-**	8.84
Investment property	6	**716.75**	808.02
Right to Use of Assets	7	**18.97**	28.07
Financial assets			
Investments	8	**3,350.80**	2,721.98
Other financial Assets	9	**105.50**	76.80
Other non-current assets	10	**0.77**	5.26
Total Non-current assets		**13,421.62**	13,082.99
Current assets			
Inventories	11	**56.22**	-
Financial assets			
Investments	8	**404.43**	-
Trade receivables	12	**426.78**	845.27
Cash and cash equivalents	13	**484.50**	585.08
Bank balances other than cash and cash equivalents	14	**1,042.54**	9.88
Current tax assets (net)	15	**-**	115.18
Other current assets	16	**97.23**	104.46
Total Current assets		**2,511.70**	1,659.87
Total Assets		**15,933.32**	14,742.86
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	**1,275.03**	1,275.03
Other equity	18	**12,961.50**	11,769.58
Total Equity		**14,236.53**	13,044.60
Liabilities			
Non-current liabilities			
Financial liabilities			
Other financial liabilities	19	**386.26**	346.90
Provisions	20	**17.86**	14.95
Deferred Tax liability (Net)	36	**393.69**	480.43
Other non-current liabilities	21	**244.40**	280.80
Total Non-current liabilities		**1,042.21**	1,123.08
Current liabilities			
Financial liabilities			
Borrowings	22	**-**	-
Trade payables	23		
Total outstanding dues of micro enterprises and small enterprises		**46.00**	80.05
Total outstanding dues of creditors other than micro enterprises and small enterprises		**32.25**	40.05
Other financial liabilities	24	**342.22**	226.46
Lease liabilities	25	**22.05**	30.34
Current tax liabilities (net)	26	**21.60**	-
Other current liabilities	27	**145.11**	166.58
Provisions	20	**45.35**	31.70
Total Current liabilities		**654.58**	575.18
Total Liabilities		**1,696.79**	1,698.26
Total Equity and liabilities		**15,933.32**	14,742.86
Summary of material accounting policies	2		
The accompanying notes are an integral part of these standalone financial statements			

As per our report of even date attached.

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number : 105146W / W100621

For and on behalf of the Board of Directors of
Taneja Aerospace and Aviation Ltd
CIN: L62200TZ1988PLC014460

Praveen Kumar Daga	**Dr. Prahlada Ramarao**	**Rakesh Duda**	**Jitendra R. Muthiyan**	**Ashwini Navare**
Partner	**Chairman**	**Managing Director**	**Chief Financial Officer**	**Company Secretary**
Membership Number : 143762	DIN : 07548289	DIN : 05234273		Membership Number : A51288
Place : Bengaluru	Place : Bengaluru	Place : Bengaluru	Place : Bengaluru	Place : Bengaluru
Date : May 13, 2025	Date : May 13, 2025	Date : May 13, 2025	Date : May 13, 2025	Date : May 13, 2025

Standalone Statement of Profit and Loss for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Income			
Revenue from operations	28	**4,061.69**	3,035.20
Other income	29	**152.92**	50.85
Total Income		**4,214.61**	3,086.05
Expenses			
Cost of materials consumed	31	**19.65**	-
Changes in inventories of finished goods, stock-in-trade and work-in-progress		**-**	-
Other direct costs	30	**409.56**	142.37
Employee benefits expenses	32	**436.65**	355.09
Finance costs	33	**42.35**	47.79
Depreciation expenses	34	**351.53**	371.61
Other expenses	35	**611.70**	618.88
Total Expenses		**1,871.44**	1,535.75
Profit before exceptional items and tax		**2,343.17**	1,550.30
Exceptional items		**-**	-
Profit before tax		**2,343.17**	1,550.30
Tax expense:	36		
Current tax			
Current tax		**624.17**	484.03
Deferred tax		**(88.62)**	(46.87)
Total Income-tax expense		**535.55**	437.16
Profit for the year		**1,807.62**	1,113.14
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent period		**-**	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
- Net gain/ (loss) on equity instruments measured at fair value through other comprehensive income		**28.84**	(30.57)
- Income tax (expenses) / income on above		**(3.18)**	3.18
- Re-measurement gain / (loss) on defined benefit plans		**(5.14)**	(5.10)
- Income tax (expenses) / income on above		**1.29**	1.48
Other comprehensive income for the year		**21.81**	(31.00)
Total Comprehensive income for the year		**1,829.43**	1,082.14
Earnings per share	37		
Basic earnings per share (INR)		**7.09**	4.45
Diluted earnings per share (INR)		**7.09**	4.45
Summary of material accounting policies	2		
The accompanying notes are an integral part of these standalone financial statements			

As per our report of even date attached.

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number : 105146W / W100621

For and on behalf of the Board of Directors of
Taneja Aerospace and Aviation Ltd
CIN: L62200TZ1988PLC014460

Praveen Kumar Daga
Partner
Membership Number : 143762
Place : Bengaluru
Date : May 13, 2025

Dr. Prahlada Ramarao
Chairman
DIN : 07548289
Place : Bengaluru
Date : May 13, 2025

Rakesh Duda
Managing Director
DIN : 05234273
Place : Bengaluru
Date : May 13, 2025

Jitendra R. Muthiyan
Chief Financial Officer
Place : Bengaluru
Date : May 13, 2025

Ashwini Navare
Company Secretary
Membership Number : A51288
Place : Bengaluru
Date : May 13, 2025

Standalone Statement of Cash Flows for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash flow from Operating activities		
Profit before tax	**2,343.17**	1,550.30
Adjustments for:		
Depreciation expense	**351.53**	371.61
Finance costs	**-**	3.98
Gain on sale of property, plant and equipments	**(0.17)**	(1.59)
Gain on changes in fair value of investments	**(14.70)**	-
Expected credit loss / Bad-debts written off	**8.60**	67.97
Interest expenses on Inter Corporate Deposit	**-**	1.00
Interest income	**(80.34)**	(27.01)
Other Comprehensive Income	**(3.85)**	(3.61)
Operating profit before working capital changes	**2,604.24**	1,962.65
Changes in working capital		
(Decrease) / increase in trade payables, provisions and other liabilities	**38.99**	(5.38)
Decrease / (increase) in inventories	**(56.22)**	-
Decrease / (increase) in trade receivables and other assets	**422.50**	(247.28)
Cash generated from operations	**3,009.51**	1,709.99
Income tax (paid) / refund (Net)	**(484.04)**	(304.55)
Net cash flows generated from operating activities (A)	**2,525.47**	1,405.44
Cash flows from investing activities		
Payment for property, plant and equipment (including capital w-i-p)	**(38.50)**	(622.08)
Payment for investments in equity shares	**(499.99)**	(2,100.00)
Payment for investments in AIF and ohers	**(494.38)**	-
Movement in other bank balances	**(1,032.66)**	-
Proceeds from sale/ disposal of property, plant and equipments	**0.68**	1.75
Interest received	**76.31**	44.19
Net cash flows (used in)/generated from investing activities (B)	**(1,988.54)**	(2,676.14)
Cash flows from financing activities		
Issue of Equity Share Capital	**-**	28.49
Premium on issue of Equity Share Capital	**-**	1,971.51
Lease Payments	**-**	(10.40)
Inter Corporate Deposit taken during the year	**-**	75.00
Re-payment of Inter Corporate Deposit	**-**	(75.00)
Dividend paid	**(637.51)**	(977.85)
Interest paid	**-**	(4.98)
Net cash flows used in financing activities (C)	**(637.51)**	1,006.77
Net Increase / (decrease) in cash and cash equivalents (A+B+C)	**(100.58)**	(263.95)
Cash and cash equivalents at the beginning of the year	**585.08**	849.03
Cash and cash equivalents at the end of the year	**484.50**	585.08
Cash and cash equivalents comprise		
Balances with banks		
On current accounts	**433.59**	585.08
On fixed deposits with maturity of less than three months	**50.90**	-
Cash on hand	**0.01**	0.00
Total Cash and cash equivalents	**484.50**	585.08
Summary of material accounting policies		
The accompanying notes are an integral part of these standalone financial statements		

As per our report of even date attached.

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number : 105146W / W100621

For and on behalf of the Board of Directors of
Taneja Aerospace and Aviation Ltd
CIN: L62200TZ1988PLC014460

Praveen Kumar Daga	**Dr. Prahlada Ramarao**	**Rakesh Duda**	**Jitendra R. Muthiyan**	**Ashwini Navare**
Partner	**Chairman**	**Managing Director**	**Chief Financial Officer**	**Company Secretary**
Membership Number : 143762	DIN : 07548289	DIN : 05234273		Membership Number : A51288
Place : Bengaluru	Place : Bengaluru	Place : Bengaluru	Place : Bengaluru	Place : Bengaluru
Date : May 13, 2025	Date : May 13, 2025	Date : May 13, 2025	Date : May 13, 2025	Date : May 13, 2025

Standalone Statement of Changes in Equity for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

(A) Equity share capital

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Equity shares of INR 5 each issued, subscribed and fully paid up				
Opening	2,55,00,536	1,275.03	2,55,00,536	1,275.03
Add: Changes in equity share capital during the year	-	-	-	-
Closing	**2,55,00,536**	**1,275.03**	**2,55,00,536**	**1,275.03**

(B) Other equity

Particulars	Other Equity				Items of Other comprehensive income		Total
	Securities premium reserve	Capital reserve	General reserve	Retained earnings	Re-measurement of defined benefit liability	Fair Valuation of Equity Instruments through OCI	
Balance as on April 01, 2024	**7,175.04**	**5.83**	**1,271.86**	**3,344.24**	**-**	**(27.39)**	**11,769.58**
Profit for the year	-	-	-	**1,807.62**	-	-	**1,807.62**
Add: Securities premium credited on share issue	-	-	-	-	-	-	-
Add: Other comprehensive income (OCI)							
- Net gain/ (loss) on equity instruments measured at fair value through OCI	-	-	-	-	-	**28.84**	**28.84**
- Re-measurement gains/ (losses) on defined benefit plans	-	-	-	-	**(5.14)**	-	**(5.14)**
- Income-tax effect	-	-	-	-	**1.29**	**(3.18)**	**(1.89)**
Add: Transferred to retained earnings	-	-	-	**(3.85)**	**3.85**	-	-
Total Comprehensive income for the year	-	-	-	**1,803.78**	-	**25.66**	**1,829.43**
Less: Interim dividend paid	-	-	-	**(637.51)**	-	-	**(637.51)**
Balance as at March 31, 2025	**7,175.04**	**5.83**	**1,271.86**	**4,510.50**	**-**	**(1.73)**	**12,961.50**

Particulars	Other Equity				Items of Other comprehensive income		Total
	Securities premium reserve	Capital reserve	General reserve	Retained earnings	Re-measurement of defined benefit liability	Fair Valuation of Equity Instruments through OCI	
Balance as on April 1, 2023	5,203.53	5.83	1,271.86	3,231.94	-	-	9,713.16
Profit for the year	-	-	-	1,113.14	-	-	1,113.14
Add: Securities premium credited on share issue	1,971.51	-	-	-	-	-	1,971.51
Add: Other comprehensive income							
- Net gain/ (loss) on equity instruments measured at fair value through OCI	-	-	-	-	-	(30.57)	(30.57)
- Re-measurement gains/ (losses) on defined benefit plans	-	-	-	-	(5.10)	-	(5.10)
- Income-tax effect	-	-	-	-	1.48	3.18	4.66
Add: Transferred to retained earnings	-	-	-	(3.61)	3.61	-	-
Total Comprehensive income for the year	1,971.51	-	-	1,109.53	-	(27.39)	3,053.64
Less: Interim dividend paid	-	-	-	(997.23)	-	-	(997.23)
Balance as at March 31, 2024	7,175.04	5.83	1,271.86	3,344.24	-	(27.39)	11,769.58

Summary of material accounting policies

The accompanying notes are an integral part of these standalone financial statements

As per our report of even date attached.

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number : 105146W / W100621

For and on behalf of the Board of Directors of
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Membership Number : 143762
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Chief Financial Officer
Place : Bengaluru
Date : May 13, 2025

Ashwini Navare
Company Secretary
Membership Number : A51288
Place : Bengaluru
Date : May 13, 2025

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

1 General Information

Taneja Aerospace & Aviation Ltd (TAAL) is a Public Ltd company incorporated in India under the Companies Act, 1956. TAAL is engaged in the business of manufacture and sale of various parts and components to aviation industry, providing services related to Airfield & Maintenance, Repair and Overhaul (MRO) and allied services.

These standalone financial statements of the Company were approved by the Board of Directors in their meeting held on May 13, 2025.

2 Material accounting policies

Material accounting policies adopted by the Company are as under:

2.1 Basis of preparation of Standalone Financial Statements

(a) Statement of Compliance with Ind AS

These standalone 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 as amended from time to time and the other relevant provisions of the Act and Rules thereunder.

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.

i) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments)

ii) Embedded derivative and

iii) Asset classified as held for sale

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

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 indirect taxes wherever credit of the duty or tax is availed of.

b) 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.

c) 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'.

d) Subsequent expenditure relating to property, plant and equipments is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

e) Considering the nature of business activity, Runway and Apron attached to Runway and hangar has been treated as plant and equipment and depreciation has been provided accordingly.

f) Where a significant component (in terms of cost) of an asset has an economic useful life shorter than that of it's corresponding asset, the component is depreciated over it's shorter life.

Depreciation methods, estimated useful lives

Depreciation is provided on straight line method on Building, Plant and Equipment and Computer - Hardware and on written down value method on all other assets, 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 the assets are ready for intended use. Depreciation on sale / deletion of property, plant and equipments is provided for upto the date of sale, deduction or discard of property, plant and equipment as the case may be. In case of impairment, if any, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Based on the technical experts assessment of useful life, following class of property, plant and equipments are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. These estimates are based on the technical evaluation which considered the nature and usage of the assets, the operating conditions of the assets, anticipated technological changes and maintenance support etc.

Property, plant and equipments	**Useful Life**
Plant and equipments	15-48 years
Furniture and fixtures	10 years
Vehicles	8-10 years
Office equipment	5 years

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

2.3 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment properties are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation on investment properties is provided on a pro-rata basis on straight line method over the estimated useful lives as assessed by the Management. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. These estimates are based on the technical evaluation which considered the nature and usage of the assets, the operating conditions of the assets, anticipated technological changes and maintenance support etc.

Investment Property	**Useful life**
Hangars (Building)	18-26 years

Investment properties are de-recognized either when they have been disposed off or when they are permanently withdrawn and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

2.4 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 Group.

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.

2.5 Revenue Recognition

Revenue is measured at fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Ind AS 115 Revenue from contracts with customers, outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from operations based on five step model as set out in Ind AS 115:

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

Step 1: Identify contract(s) with a customer: A Contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of Consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when the Company satisfies a performance obligation.

Rental income arising from operating leases (leases of hangar) is accounted for on a straight-line basis or another systematic basis over the lease terms based on agreement/contract entered into with the third party and is included in revenue in the Statement of Profit or Loss due to its operating nature.

Training fees received, being non-refundable, is accounted over the training period.

The Company 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.

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. The Company recognizes duty drawback and income from duty credit scrips only when there is reasonable assurance that the conditions attached to them will be complied with and the duty drawback and duty credit scrips will be received.

Commission income is recognised when the right to receive payment is established.

2.6 Taxes

The Company’s tax jurisdiction is India. Tax expenses for the year, comprising current tax, deferred tax and minimum alternate tax credit if any are included in the determination of the net profit or loss for the year.

(a) Current income-tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. 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) 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 Income tax act, in respect of MAT paid is recognised as asset only when and to the extent there is convincing evidence that the Company 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 recognised as an asset is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

(c) 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.

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

2.7 Leases

As a lessee

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease at the inception of a contract. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a Right-Of-Use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low-value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

As a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is accounted for on a straight-line basis or another systematic basis over the lease terms based on agreement/contract entered into with the third party and is included in revenue in the Statement of Profit or Loss due to its operating nature.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the companies net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.8 Impairment of non-financial assets

The Company assesses at each reporting date as to 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 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 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").

2.9 Provisions and contingencies

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.

These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

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.

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

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

provision or disclosure is made.

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

2.10 Inventories

Inventories are valued at the lower of cost and net realisable value.

Stock of raw materials, stores, spares, bought out items and certain components are valued at cost less amounts written down.

Stock of certain aero structures, components, work-in-progress and finished goods are valued at lower of cost and net realisable value based on technical estimate of the percentage of work completed.

In determining the cost of raw materials, components, stores, spares and loose tools, the First In First Out (FIFO) method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable) and all other costs incurred in bringing the inventory to their present location and condition.

Work-in-progress, manufactured finished goods are valued at the lower of cost and net realisable value. Cost of work-in-progress and manufactured finished goods is determined on the weighted average basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on item by item basis.

2.11 Cash and cash equivalents

Cash and cash equivalent 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.

Cash and Cash Equivalents includes deposits maintained by the Company with banks, which can be withdrawn by the Company at any point of time without prior notice or penalty on the principal. Cash and cash equivalents include restricted cash and bank balances. The restrictions are primarily on account of bank balances held as margin money deposits against guarantees.

2.12 Investment in Subsidiary

When an entity prepares separate financial statements, it shall account for investments in subsidiaries, joint ventures and associates either:

(a) at cost, or

(b) in accordance with Ind AS 109.

Company accounts for its investment in subsidiary at cost.

2.13 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 recognised as an expense in the Statement of Profit and Loss in the year in which they are incurred.

2.14 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.

<u>Amortized cost:</u> 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).

<u>Fair Value Through Other Comprehensive Income (FVOCI):</u> 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 recognized 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 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.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

<u>Fair Value Through Profit or Loss:</u> 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-month 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 month 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.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(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

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in 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.

Financial guarantee contracts

Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

(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.

2.15 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) Defined contribution plan

The Company makes defined contribution to provident fund, which are recognised 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.

<u>Employee's State Insurance Scheme:</u> Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as defined contribution schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(c) Defined benefit plans

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. 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 other comprehensive income in the year in which they arise.

(d) Other long-term employee benefits

Compensated Absences: 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 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.

Leaves under define benefit plans can be encashed only on discontinuation of service by employee.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

(e) Termination benefits

Liability for termination benefits like expenditure on Voluntary Retirement Scheme/ Retrenchment is recognised at the earlier of when the Company can no longer withdraw the offer of termination benefit or when the Company recognises any related restructuring costs

2.16 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 (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 and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.17 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 results separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Segments are identified having regard to the dominant source and nature of risks and returns and internal organization and management structure. The Company has considered business segments as the primary segments for disclosure. The business segment in which the Company operates is ‘Aerospace and Aviation’. The Company does not have any geographical segment. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in the individual segment, and are as set out in the material accounting policies.

Thus, as defined in Ind AS 108 - Operating Segments, the Company operates in a single business segment of aerospace and aviation.

2.18 Events occurring after the Balance Sheet Date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. There are no subsequent events to be recognised or reported that are not already disclosed.

2.19 Rounding off amounts

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

3 Accounting judgments, estimates and assumptions and recent pronouncements

The preparation of financial statements requires Management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and 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.

(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 inflation, seniority, promotion and other relevant factors on long-term basis.

3.2 Recent pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

4 Property, plant and equipments

4.1 Financial Year 2024-25

Particulars	Gross block				Depreciation				Net block	
	As on April 1, 2024	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2025	As on April 1, 2024	For the year	Deductions/ Adjustments	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Owned assets										
Freehold land	7,013.80	-	-	7,013.80	-	-	-	-	7,013.80	7,013.80
Buildings	724.58	38.77	-	763.35	164.87	26.66	-	191.53	571.82	559.71
Plant and equipments	2,955.74	-	-	2,955.74	1,341.82	147.78	-	1,489.60	1,466.13	1,613.91
Furniture and fixtures	5.11	1.04	-	6.15	3.12	0.09	-	3.22	2.93	1.99
Office equipments	15.59	3.34	-	18.92	10.94	1.80	-	12.75	6.18	4.64
Computer hardware	14.62	3.33	-	17.95	12.42	0.73	-	13.15	4.80	2.20
Vehicles	381.65	-	11.40	370.25	143.88	74.07	10.89	207.07	163.18	237.77
Total	**11,111.07**	**46.48**	**11.40**	**11,146.16**	**1,677.06**	**251.15**	**10.89**	**1,917.32**	**9,228.83**	**9,434.01**

4.2 Financial Year 2023-24

Particulars	Gross block				Depreciation				Net block	
	As on April 1, 2023	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2024	As on April 1, 2023	For the year	Deductions/ Adjustments	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
Owned assets										
Freehold Land	6,576.52	437.27	-	7,013.80	-	-	-	-	7,013.80	6,576.52
Buildings	464.29	260.29	-	724.58	142.40	22.48	-	164.87	559.71	321.89
Plant and Equipment	2,940.24	15.50	-	2,955.74	1,193.89	147.93	-	1,341.82	1,613.91	1,746.34
Furniture and fixtures	5.11	-	-	5.11	3.12	0.01	-	3.12	1.99	1.99
Office Equipment	25.45	3.68	13.55	15.59	23.06	1.43	13.55	10.94	4.64	2.39
Computer - Hardware	16.25	0.51	2.14	14.62	13.75	0.81	2.14	12.42	2.20	2.50
Vehicles	333.44	63.66	15.45	381.65	60.57	98.60	15.29	143.88	237.77	272.86
Total	**10,361.30**	**780.91**	**31.14**	**11,111.07**	**1,436.79**	**271.25**	**30.97**	**1,677.06**	**9,434.01**	**8,924.50**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

4.3 Title deeds of Immovable Properties not held in name of the Company

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company
Property, plant and equipment	Freehold Land	198.08 (March 31, 2024 - 198.08 lakh)	HRCE, Arulmigu Shree Basaveshwara Swamy, Arulmigu Bettadamma Temple, Arulmigu Shree Palagai Karagam Temple, Arulmigu Uttammakaragam Temple	No	FY 2016-17	Pending with Tamil Nadu Government Authorities to transfer title deeds

5 Capital work-in-progress

5.1 Financial Year 2024-25

Details	**As on April 1, 2024**	**Additions**	**Deductions/ Adjustments**	**Capitalisation**	**As at March 31, 2025**
Capital work-in-progress	**8.84**	**-**	**0.86**	**7.98**	**-**
Total	**8.84**	**-**	**0.86**	**7.98**	**-**

5.2 Financial Year 2023-24

Details	As on April 1, 2023	Additions	Deductions/ Adjustments	Capitalisation	As at March 31, 2024
Capital work-in-progress	167.67	93.16	-	251.99	8.84
Total	167.67	93.16	-	251.99	8.84

Capital work-in-progress ageing schedule

Financial Year 2024-25

Details	**Capital - work - in progress ageing schedule**				**Total**
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

The carrying value of capital work-in-progress does not include any cost over and above the planned expenditure as approved by the competent authority.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

6 Investment property

6.1 Financial Year 2024-25

Particulars	Gross block				Depreciation				Net block	
	As on April 1, 2024	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2025	As on April 1, 2024	For the year	Deductions/ Adjustments	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Hangar (Building)	1,315.93	-	-	1,315.93	507.91	91.27	-	599.18	716.75	808.02
Total	**1,315.93**	**-**	**-**	**1,315.93**	**507.91**	**91.27**	**-**	**599.18**	**716.75**	**808.02**

6.2 Financial Year 2023-24

Particulars	Gross block				Depreciation				Net block	
	As on April 1, 2023	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2024	As on April 1, 2023	For the year	Deductions/ Adjustments	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
Hangar (Building)	1,315.93	-	-	1,315.93	416.64	91.26	-	507.91	808.02	899.29
Total	**1,315.93**	**-**	**-**	**1,315.93**	**416.64**	**91.26**	**-**	**507.91**	**808.02**	**899.29**

During the year, the Company has recognised rental income of INR 1,798.10 lakh (March 31, 2024 - INR 1,696.32 lakh) in the standalone Statement of Profit and Loss for investment properties.

Investment properties is leased out under operating leases. Disclosure on future rent receivable is included in note 39.

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

7 Right to Use of Assets

7.1 Financial Year 2024-25

Particulars	Gross block				Depreciation				Net block	
	As on April 1, 2024	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2025	As on April 1, 2024	For the year	Deductions/ Adjustments	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Right of Use of Assets	45.52	-	-	45.52	17.45	9.10	-	26.55	18.97	28.07
Total	**45.52**	**-**	**-**	**45.52**	**17.45**	**9.10**	**-**	**26.55**	**18.97**	**28.07**

7.2 Financial Year 2023-24

Particulars	Gross block				Depreciation				Net block	
	As on April 1, 2023	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2024	As on April 1, 2023	For the year	Deductions/ Adjustments	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
Right of Use of Assets	45.52	-	-	45.52	8.35	9.10	-	17.45	28.07	37.17
Total	**45.52**	**-**	**-**	**45.52**	**8.35**	**9.10**	**-**	**17.45**	**28.07**	**37.17**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

8 Financial assets - Investments

Particulars	As at March 31, 2025		As at March 31, 2024	
a **Investment in equity instruments (fully paid-up)**				
Unquoted equity shares (non-trade, stated at cost)				
Katra Auto Engineering Private Limited - 50,000 shares (March 31, 2024 - 50,000 shares) of INR 10/- each		**5.00**		5.00
Capital contribution *		**647.55**		647.55
b **Investment in equity instruments (fully paid-up)**				
- Unquoted equity shares (non-trade, Stated At Fair Value through Other Comprehensive Income)				
Prive Avion Alliances Pvt Ltd. - 200 shares (March 31, 2024 - 200 shares) of INR 100/- each		**63.00**		69.43
Altair Infrasec Pvt. Ltd. - 23,068 shares (March 31, 2024 - 23068 shares) of INR 10/- each		**2,216.37**		2,000.00
Zenith Precision Pvt. Ltd. - 27,777 shares (Previous year Nil) of INR 10/- each		**318.88**		-
c **Investment - Others**				
Details	**March 31, 2025**		March 31, 2024	
Unquoted (non-trade, Stated At Fair Value through Profit and Loss)	**No. of units**	**Amount**	No. of units	Amount
- Northern Arc Money Market Alpha Trust	**1,77,706.50**	**185.04**	-	-
- AAMSAR LLP	**2,99,985.00**	**319.38**	-	-
		3,755.23		2,721.98
* Long-term loan in nature of equity into 100% subsidiary.				
Classified as :				
Current		**404.43**		-
Non-current		**3,350.80**		2,721.98
Total Financial assets - investments		**3,755.23**		2,721.98

9 Other financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Security deposits	**28.39**	24.40
Balances with banks		
On unpaid dividend accounts	**77.10**	52.40
Total Other financial assets	**105.50**	76.80

10 Other non-current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Balance with revenue authorities	**0.77**	5.26
Capital advance to suppliers	**-**	-
Total Other non-current assets	**0.77**	5.26

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

11 Inventories

Particulars	As at March 31, 2025	As at March 31, 2024
Inventory at the closing of the year	**56.22**	-
Work-in-progress in stock (At cost)	-	-
Finished Goods	-	-
Inventory - Others	-	-
Total Inventories	**56.22**	-

12 Trade receivables

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured		
Considered good	**426.78**	845.27
Credit impaired	**8.60**	0.26
Less : Allowance for expected credit loss	**(8.60)**	(0.26)
	426.78	845.27
Further classified as:		
Receivables from related parties	-	-
Receivables from others	**426.78**	845.27
Total Trade receivables	**426.78**	845.27

Ageing of trade receivables

As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment					
	less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - Considered good	422.33	0.10	4.35	-	-	426.78
Undisputed trade receivables - Credit impaired	-	-	-	-	-	-
Disputed trade receivables - Considered good	-	-	-	-	-	-
Disputed trade receivables - Credit impaired	-	-	-	-	-	-

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment					
	less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - Considered good	805.92	2.21	2.14	12.20	22.80	845.27
Undisputed trade receivables - Credit impaired	-	-	-	-	-	-
Disputed trade receivables - Considered good	-	-	-	-	-	-
Disputed trade receivables - Credit impaired	-	-	-	-	-	-

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

13 Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks		
On current accounts	**433.59**	585.08
Margin money deposits with banks (Less than 3 months maturity)	**-**	-
Fixed deposits with banks (Less than 3 months maturity)	**50.90**	-
Cash on hand	**0.01**	0.00
Total Cash and cash equivalents	**484.50**	585.08

14 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Margin money deposits with banks (more than 3 months maturity)	**17.54**	3.80
Fixed deposits with banks (more than 3 months maturity)	**1,025.00**	6.08
Total bank balances other than cash and cash equivalents	**1,042.54**	9.88

15 Current tax assets (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance income tax	**-**	115.18
[Net of provision for tax: (March 31, 2024: INR 487.65 lakh)]		
Total Current tax assets (net)	**-**	115.18

16 Other current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Cost Incurred - IndAS 115 (Project)	**38.57**	-
Advance to suppliers	**37.09**	83.67
Advance to staff	**-**	-
Prepaid expenses	**7.76**	6.99
Interest accrued but not due	**4.26**	0.23
Unbilled revenue	**9.54**	13.57
Total Other current assets	**97.23**	104.46

17 Equity share capital

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised		
4,00,00,000 (March 31, 2024 - 4,00,00,000) equity shares of INR 5/- each	**2,000.00**	2,000.00
10,00,000 (March 31, 2024 - 10,00,000) 15% Redeemable Cumulative Preference Shares of INR 50/- each	**500.00**	500.00
	2,500.00	2,500.00
Issued, subscribed and paid-up		
2,55,00,536 (March 31, 2024 - 2,55,00,536) equity shares of INR 5/- each fully paid-up	**1,275.03**	1,275.03
Total	**1,275.03**	1,275.03

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

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

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Equity Shares at the beginning of the year	**2,55,00,536**	**1,275.03**	2,49,30,736	1,246.54
Equity Shares issued during the year	-	-	5,69,800	28.49
Equity Shares bought back during the year	-	-	-	-
Equity Shares outstanding at the end of the year	**2,55,00,536**	**1,275.03**	2,55,00,536	1,275.03

(b) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares of INR 5/- 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.

The Company has only one class of preference shares, there are no preference shares issued till date.

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) Details of shares held by Holding Company and more than 5% of the aggregate shares in the Company

Name of the shareholder	As at March 31, 2025		As at March 31, 2024	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Asscher Enterprises Limited (Previously known as Indian Seamless Enterprises Limited)	**1,32,23,134**	**51.85**	1,32,23,099	51.85

(d) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(e) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

(f) Shareholding of Promoters

Name of the Promoter	No. of shares held	% of shares	% of change during the year
Salil Baldevraj Taneja	3,500	0.01%	-
Alka Metha	-	0.00%	(0.10)
Vishkul Enterprises Private Limited	39,556	0.16%	(0.01)
Laurus Tradecon Private Limited (Promoter upto 14th February 2025)	45,717	0.18%	-
Asscher Enterprises Limited	1,32,23,134	51.85%	0.0001

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

18 Other Equity

	Particulars	As at March 31, 2025	As at March 31, 2024
(a)	**Capital reserve**		
	Opening balance	**5.83**	5.83
	Closing balance	**5.83**	5.83
	The Company recognises profit and loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.		
(b)	**Securities premium account**		
	Opening balance	**7,175.04**	5,203.53
	Add : Securities premium credited on share issue	**-**	1,971.51
	Closing balance	**7,175.04**	7,175.04
	Securities premium account is used to record the premium received on issue of shares. The reserve can be utilised only for limited purpose such as issuance of bonus shares in accordance with the provisions of Companies Act, 2013.		
(c)	**General reserve**		
	Opening balance	**1,271.86**	1,271.86
	Closing balance	**1,271.86**	1,271.86
	The General reserve represents the adjustment on account of scheme of amalgamation approved by the High court in the FY 2009-10.		
(d)	**Retained earnings**		
	Opening balance	**3,344.24**	3,231.94
	Net Profit / (Net Loss) for the year	**1,807.62**	1,113.14
	Less: Items of Other Comprehensive Income - Re-measurement gain/ (loss) on defined benefit plans (net of taxes)	**(3.85)**	(3.61)
		5,148.02	4,341.47
	Less: Interim dividend	**(637.51)**	(997.23)
	Closing balance	**4,510.50**	3,344.24
	Retained earnings represents undistributed accumulated earnings of the Company as at the Balance Sheet date.		
(e)	**Other Comprehensive Income (OCI)**		
	Opening balance	**(27.39)**	-
	Add: Net gain/ (loss) on equity instruments measured at fair value through OCI (net of taxes)	**25.66**	(27.39)
	Add: Net gain/ (loss) on re-measurement of defined benefit plans (net of taxes)	**(3.85)**	(3.61)
	Transferred to retained earnings	**3.85**	3.61
	Closing balance	**(1.73)**	(27.39)
	Total Other equity	**12,961.50**	11,769.58

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

19 Other non-current financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Deposit from lessee	**386.26**	346.90
Total Other non-current financial liabilities	**386.26**	346.90

20 Provisions

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current provisions		
Provision for employee benefits (Refer Note 38)		
(a) Provision for gratuity (funded)	**-**	-
(b) Provision for leave encashment (unfunded)	**17.86**	14.95
Total Non-current provisions	**17.86**	14.95
Current provisions		
Provision for employee benefits (Refer Note 38)		
(a) Provision for gratuity (funded)	**26.41**	18.20
(b) Provision for leave encashment (unfunded)	**18.91**	13.50
Total Current provisions	**45.33**	31.70
Total Provisions	**63.19**	46.65

21 Other non-current liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred rental income	**244.40**	280.80
Total Other non-current liabilities	**244.40**	280.80

22 Current borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured		
(a) Short-term borrowings from related parties *	**-**	-
Opening	**-**	-
Add: Obtained during the year	**-**	75.00
Less: Re-paid during the year	**-**	(75.00)
Total Current borrowings	**-**	-

* During the year, the Company has not obtained any short-term loan (FY 2023-24 - INR 75 lakh) from related parties to meet its working capital requirements.

23 Trade payables

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises*	**46.00**	80.05
Total outstanding dues of creditors other than micro enterprises and small enterprises	**32.25**	40.05
Total Trade payables	**78.25**	120.10

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

Trade Payables ageing schedule

As at March 31, 2025

Particulars	**Outstanding for following periods from due date of payment**				**Total**
	less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	
Due to MSME	**46.00**	**-**	**-**	**-**	**46.00**
Due to Others	**12.03**	**0.51**	**0.03**	**19.67**	**32.25**
Disputed - Dues to MSME	**-**	**-**	**-**	**-**	**-**
Disputed - Dues to Others	**-**	**-**	**-**	**-**	**-**

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment				Total
	less than 1 year	1-2 years	2-3 years	More than 3 years	
Due to MSME	80.05	-	-	-	80.05
Due to Others	7.99	8.24	-	23.81	40.05
Disputed - Dues to MSME	-	-	-	-	-
Disputed - Dues to Others	-	-	-	-	-

* 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, 2024: INR Nil) towards interest payable to the vendors under the MSMED Act.

Particulars	**As at March 31, 2025**	As at March 31, 2024
i. The principal amount due thereon remaining unpaid as at the year end, interest amount due and remaining unpaid as at the year end		
a) Principal	**46.00**	80.05
b) Interest	**-**	-
Total	**46.00**	80.05
ii. The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 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 Micro, Small and Medium Enterprises Development Act, 2006.	**-**	-
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 Micro, Small and Medium Enterprises Development Act, 2006.	**-**	-

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

24 Other current financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Expenses Payables ^	**204.28**	146.49
Employee related liabilities#	**60.84**	27.57
Unpaid dividend	**77.10**	52.40
Total Other current financial liabilities	**342.22**	226.46

Includes INR 13.14 lakh (March 31, 2024 : INR Nil) due to Managing director.

25 Lease liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Right of use liability	**22.05**	30.34
Total Lease liabilities	**22.05**	30.34

26 Current tax liabilities (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Income-tax (Net of taxes paid: INR 576.78 lakh)	**21.60**	-
Total Current tax liabilities (net)	**21.60**	-

27 Other current liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory dues payable	**99.72**	127.22
Deferred rental income	**36.40**	37.56
Advance from customers	**9.00**	1.80
Total Other current liabilities	**145.11**	166.58

28 Revenue from operations

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Sales – Aviation		
Domestic sales	**-**	-
Export sales	**-**	-
Services – Aviation		
Domestic conversion charges	**361.14**	193.64
Rental income, maintenance and other services *	**3,695.53**	2,837.50
Training services	**5.02**	4.06
Total Revenue from operations	**4,061.69**	3,035.20

* Includes IndAS interest income of INR 37.56 lakh (March 31, 2024 - INR 41.69 lakh).

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 at March 31, 2025 is INR 666.20 lakh (March 31, 2024 - INR 200.19 lakh) which the Company expects to recognize in the year 2025-26.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

29 Other income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest income *	**80.34**	27.01
Miscellaneous income	**57.71**	10.24
Gain on changes in fair value of investments	**14.70**	-
Profit on sale of property, plant and equipment	**0.17**	1.59
Write back of advances/ provisions	**-**	12.00
Total Other income	**152.92**	50.85

* Includes interest on bank deposits, Interest on income-tax refund of INR 6.05 lakh (March 31, 2024 - INR Nil), IndAS interest of INR 0.79 lakh (March 31, 2024 - INR 0.27 lakh) and other investments.

30 Other direct costs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Vendor charges	**409.56**	142.37
Total Other direct costs	**409.56**	142.37

31 Cost of raw materials consumed

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Inventory at the beginning of the year	**-**	-
Add : Purchases	**75.86**	-
Less : Inventory at the end of the year	**(56.22)**	-
Total Raw materials consumed	**19.65**	-

32 Employee benefits expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages, bonus and other allowances *	**413.11**	335.16
Contribution to provident and other funds	**11.04**	9.26
Gratuity	**5.90**	6.14
Staff welfare expenses	**6.60**	4.54
Total Employee benefits expense	**436.65**	355.09

* Includes incentive paid to Managing Director of INR 20 lakh (March 31, 2024 - Nil)

33 Finance costs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Other finance costs *	**42.35**	42.81
Interest on working capital loans	**-**	4.98
Total Finance costs	**42.35**	47.79

* Includes IndAS interest cost of INR 41.94 lakh (March 31, 2024 - INR 42.21 lakh)

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

34 Depreciation and amortization expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation on property, plant and equipment (Refer note 4)	**251.15**	271.25
Depreciation on investment properties (Refer note 6)	**91.27**	91.26
Depreciation on ROU asstes (Refer note 7)	**9.10**	9.10
Total Depreciation and amortization expense	**351.53**	371.61

35 Other expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Professional & Consultancy charges	**123.28**	105.60
Repairs and maintenance plant & equipment	**115.53**	122.41
Office & other administrative expenses	**68.96**	63.35
Outsourced Manpower Cost	**65.22**	60.23
Rates & taxes	**45.94**	43.05
Travelling & conveyance	**44.39**	28.00
Rent	**32.64**	30.84
CSR expenses (Refer note 45)	**29.77**	16.46
Insurance	**18.22**	12.93
Repairs and maintenance others	**15.63**	17.06
Legal expenses	**11.53**	26.00
Power and fuel	**9.46**	8.00
Sitting fees	**9.30**	9.00
Allowance for expected credit loss * / Bad debts written off	**8.60**	67.97
Auditors remuneration **	**8.31**	6.79
Repairs and maintenance building	**2.78**	-
Selling expenses	**2.13**	1.20
Foreign exchange variance expenses	**0.01**	-
Total Other expenses	**611.70**	618.88

*** Movement in allowance for expected credit loss during the year :**

Details	Year ended March 31, 2025	Year ended March 31, 2024
Opening allowance for expected credit loss	**-**	0.26
Add: Created during the year	**8.60**	-
Less: Written off during the year	**-**	(0.26)
Closing allowance for expected credit loss (Refer note 12)	**8.60**	-

*** Bad debts written off during the year**

Details	Year ended March 31, 2025	Year ended March 31, 2024
Bad-debts written off during the year	**-**	68.22
Less : Transfer (from)/ to provision for bad-debts	**-**	(0.26)
Net balance	**-**	67.97

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

**** The following is the break-up of auditors remuneration (exclusive of taxes)**

Details	Year ended March 31, 2025	Year ended March 31, 2024
As auditor:		
Statutory audit and limited review fees	**8.00**	6.50
In other capacity:		
Certification Charges	**0.30**	-
Re-imbursement of expenses	**0.01**	0.29
Total	**8.31**	6.79

36 Tax expense:

	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(A)	**Deferred tax relates to the following:**		
	Deferred tax assets		
	On employee benefits	**54.75**	86.80
	On provision for doubtful debts	**-**	-
	MAT credit entitlement	**-**	-
	Fair valuation of Equity Instruments through OCI	**22.50**	3.18
	Deferred tax liabilities		
	On property, plant and equipment	**(448.44)**	(570.40)
	Fair valuation of Equity Instruments through OCI	**(22.50)**	-
	Deferred tax liabilities (net)	**(393.69)**	(480.43)
(B)	**Recognition of deferred tax asset to the extent of deferred tax liability**		
	Balance sheet		
	Deferred tax asset	**77.25**	89.98
	Deferred tax liabilities	**(470.94)**	(570.40)
	Deferred tax assets / (liabilities), net	**(393.69)**	(480.43)
	Deferred tax expenses / (credit) (as per Statement of Profit and Loss)	**(86.74)**	(46.87)
		(86.74)	(46.87)
(C)	**The reconciliation of tax expense and the accounting profit multiplied by India's tax rate :**		
	Tax expenses as per Statement of Profit & Loss		
	Current tax	**624.17**	484.03
	Deferred tax	**(88.62)**	(46.87)
	Sub-total	**535.55**	437.16
	Income tax impact on OCI	**(1.89)**	(4.66)
	Total	**533.66**	432.50
	Profit from continuing operations before income-tax expense	**2,343.17**	1,550.30
	Tax Rate	**25.168%**	29.12%
	Tax computed using statutory tax rate	**589.73**	451.45
	Tax effect of:		-
	Depreciation	**49.59**	-
	Deferred tax	**(86.74)**	(51.54)
	Impact of IndAS	**0.90**	-
	Exempt income	**(0.86)**	-
	CSR Expenses	**7.49**	-
	Others	**(26.45)**	32.58
	Income-tax expenses	**533.66**	432.50

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

37 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	March 31, 2025	March 31, 2024
Profit attributable to equity shareholders of the Company	**1,807.62**	1113.14
Weighted average number of equity shares for basic EPS	**2,55,00,536**	2,49,93,009
Weighted average number of equity shares adjusted for the effect of dilution	**2,55,00,536**	2,49,93,009
Basic - Earnings per share (INR)	**7.09**	4.45
Diluted - Earnings per share (INR)	**7.09**	4.45

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.

38 Employee benefits

(A) Defined contribution plans

Particulars	March 31, 2025	March 31, 2024
During the year, the Company has recognised the following amounts in the Statement of Profit and Loss		
Employer's contribution to provident fund, family pension fund and other funds	**11.04**	9.26

(B) Defined benefit plans

a) Leave encashment and gratuity payable to employees

i) Actuarial assumptions

Particulars	Leave Encashment (Unfunded)		Gratuity (Funded)	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024
Discount rate (per annum)	**6.80%**	7.20%	**6.80%**	7.20%
Rate of increase in salary	**6.00%**	6.00%	**6.00%**	6.00%
Expected rate of return on plan assets	**-**	-	**7.20%**	7.50%
Expected average remaining working lives of employees (years)	**9.81**	10.38	**10.80**	11.48
Withdrawal rate	**5%**	5%	**5%**	5%
Retirement age	**58 years**	58 years	**58 years**	58 years
Mortality table	**IALM (2012-14) ult**	IALM (2012-14) ult	**IALM (2012-14) ult**	IALM (2012-14) ult

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

ii) Changes in the present value of defined benefit obligation

Particulars	Leave Encashment (Unfunded)		Gratuity (Funded)	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024
Present value of obligation at the beginning of the year	**28.45**	21.85	**38.92**	30.08
Interest cost	**1.98**	1.47	**2.80**	2.17
Past service cost	**-**	-	**-**	-
Current service cost	**11.52**	11.14	**4.87**	3.97
Curtailments	**-**	-	**-**	-
Settlements	**-**	-	**-**	-
Benefits paid	**(2.00)**	(4.57)	**-**	(2.40)
Actuarial (gain) / loss on obligations	**(3.16)**	(1.44)	**5.11**	5.10
Present value of obligation at the end of the year	**36.78**	28.45	**51.70**	38.92

iii) Changes in fair value of plan assets

Particulars	Leave Encashment (Unfunded)		Gratuity (Funded)	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024
Fair value of plan assets at the beginning of the period	**-**	-	**20.72**	14.78
Interest income	**-**	-	**1.60**	1.21
Contributions	**-**	-	**3.00**	5.00
Mortality charges and taxes	**-**	-	**-**	(0.00)
Benefits paid	**-**	-	**-**	(2.40)
Return on plan assets excluding interest income - gain / (loss)	**-**	-	**(0.03)**	2.14
Fair value of plan assets at the end of the period	**-**	-	**25.29**	20.72

iv) Expense recognised in the statement of profit and loss

Particulars	Leave Encashment (Unfunded)		Gratuity (Funded)	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024
Current service cost	**11.52**	11.14	**4.87**	3.97
Interest cost	**1.98**	1.47	**2.80**	2.17
Expected return on plan assets	**-**	-	**(1.60)**	(1.21)
Actuarial (gain) / loss on obligations	**(3.16)**	(1.44)	**5.14**	5.10
Total expenses recognized in the statement of profit and loss*	**10.33**	11.17	**11.22**	10.03

*Included in employee benefits expense - Refer note 32.

Actuarial (gain) / loss on gratuity of INR 5.14 lakh for the year ended March 31, 2025 (March 31, 2024: INR 5.10 lakh) is included in other comprehensive income.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

v) Assets and liabilities recognised in the Balance Sheet:

Particulars	Leave Encashment (Unfunded)		Gratuity (Funded)	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024
Present value of unfunded obligation as at the end of the year	**36.78**	28.45	**51.70**	38.92
Less : Funded with Life Insurance Corporation	**-**	-	**25.29**	20.72
Unfunded net (asset) / liability recognised in the Balance Sheet	**36.78**	28.45	**26.41**	18.20

vi) The major categories of plans assets are as follows:

Particulars	Leave Encashment (Unfunded)		Gratuity (Funded)	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024
Fund managed by LIC of India	**-**	-	**25.29**	20.72
Total amount	**-**	-	**25.29**	20.72

vii) A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	Leave Encashment (Unfunded)		Gratuity (Funded)	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024
Impact on defined benefit obligation				
Discount rate				
1% increase	**35.43**	27.29	**49.72**	37.26
1% decrease	**38.29**	29.75	**53.99**	40.82
Salary rate				
1% increase	**38.08**	29.57	**53.71**	40.51
1% decrease	**35.59**	27.44	**49.93**	37.52
Withdrawal rate				
1% increase	**37.77**	29.26	**51.82**	39.06
1% decrease	**35.64**	27.53	**51.58**	38.76

viii) Maturity profile of defined benefit obligation

Particulars	Leave Encashment (Unfunded)		Gratuity (Funded)	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024
Year				
Upto one year	**17.81**	12.56	**20.07**	12.87
One to two years	**1.03**	1.87	**0.90**	5.52
Two to three years	**2.29**	0.85	**1.50**	0.84
More than three years	**14.81**	5.74	**28.87**	14.94

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

39 Leases

Operating leases where Company is a lessor:

The Company has entered into lease transactions mainly for leasing of hangars for a period of 25 years. The terms of lease include terms of renewal. The operating lease income recognised in the Statement of Profit and Loss amounts to INR 1,798.10 lakh (March 31, 2024 - INR 1,696.32 lakh) included in note 28.

Future minimum rentals receivable under non-cancellable operating leases are as follows:

Particulars	March 31, 2025	March 31, 2024
Within one year	**1,949.74**	1,798.10
After one year but not more than five years	**9,041.14**	8,337.94
More than five years	**7,416.60**	9,702.15

40 Related party disclosures

(A) Names of related parties and description of relationship with the Company:

Ultimate Holding company
Vishkul Enterprises Private Limited

Holding company
Asscher Enterprises Limited (erstwhile known as Indian Seamless Enterprises Limited)

Subsidiary company
Katra Auto Engineering Private Limited

Others entities under common control
Laurus Tradecon Private Limited (erstwhile known as Lighto Technologies Private Limited) (Upto 14th February 2025)
TAAL Enterprises Limited
TAAL Tech India Private Limited

Key Management Personnel (KMP)
Mr. Rakesh Duda (Managing Director)
Mrs. Rahael Shobhana Joseph (Whole-time Director)
Mr. Jitendra Muthiyan (Chief Financial Officer) (w.e.f. 1st April 2024)
Mrs. Ashwini Navare (Company Secretary)

Directors
Dr. Prahlada Ramarao
Mr. Salil Taneja
Mrs. Rahael Shobhana Joseph
Mr. Arvind Nanda
Mr. Muralidhar Chittetti Reddy
Mr. Rakesh Duda

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

(B) Details of transactions and closing balances of related parties in the ordinary course of business for the year ended:

Particulars	March 31, 2025	March 31, 2024
(i) Subsidiary company		
Transactions during the year:		
Loan in the nature of equity contribution advanced to subsidiary company	**-**	-
Balance as at the year end		
Investment	**5.00**	5.00
Balance receivable (Loan in the nature of equity contribution) *	**647.55**	647.55
(ii) Others entities under common control		
Loans taken from related parties during the year		
- Asscher Enterprises Limited	**-**	75.00
Loan re-paid to related parties during the year		
- Asscher Enterprises Limited	**-**	75.00
Re-imbursement for transactions incurred on behalf of the related parties		
- TAAL Enterprises Limited (Interest paid)	**-**	3.98
- TAAL Enterprises Limited (Fixed deposits)	**-**	312.00
Interest paid		
- Asscher Enterprises Limited	**-**	1.00
(iii) Key Management Personnel (KMP)		
Compensation of key management personnel		
Managerial remuneration #		
- Mr. Rakesh Duda	**95.00**	75.00
- Mrs. Rahael Shobhana Joseph	**36.00**	36.00
- Mr. Mahendra Nalluri	**-**	26.50
- Mrs. Ashwini Navare	**11.96**	10.85
- Mr. Jitendra Muthiyan	**7.88**	-
Director sitting fees		
- Mr. Arvind Nanda	**3.15**	3.00
- Dr. Prahlada Ramarao	**3.00**	2.90
- Mr. Salil Taneja	**1.35**	1.70
- Mr. Muralidhar Chittetti Reddy	**1.80**	1.40
Balance payable as at the year end		
- Mr. Rakesh Duda	**13.14**	-
- Mrs. Ashwini Navare	**0.82**	0.52
- Mr. Jitendra Muthiyan	**0.51**	-

* This loan is interest-free and was given to the subsidiary for purchase of land.

The Managerial remuneration 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.

41 Segment reporting

The Chief Operating Decision Maker (CODM) regularly monitors and review the operating results separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The Company operates only in one segment i.e. "Aerospace and Aviation". The Company operates predominantly within one geographical segment i.e. India and accordingly, this is considered as the only secondary segment.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

Major customers

Revenue from one customer of the Company's aviation segment amounting to INR 2,077.63 lakh (March 31, 2024: INR 1,957.64 lakh) is more than 10% of Company's total revenue.

42 Fair values of financial assets and financial liabilities

The fair value of other current financial assets, cash and cash equivalents, trade receivables, investments, 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 liabilities consisting of security and other 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.

The Company has made an ir-revocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

43 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 assets 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, 2025	As at March 31, 2024
Level 1	**Nil**	Nil
Financial assets measured at fair value		
Investments measured at fair value through profit and loss	**504.43**	-
Level 2	**Nil**	Nil
Level 3		
Financial assets measured at amortized cost		
Cash and cash equivalents	**484.50**	585.08
Bank balances other than cash and cash equivalents	**1,042.54**	9.88
Trade receivables	**426.78**	845.27
Other financial assets	**105.50**	76.80
Investment - Subsidiary	**652.55**	652.55
Investment - Equity Shares	**-**	2,000.00
Total Financial assets measured at amortized cost	**2,711.87**	4,169.59
Financial assets measured at FVOCI		
Investment - Equity Shares	**2,598.25**	69.43
Total Financial assets measured at FVOCI	**2,598.25**	69.43
Financial liabilities measured at amortized cost		
Borrowings	**-**	-
Trade payables	**78.25**	120.10
Other financial liabilities	**728.48**	573.36
Total Financial liabilities measured at amortized cost	**806.74**	693.45

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

The fair values of deposits from lessee 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 carrying amount of cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, investments in subsidiary, other financial assets, borrowings, trade payables and other financial liabilities are considered to be the same as their fair values.

44 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 and derivative financial instruments.

(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 the Company’s long-term debt obligations with floating interest rates.

The Company hass no exposure towards interest-rate risk, since no loans and borrowings during the year.

(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).

The Company has no exposure towards foreign currency risk, since no foreign exchange receivables & payable as on date.

(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 trade receivables from deposits with landlords 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 landlords before giving any property on lease and has not had a single instance of non-refund of security deposit on vacating the leased property. The Company also in some cases ensure that the notice period rentals are adjusted against the security deposits and only differential, if any, is paid out thereby further mitigating the non-realization risk. The Company does not foresee any credit risks on deposits with regulatory authorities.

The Company determines the allowance for credit losses based on historical loss, experience adjusted to reflect current and estimated future economic conditions. The Company considers current and anticipated future economic conditions relating to industries the Company deals with and where it operates.

(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.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

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

Particulars	less than 12 months	1 to 4 years	More than 4 years	Total
March 31, 2025				
Trade payables	**78.25**	**-**	**-**	**78.25**
Other financial liabilities - Current	**342.22**	**-**	**-**	**342.22**
Other financial liabilities - Non-current	**386.26**			**386.26**
	806.74	**-**	**-**	**806.74**
March 31, 2024				
Short-term borrowings	-	-	-	-
Trade payables	120.10	-	-	120.10
Other financial liabilities - Current	226.46	-	-	226.46
Other financial liabilities - Non-current	346.90	-	-	346.90
	693.46	-	-	693.46

45 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 of the Company. 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 has distributed an interim dividend of INR 2.5/- per fully paid share to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure i.e. equity and debt. Total debt comprises of non-current and current borrowing from banks. 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.

Dividends

Particulars	As at March 31, 2025	As at March 31, 2024
Equity shares Interim dividend for the year ended March 31, 2025 of INR 2.50/- (March 31, 2024 - INR 4.00/-) per fully paid-up share	**637.51**	997.23

Particulars		March 31, 2025	March 31, 2024
Total equity	**(i)**	**14,236.53**	13,044.60
Borrowings		**-**	-
Total debt	(ii)	**-**	-
Overall financing	(iii) = (i) + (ii)	**14,236.53**	13,044.60
Gearing ratio	(ii) / (iii)	**-**	-

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

46 A) Contingent liabilities (to the extent not provided for)

Particulars	As at March 31, 2025	As at March 31, 2024
Claims against the Company not acknowledged as debts:		
(i) Goods and Service Tax	**7.72**	-
(ii) Excise Duty	**-**	88.16
(iii) Others	**170.00**	170.00
	177.72	258.16

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

(i) This relates to GST demand of INR 7.72 lakh (March 31, 2024: INR Nil) for the year 2021-22 which is disputed by the Company. The Company has filed an appeal against this order and the appeal is pending with the appellate authority.

(ii) Various excise duty demands pending as at March 31, 2024 have been settled during the year.

(iii) This relates to damages claimed by a customer towards breach of contractual obligations of INR 170 lakh (March 31, 2024: INR 170 lakh) during the year 2005-06 which are disputed by the Company in the City Civil Court of Bangalore.

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

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

Particulars	**As at March 31, 2025**	As at March 31, 2024
(a) Bank guarantees*	**16.85**	6.08

* This relates to bank guarantees obtained by the Company to issue the same to its customers amounting to INR 16.85 lakh (March 31, 2024: INR 6.08 lakh)

47 The Company considers its investment in and loan to subsidiary as strategic and long-term in nature and accordingly, in the view of the management, any decline in the value of such long-term investment in subsidiary is considered as temporary in nature and hence no provision for diminution in value is considered necessary.

48 Corporate Social Responsibility expenditure (CSR)

Details	**As at March 31, 2025**	As at March 31, 2024
a) Gross amount required to be spent by the Company during the year	**29.77**	24.94

b) Details of amount spent towards CSR is as follows:

Particulars	**As at March 31, 2025**		As at March 31, 2024	
	Paid	**Yet to be Paid**	Paid	Yet to be Paid
(i) Construction / acquisition of any asset	-	-	-	-
(ii) On purposes other than (i) above*	**29.77**	-	16.46	-

* the amount spent includes towards ambulance service, welfare of society and administration overheads.

c) There is no cumulative shortfall in CSR expenditure at the end of the year (March 31, 2024: Nil)

49 During the FY 2023-24 the Company had made an investment of INR 100 lakh in equity shares of Prive Avion Alliances Pvt. Ltd. Based on the valuation report, such investment have been measured at fair value through Other Comprehensive Income (OCI) at INR 63 lakh (March 31, 2024 - INR 69.43 lakh). The resulting difference of INR 5.94 lakh (March 31, 2024 - INR 27.39 lakh) (net of deferred tax) has been charged to the Statement of Profit and Loss account under OCI.

During the FY 2023-24 the Company had made an investment of INR 2,000 lakh in equity shares of Altair Infrasec Pvt. Ltd. Based on the valuation report, such investment have been measured at fair value through Other Comprehensive Income (OCI) at INR 2,216.37 lakh (March 31, 2024 - INR 2,000 lakh). The resulting difference of INR 193.87 lakh (March 31, 2024 - INR Nil) (net of deferred tax) has been charged to the Statement of Profit and Loss account under OCI.

During the year the Company had made an investment of INR 499.99 lakh in equity shares of Zenith Precision Pvt. Ltd. Based on the valuation report, such investment have been measured at fair value through Other Comprehensive Income (OCI) at INR 318.88 lakh (March 31, 2024 - INR Nil). The resulting difference of INR 162.27 lakh (March 31, 2024 - INR Nil) (net of deferred tax) has been charged to the Statement of Profit and Loss account under OCI.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

50 Ratio Analysis

Particulars	FY 2024-25	FY 2023-24	% of change	Numerator	Denominator
Current ratio	**3.84**	2.89	32.87%	Current assets	Current liabilities
Debt- equity ratio	**-**	-	-	Total Debt	Shareholders Equity
Debt- service coverage ratio	**NA**	NA	-	Earnings available for debt service	Debt service
Return on equity ratio	**13.25%**	9.27%	42.93%	Net profit after taxes	Average shareholders' equity
Inventory turnover ratio	**8.58**	-	-	Revenue from operations *	Average inventory
Trade receivables turnover ratio	**6.39**	4.26	50.00%	Revenue from operations	Average accounts receivables
Trade payables turnover ratio	**10.41**	5.66	83.92%	(Cost of materials consumed+ other direct costs + direct expenses)	Average accounts payables
Net capital turnover ratio	**2.19**	2.80	-21.79%	Revenue from operations	Working capital
Net profit ratio	**45.04%**	35.65%	26.34%	Net profit	Revenue from operations
Return on capital employed	**16.02%**	11.28%	42.02%	Profit before Tax (PBT)	Tangible networth + Total debt + Deferred tax liability
Return on investment	**1.84%**	0.00%	100.00%	Income from Investment	Average Investments

a) Current Ratio is increased on account of increase in current assets primarily contributed by bank balances, Inventories and investments during the year.

b) Return on equity has increased on account of increase in profits during the year compared to previous year.

c) Trade receivables turnover ratio has increased during the year, primarily on account of decrease in closing balance of trade receivables during the year.

d) Trade Payable turnover ratio has increased primarily on account of increased costs and decrease in closing balance of trade payables during the year compared to previous year.

e) Net capital turnover ratio has decreased primarily on account of an increase in current assets particularly in inventories, Fixed deposits and fresh investments during the year.

f) Net profit ratio has increased primarily on account of increase in profits during the year compared to previous year.

g) Return on capital employed has increased on account of increase in Profit before tax during the year compared to previous year.

h) Inventory Turnover ratio is higher because less manufacturing operation and only used in job work business.

* Revenue from operations has been considered only to the extent it pertains to activities involving consumption of inventory.

i) Return on investments has increased on account of fresh investments made during the year.

51 Additional regulatory information required by Schedule III

(i) Details of benami property held

The Company does not have any benami property, where any proceeding has been initiated or pending against the company for holding any benami property.

(ii) Wilful defaulter

The Company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

(iii) Relationship with struck off companies

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(iv) Registration of charges or satisfaction with Registrar of Companies

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(v) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(vi) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(vii) Valuation of PP&E, intangible asset and investment property

The Company has not revalued its property, plant and equipment and investment property or both during the current or previous year.

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

52 Previous period/ year's figures have been re-grouped/ re-classified wherever necessary in line with the amendments to Schedule III of the Companies Act, 2013.

For and on behalf of the Board of Directors of
Taneja Aerospace and Aviation Ltd
CIN: L62200TZ1988PLC014460

Dr. Prahlada Ramarao	**Rakesh Duda**	**Jitendra R. Muthiyan**	**Ashwini Navare**
Chairman	**Managing Director**	**Chief Financial Officer**	**Company Secretary**
DIN : 07548289	DIN : 05234273		Membership Number : A51288
Place : Bengaluru	Place : Bengaluru	Place : Bengaluru	Place : Bengaluru
Date : May 13, 2025	Date : May 13, 2025	Date : May 13, 2025	Date : May 13, 2025

INDEPENDENT AUDITOR'S REPORT

To The Members of

Taneja Aerospace and Aviation Limited

Report on the audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying Consolidated Financial Statements of Taneja Aviation and Aerospace Limited ('the Holding Company' or 'the Parent' or 'the Company') and its subsidiaries (the parent and its subsidiaries together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at 31 March 2025 and the Consolidated Statement of Profit (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year ended on that date, and notes to the Consolidated Financial Statements, including a summary of material accounting policy information and other explanatory information ('the Consolidated Financial Statements').

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of such subsidiary, as were audited by the other auditors, 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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the Consolidated State of Affairs of the Group, as at 31 March 2025, and its Consolidated Profit And Other Comprehensive Income, Consolidated Changes in Equity and its Consolidated Cash Flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs 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 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 Consolidated 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 along with the consideration of audit reports of the other auditors referred to in the 'Other Matters' paragraph below is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Key Audit Matters

4. 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 year. 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.

   We have determined that there are no key audit matters to communicate in our report.

Other Information

5. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report but does not include the Consolidated Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report.

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

7. In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available 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 and based on the work done / audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact.

8. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

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

9. The Holding Company's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements, that give a true and fair view of the Consolidated State of Affairs, Consolidated Profit and Other Comprehensive Income, Consolidated Changes in Equity and Consolidated Cash Flows of the Group is in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. 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; selection of the appropriate accounting software for ensuring compliance with applicable laws and regulations including those related to retention of audit logs; 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.

10. 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 each company 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.

11. 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

12. 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 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.

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

    13.1. 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.

    13.2. 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 Holding Company has adequate internal financial controls with reference to the Consolidated Financial Statements and the operating effectiveness of such controls.

    13.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

    13.4. 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 to cease to continue as a going concern.

    13.5. 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.

    13.6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

14. 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.

15. 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.

16. 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 year 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

17. We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rs. 649.77 lakhs as of 31 March 2025, total revenues of Rs. Nil and net cash outflows amounting to Rs. 0.059 lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

18. 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.

Report on Other Legal and Regulatory Requirements

19. As required by section 143(3) of the Act, based on our audit and on the consideration of audit reports of the other auditors on separate financial statements of such subsidiary, as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

19.1. 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.

19.2. 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.

19.3. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), 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.

19.4. In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act read with the relevant rules thereunder.

19.5. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2025, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, incorporated in India, none of the directors of the Group companies, incorporated in India are disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.

19.6. With respect to the adequacy of internal financial controls with reference to the Consolidated Financial Statements of the Holding Company, its subsidiary company, incorporated in India and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'.

19.7. In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary company, incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary company, incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies, incorporated in India is not in excess of the limit laid down under Section 197 of the Act.

20. 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 as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of audit reports of the other auditors on separate financial statements of such subsidiaries, as noted in the 'Other Matters' paragraph:

20.1. The Consolidated Financial Statements disclose the impact of pending litigations as at 31 March 2025 on the consolidated financial position of the Group, Refer Note 43 to the consolidated financial statements.

20.2. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

20.3. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Holding Company and/or its subsidiary companies, incorporated in India during the year ended 31 March 2025.

20.4. The respective managements of the Holding Company, its subsidiary incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary, to best of their knowledge and belief, that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any such subsidiary, to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any such subsidiary, ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

20.5. The respective managements of the Holding Company, its subsidiary, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary, to best of their knowledge and belief, that no funds have been received by the Holding Company or any of such subsidiary, from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary, shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

20.6. Based on such audit procedures, that have been considered reasonable and appropriate in the circumstances, performed by us and those performed by auditors of the subsidiary incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or other auditors to believe that the representation under para 20.4 and 20.5 contain any material misstatement.

20.7. In our opinion and according to the information and explanations given to us, the dividend declared and paid during the year by the Holding Company is in compliance with Section 123 of the Act.

20.8. Based on our examination which included test checks and that performed by respective auditors of the subsidiary which are the companies incorporated in India whose financial statements have been audited under the Act, the company, subsidiary have used an accounting software for maintaining its books of accounts which has a feature of recording audit trail facility (edit log) and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiary did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail has been preserved by the Company and above referred subsidiary as per the statutory requirements for record retention.

21. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ('CARO') issued by Central Government in terms of Section 143(11) of the Act, to be included in Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and based on our consideration of CARO reports issued by respective auditors of the companies included in consolidated financial statements, we report that there are no qualifications or adverse remarks in these CARO reports.

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Praveen Kumar Daga
Partner
ICAI Membership No: 143762
UDIN: 25143762BMKVLC6573

Place: Bengaluru
Date: 13 May, 2025

Annexure 'A' to the Independent Auditors' report on the Consolidated Financial Statements of Taneja Aerospace and Aviation Limited for the year ended 31 March 2025

(Referred to in paragraph 19.6 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

Opinion

1. In conjunction with our audit of the Consolidated Financial Statements of Taneja Aerospace and Aviation Limited as of and for the year ended 31 March 2025, we have audited the internal financial controls with reference to the Consolidated Financial Statements of Taneja Aerospace and Aviation and its subsidiary companies, which are companies incorporated in India, as of that date.

2. In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note').

Management's responsibility for Internal Financial Controls

3. 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 with reference to consolidated financial statements based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of internal control stated in 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 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

4. Our responsibility is to express an opinion on the Holding Company, its subsidiary, which are companies incorporated in India, internal financial controls with reference to the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA '), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Consolidated Financial Statements. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.

5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to the Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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.

6. 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 the Consolidated Financial Statements.

Meaning of Internal Financial controls with reference to the Consolidated Financial Statements

7. A company's internal financial controls with reference to the Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to the consolidated Financial Statements

8. Because of the inherent limitations of internal financial controls with reference to the 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 the Consolidated Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

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

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Praveen Kumar Daga
Partner
ICAI Membership No: 143762
UDIN: 25143762BMKVLC6573

Place: Bengaluru
Date: 13 May, 2025

Consolidated Balance Sheet as at March 31, 2025

(INR in lakh, unless otherwise stated)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	4	**9,878.15**	10,083.35
Capital work-in-progress	5	**-**	8.84
Investment property	6	**716.75**	808.02
Right of use of Assets	7	**18.97**	28.07
Financial assets			
Investments	8	**2,698.25**	2,069.43
Other financial Assets	9	**105.50**	76.80
Other non-current assets	10	**0.77**	5.26
Total Non-current assets		**13,418.39**	13,079.78
Current assets			
Inventories	11	**56.22**	-
Financial assets			
Investments	8	**404.43**	-
Trade receivables	12	**426.78**	845.27
Cash and cash equivalents	13	**484.93**	585.57
Bank balances other than cash and cash equivalents	14	**1,042.54**	9.88
Current tax assets (net)	15	**-**	115.18
Other current assets	16	**97.23**	104.46
Total Current assets		**2,512.13**	1,660.37
Total Assets		**15,930.52**	14,740.15
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	**1,275.03**	1,275.03
Other equity	18	**12,958.66**	11,766.80
Total Equity		**14,233.69**	13,041.83
Liabilities			
Non-current liabilities			
Financial liabilities			
Other financial liabilities	19	**386.26**	346.90
Provisions	20	**17.86**	14.95
Deferred tax liability (Net)	36	**393.69**	480.43
Other non-current liabilities	21	**244.40**	280.80
Total Non-current liabilities		**1,042.21**	1,123.08
Current liabilities			
Financial liabilities			
Borrowings	22	**-**	-
Trade payables	23		
Total outstanding dues of micro enterprises and small enterprises		**46.00**	80.05
Total outstanding dues of creditors other than micro enterprises and small enterprises		**32.25**	40.05
Other financial liabilities	24	**342.28**	226.52
Lease liabilities	25	**22.05**	30.34
Current tax liabilities (net)	26	**21.60**	-
Other current liabilities	27	**145.11**	166.58
Provisions	20	**45.33**	31.70
Total Current liabilities		**654.62**	575.24
Total Liabilities		**1,696.83**	1,698.31
Total Equity and liabilities		**15,930.52**	14,740.15
Summary of material accounting policies	2		
The accompanying notes are an integral part of these consolidated financial statements			

As per our report of even date attached.

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number : 105146W / W100621

For and on behalf of the Board of Directors of
Taneja Aerospace and Aviation Ltd
CIN: L62200TZ1988PLC014460

Praveen Kumar Daga
Partner
Membership Number : 143762
Place : Bengaluru
Date : May 13, 2025

Dr. Prahlada Ramarao
Chairman
DIN : 07548289
Place : Bengaluru
Date : May 13, 2025

Rakesh Duda
Managing Director
DIN : 05234273
Place : Bengaluru
Date : May 13, 2025

Jitendra R. Muthiyan
Chief Financial Officer
Place : Bengaluru
Date : May 13, 2025

Ashwini Navare
Company Secretary
Membership Number : A51288
Place : Bengaluru
Date : May 13, 2025

Consolidated Statement of Profit and Loss for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Income			
Revenue from operations	28	**4,061.69**	3,035.20
Other income	29	**152.92**	50.85
Total Income		**4,214.61**	3,086.05
Expenses			
Cost of materials consumed	31	**19.65**	-
Changes in inventories of finished goods, stock-in-trade and work-in-progress		**-**	-
Other direct costs	30	**409.56**	142.37
Employee benefits expenses	32	**436.65**	355.09
Finance costs	33	**42.35**	47.79
Depreciation expenses	34	**351.53**	371.61
Other expenses	35	**611.76**	618.94
Total Expenses		**1,871.50**	1,535.81
Profit before exceptional items and tax		**2,343.11**	1,550.24
Exceptional items		**-**	-
Profit before tax		**2,343.11**	1,550.24
Tax expense:	36		
Current tax			
Current tax		**624.17**	484.03
Deferred tax		**(88.62)**	(46.87)
Total Income tax expense		**535.55**	437.16
Profit for the year		**1,807.56**	1,113.08
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent period		**-**	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
- Net gain/ (loss) on equity instruments measured at fair value through other comprehensive income		**28.84**	(30.57)
- Income tax (expenses) / income on above		**(3.18)**	3.18
- Re-measurement gain / (loss) on defined benefit plans		**(5.14)**	(5.10)
- Income tax (expenses) / income on above		**1.29**	1.48
Other comprehensive income for the year		**21.81**	(31.00)
Total comprehensive income for the year		**1,829.37**	1,082.08
Earnings per share	37		
Basic earnings per share (INR)		**7.09**	4.45
Diluted earnings per share (INR)		**7.09**	4.45
Summary of material accounting policies	2		
The accompanying notes are an integral part of these consolidated financial statements			

As per our report of even date attached.

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number : 105146W / W100621

For and on behalf of the Board of Directors of
Taneja Aerospace and Aviation Ltd
CIN: L62200TZ1988PLC014460

Praveen Kumar Daga	**Dr. Prahlada Ramarao**	**Rakesh Duda**	**Jitendra R. Muthiyan**	**Ashwini Navare**
Partner	**Chairman**	**Managing Director**	**Chief Financial Officer**	**Company Secretary**
Membership Number : 143762	DIN : 07548289	DIN : 05234273		Membership Number : A51288
Place : Bengaluru	Place : Bengaluru	Place : Bengaluru	Place : Bengaluru	Place : Bengaluru
Date : May 13, 2025	Date : May 13, 2025	Date : May 13, 2025	Date : May 13, 2025	Date : May 13, 2025

Consolidated Statement of Cash Flows for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash flows from operating activities		
Profit before tax	**2,343.11**	1,550.30
Adjustments for:		
Depreciation expense	**351.53**	371.61
Finance costs	**-**	3.98
Gain on sale of property, plant and equipments	**(0.17)**	(1.59)
Gain on changes in fair value of investments	**(14.70)**	-
Provision for doubtful debts / Bad-debts written off	**8.60**	67.97
Interest expenses on Inter Corporate Deposit	**-**	1.00
Interest income	**(80.34)**	(27.01)
Other Comprehensive Income	**(3.85)**	(3.61)
Operating profit before working capital changes	**2,604.18**	1,962.65
Changes in working capital		
(Decrease) / increase in trade payables, provisions and other liabilities	**38.97**	(5.38)
Decrease / (increase) in inventories	**(56.22)**	-
Decrease / (increase) in trade receivables and other assets	**422.50**	(247.28)
Cash generated from operations	**3,009.43**	1,709.99
Income tax (paid) / refund (Net)	**(484.04)**	(304.55)
Net cash flows generated from operating activities (A)	**2,525.39**	1,405.44
Cash flows from investing activities		
Payment for property, plant and equipment (including capital w-i-p)	**(38.50)**	(622.08)
Payment for investments in equity shares	**(499.99)**	(2,100.00)
Payment for investments in AIF and ohers	**(494.38)**	-
Movement in other bank balances	**(1,032.66)**	-
Proceeds from sale/ disposal of property, plant and equipments	**0.68**	1.75
Interest received	**76.31**	44.19
Net cash flows (used in)/generated from investing activities (B)	**(1,988.53)**	(2,676.14)
Cash flows from financing activities		
Issue of Equity Share Capital	**-**	28.49
Premium on issue of Equity Share Capital	**-**	1,971.51
Lease Payments	**-**	(10.40)
Inter Corporate Deposit taken during the year	**-**	75.00
Re-payment of Inter Corporate Deposit	**-**	(75.00)
Dividend paid	**(637.51)**	(977.85)
Interest paid	**-**	(4.98)
Net cash flows used in financing activities (C)	**(637.51)**	1,006.77
Net Increase / (decrease) in cash and cash equivalents (A+B+C)	**(100.65)**	(263.95)
Cash and cash equivalents at the beginning of the year	**585.58**	849.03
Cash and cash equivalents at the end of the year	**484.93**	585.08
Cash and cash equivalents comprise		
Balances with banks		
On current accounts	**434.02**	585.57
On fixed deposits with maturity of less than three months	**50.90**	-
Cash on hand	**0.01**	-
Total Cash and cash equivalents	**484.93**	585.57
Summary of material accounting policies		
The accompanying notes are an integral part of these consolidated financial statements		

As per our report of even date attached.

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number : 105146W / W100621

For and on behalf of the Board of Directors of
Taneja Aerospace and Aviation Ltd
CIN: L62200TZ1988PLC014460

Praveen Kumar Daga
Partner
Membership Number : 143762
Place : Bengaluru
Date : May 13, 2025

Dr. Prahlada Ramarao
Chairman
DIN : 07548289
Place : Bengaluru
Date : May 13, 2025

Rakesh Duda
Managing Director
DIN : 05234273
Place : Bengaluru
Date : May 13, 2025

Jitendra R. Muthiyan
Chief Financial Officer
Place : Bengaluru
Date : May 13, 2025

Ashwini Navare
Company Secretary
Membership Number : A51288
Place : Bengaluru
Date : May 13, 2025

Consolidated Statement of Changes in Equity for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

(A) Equity share capital

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Equity shares of INR 5 each issued, subscribed and fully paid up				
Opening	2,55,00,536	1,275.03	2,55,00,536	1,275.03
Add: Changes in equity share capital during the year	-	-	-	-
Closing	**2,55,00,536**	**1,275.03**	**2,55,00,536**	**1,275.03**

(B) Other equity

FY 2024-25

Particulars	Other Equity				Items of Other comprehensive income		Total
	Securities premium reserve	Capital reserve	General reserve	Retained earnings	Re-measurement of defined benefit liability	Fair Valuation of Equity Instruments through OCI	
Balance as on April 1, 2024	**7,175.04**	**5.83**	**1,271.86**	**3,341.47**	**-**	**(27.39)**	**11,766.81**
Profit for the year	-	-	-	**1,807.56**	-	-	**1,807.56**
Add: Securities premium credited on share issue	-	-	-	-	-	-	-
Add: Other comprehensive income (OCI)							
- Net gain/ (loss) on equity instruments measured at fair value through OCI	-	-	-	-	-	**28.84**	**28.84**
- Re-measurement gains/ (losses) on defined benefit plans	-	-	-	-	**(5.14)**	-	**(5.14)**
- Income-tax effect	-	-	-	-	**1.29**	**(3.18)**	**(1.89)**
Add: Transferred to retained earnings	-	-	-	**(3.85)**	**3.85**	-	-
Total Comprehensive income for the year	-	-	-	**1,803.72**	-	**25.66**	**1,829.37**
Less: Interim dividend paid	-	-	-	**(637.51)**	-	-	**(637.51)**
Balance as at March 31, 2025	**7,175.04**	**5.83**	**1,271.86**	**4,507.67**	**-**	**(1.73)**	**12,958.67**

FY 2023-24

Particulars	Other Equity				Items of Other comprehensive income		Total
	Securities premium reserve	Capital reserve	General reserve	Retained earnings	Re-measurement of defined benefit liability	Fair Valuation of Equity Instruments through OCI	
Balance as on April 1, 2023	5,203.53	5.83	1,271.86	3,229.23	-	-	9,710.45
Profit for the year	-	-	-	1,113.08	-	-	1,113.08
Add: Securities premium credited on share issue	1,971.51	-	-	-	-	-	1,971.51
Add: Other comprehensive income							
- Net gain/ (loss) on equity instruments measured at fair value through OCI	-	-	-	-	-	(30.57)	(30.57)
- Re-measurement gains/ (losses) on defined benefit plans	-	-	-	-	(5.10)	-	(5.10)
- Income-tax effect	-	-	-	-	1.48	3.18	4.66
Add: Transferred to retained earnings	-	-	-	(3.61)	3.61	-	-
Total Comprehensive income for the year	1,971.51	-	-	1,109.47	-	(27.39)	3,053.59
Less: Interim dividend paid	-	-	-	(997.23)	-	-	(997.23)
Balance as at March 31, 2024	7,175.04	5.83	1,271.86	3,341.47	-	(27.39)	11,766.81

Summary of material accounting policies
The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached.

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number : 105146W / W100621

For and on behalf of the Board of Directors of
Taneja Aerospace and Aviation Ltd
CIN: L62200TZ1988PLC014460

Praveen Kumar Daga
Partner
Membership Number : 143762
Place : Bengaluru
Date : May 13, 2025

Dr. Prahlada Ramarao
Chairman
DIN : 07548289
Place : Bengaluru
Date : May 13, 2025

Rakesh Duda
Managing Director
DIN : 05234273
Place : Bengaluru
Date : May 13, 2025

Jitendra R. Muthiyan
Chief Financial Officer
Place : Bengaluru
Date : May 13, 2025

Ashwini Navare
Company Secretary
Membership Number : A51288
Place : Bengaluru
Date : May 13, 2025

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

1 General Information

Taneja Aerospace & Aviation Ltd. ("TAAL" or the "parent company" or "the Company") together with its subsidiary (collectively, the "Group") is a public limited company incorporated in India under the Companies Act, 1956. TAAL is engaged in the business of manufacture and sale of various parts and components to aviation industry, providing services related to Airfield & Maintenance, Repair and Overhaul (MRO) and allied services.

These consolidated financial statements of the Group were approved by the Board of Directors in their meeting held on May 13, 2025.

2 Material accounting policies

Material 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 as amended from time to time.

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.

i) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments)

ii) Embedded derivative and

iii) Asset classified as held for sale

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

(d) Principles of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries.

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.

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.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

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:

(a) 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.

(b) 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.

(c) 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 equipment's 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.

Details of subsidiary consolidated:

Name of the Company	Katra Auto Engineering Private Limited
Relationship	Direct Subsidiary
Country of Incorporation	India
Ownership Interest held by the Parent	March 31, 2025: 100% (March 31, 2024: 100%)
Accounting Period	April 1, 2024 - March 31, 2025 (April 1, 2023 - March 31, 2024)
Audited / Un-audited	Audited

2.2 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 indirect taxes wherever credit of the duty or tax is availed of.

b) 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.

c) 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'.

d) Subsequent expenditure relating to property, plant and equipments is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

e) Considering the nature of business activity, Runway and Apron attached to Runway and hangar has been treated as plant and equipment and depreciation has been provided accordingly.

f) Where a significant component (in terms of cost) of an asset has an economic useful life shorter than that of it's corresponding asset, the component is depreciated over it's shorter life.

Depreciation methods, estimated useful lives

Depreciation is provided on straight line method on Building, Plant and Equipment and Computer - Hardware and on written down value method on all other assets, 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 the assets are ready for intended use. Depreciation on sale / deletion of property, plant and equipments is provided for upto the date of sale, deduction or discard of property, plant and equipment as the case may be. In case of impairment, if any, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Based on the technical experts assessment of useful life, following class of property, plant and equipments are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. These estimates are based on the technical evaluation which considered the nature and usage of the assets, the operating conditions of the assets, anticipated technological changes and maintenance support etc.

Property, plant and equipments	Useful Life
Plant and equipments	15-48 years
Furniture and fixtures	10 years
Vehicles	8-10 years
Office equipment	5 years

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

2.3 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment properties are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation on investment properties is provided on a pro-rata basis on straight line method over the estimated useful lives as assessed by the Management. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. These estimates are based on the technical evaluation which considered the nature and usage of the assets, the operating conditions of the assets, anticipated technological changes and maintenance support etc.

Investment Property	Useful life
Hangars (Building)	18-26 years

Investment properties are de-recognized either when they have been disposed off or when they are permanently withdrawn and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

2.4 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 Group.

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.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

2.5 Revenue Recognition

Revenue is measured at fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances. Ind AS 115 Revenue from contracts with customers, outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Group recognises revenue from operations based on five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A Contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of Consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when the Group satisfies a performance obligation.

Rental income arising from operating leases (leases of hangar) is accounted for on a straight-line basis or another systematic basis over the lease terms based on agreement/contract entered into with the third party and is included in revenue in the Statement of Profit or Loss due to its operating nature.

Training fees received, being non-refundable, is accounted over the training period.

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.

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. The Group recognizes duty drawback and income from duty credit scrips only when there is reasonable assurance that the conditions attached to them will be complied with and the duty drawback and duty credit scrips will be received. Commission income is recognised when the right to receive payment is established.

2.6 Taxes

The Group’s tax jurisdiction is India. Tax expense for the year, comprising current tax, deferred tax and minimum alternate tax credit if any are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. 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) 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 Income tax act, in respect of MAT paid is recognised 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 recognised as an asset is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

(c) 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.

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 recognized in 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.

2.7 Leases

As a lessee

The Group's lease asset classes primarily consist of leases for buildings. The Group assesses whether a contract contains a lease at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a Right-Of-Use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low-value leases. For these short-term and low-value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

As a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is accounted for on a straight-line basis or another systematic basis over the lease terms based on agreement/contract entered into with the third party and is included in revenue in the Statement of Profit or Loss due to its operating nature.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the companies net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.8 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 asset's carrying amount and recoverable amount. Losses are recognized in 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 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").

2.9 Provisions and contingencies

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.

These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

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.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

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.

2.10 Inventories

Inventories are valued at the lower of cost and net realisable value.

Stock of raw materials, stores, spares, bought out items and certain components are valued at cost less amounts written down.

Stock of certain aero structures, components, work-in-progress and finished goods are valued at lower of cost and net realisable value based on technical estimate of the percentage of work completed.

In determining the cost of raw materials, components, stores, spares and loose tools, the First In First Out (FIFO) method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable) and all other costs incurred in bringing the inventory to their present location and condition.

Work-in-progress, manufactured finished goods are valued at the lower of cost and net realisable value. Cost of work-in-progress and manufactured finished goods is determined on the weighted average basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on item by item basis.

2.11 Cash and cash equivalents

Cash and cash equivalent 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.

Cash and cash equivalents includes deposits maintained by the Group with banks, which can be withdrawn by the Group at any point of time without prior notice or penalty on the principal. Cash and cash equivalents include restricted cash and bank balances. The restrictions are primarily on account of bank balances held as margin money deposits against guarantees.

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 recognised as an expense in the Statement of Profit and Loss in the year in which they are incurred.

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 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 recognized 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 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.

The Group has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Fair Value Through Profit or Loss: 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-month 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 month 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.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/ expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

(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.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(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 Effective Interest Rate (EIR) method. Gains and losses are recognized in 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.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to re-imburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

(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) Defined contribution plan

The Company makes defined contribution to provident fund, which are recognised 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.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Group has no further obligations. Such benefits are classified as defined contribution schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(c) Defined benefit plans

Gratuity: The Group provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment of an amount based on the respective employee's salary. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses / (gains) are recognized in the other comprehensive income in the year in which they arise.

(d) Other long term employee benefits

Compensated Absences: 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 are treated as other long-term employee benefits. The Group'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.

Leaves under define benefit plans can be encashed only on discontinuation of service by employee.

(e) Termination benefits

Liability for termination benefits like expenditure on Voluntary Retirement Scheme/ Retrenchment is recognised at the earlier of when the Group can no longer withdraw the offer of termination benefit or when the Group recognises any related restructuring costs.

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 Group'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 (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 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 results separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Segments are identified having regard to the dominant source and nature of risks and returns and internal organization and management structure. The Group has considered business segments as the primary segments for disclosure. The business segment in which the Group operates is 'Aerospace and Aviation'. The Group does not have any geographical segment. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in the individual segment and are as set out in the material accounting policies.

Thus, as defined in Ind AS 108 - Operating Segments, the Group operates in a single business segment of aerospace and aviation.

2.17 Events occurring after the Balance Sheet Date

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. There are no subsequent events to be recognised or reported that are not already disclosed.

2.18 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 Accounting judgments, estimates and assumptions and recent pronouncements

The preparation of financial statements requires Management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and 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.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(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 inflation, seniority, promotion and other relevant factors on long-term basis.

3.2 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

4 Property, plant and equipment

4.1 Financial Year 2024-25

Particulars	Gross block				Depreciation				Net block	
	As on April 1, 2024	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2025	As on April 1, 2024	For the year	Deductions/ Adjustments	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Owned assets										
Freehold land	7,663.12	-	-	7,663.12	-	-	-	-	7,663.12	7,663.12
Buildings	724.58	38.77	-	763.35	164.87	26.66	-	191.53	571.82	559.71
Plant and equipments	2,955.74	-	-	2,955.74	1,341.82	147.78	-	1,489.60	1,466.13	1,613.92
Furniture and fixtures	5.11	1.04	-	6.15	3.11	0.09	-	3.21	2.95	2.00
Office equipments	15.59	3.34	-	18.92	10.95	1.80	-	12.76	6.17	4.63
Computer hardware	14.62	3.33	-	17.95	12.42	0.73	-	13.15	4.80	2.20
Vehicles	381.65	-	11.40	370.25	143.88	74.07	10.89	207.07	163.18	237.77
Total	**11,760.40**	**46.48**	**11.40**	**11,795.48**	**1,677.05**	**251.15**	**10.89**	**1,917.32**	**9,878.16**	**10,083.35**

4.2 Financial Year 2023-24

Particulars	Gross block				Depreciation				Net block	
	As on April 1, 2023	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2024	As on April 1, 2023	For the year	Deductions/ Adjustments	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
Owned assets										
Freehold Land	7,225.85	437.27	-	7,663.12	-	-	-	-	7,663.12	7,225.85
Buildings	464.29	260.29	-	724.58	142.40	22.48	-	164.87	559.71	321.89
Plant and Equipment	2,940.24	15.50	-	2,955.74	1,193.89	147.93	-	1,341.82	1,613.92	1,746.34
Furniture and fixtures	5.11	-	-	5.11	3.10	0.01	-	3.11	2.00	2.01
Office Equipment	25.45	3.68	13.55	15.59	23.07	1.43	13.55	10.95	4.63	2.38
Computer - Hardware	16.25	0.51	2.14	14.62	13.75	0.81	2.14	12.42	2.20	2.50
Vehicles	333.44	63.66	15.45	381.65	60.57	98.60	15.29	143.88	237.77	272.86
Total	**11,010.62**	**780.91**	**31.14**	**11,760.40**	**1,436.78**	**271.25**	**30.97**	**1,677.05**	**10,083.35**	**9,573.83**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

4.3 Title deeds of Immovable Properties not held in name of the Company

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company
Property, plant and equipment	Freehold Land	198.08 (March 31, 2024 - 198.08 lakh)	HRCE, Arulmigu Shree Basaveshwara Swamy, Arulmigu Bettadamma Temple, Arulmigu Shree Palagai Karagam Temple, Arulmigu Uttammakaragam Temple	No	FY 2016-17	Pending with Tamil Nadu Government Authorities to transfer title deeds

5 Capital work-in-progress

5.1 Financial Year 2024-25

Particulars	As on April 1, 2024	Additions	Deductions/ Adjustments	Capitalisation	As at March 31, 2025
Capital work-in-progress	8.84	-	0.86	7.98	-
Total	**8.84**	**-**	**0.86**	**7.98**	**-**

5.2 Financial Year 2022-23

Particualrs	As on April 1, 2023	Additions	Deductions/ Adjustments	Capitalisation	As at March 31, 2024
Capital work-in-progress	167.67	93.16	-	251.99	8.84
Total	**167.67**	**93.16**	**-**	**251.99**	**8.84**

Capital work-in-progress ageing schedule

Financial Year 2024-25

Particulars	Capital - work - in progress ageing schedule				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

The carrying value of capital work-in-progress does not include any cost over and above the planned expenditure as approved by the competent authority.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

6 Investment property

6.1 Financial Year 2024-25

Particulars	Gross block				Depreciation				Net block	
	As on April 1, 2024	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2025	As on April 1, 2024	For the year	Deductions/ Adjustments	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Hangar (Building)	1,315.93	-	-	1,315.93	507.91	91.27	-	599.18	716.75	808.02
Total	**1,315.93**	**-**	**-**	**1,315.93**	**507.91**	**91.27**	**-**	**599.18**	**716.75**	**808.02**

6.2 Financial Year 2023-24

Particulars	Gross block				Depreciation				Net block	
	As on April 1, 2023	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2024	As on April 1, 2023	For the year	Deductions/ Adjustments	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
Hangar (Building)	1,315.93	-	-	1,315.93	416.64	91.26	-	507.91	808.02	899.29
Total	**1,315.93**	**-**	**-**	**1,315.93**	**416.64**	**91.26**	**-**	**507.91**	**808.02**	**899.29**

During the year, the Group has recognised rental income of INR 1,798.10 lakh (March 31, 2024 - INR 1,696.32 lakh) in the consolidated Statement of Profit and Loss for investment properties.

Investment properties is leased out under operating leases. Disclosure on future rent receivable is included in note 39.

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

7 Right of Use of Assets

7.1 Financial Year 2024-25

Particulars	Gross block				Depreciation				Net block	
	As on April 1, 2024	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2025	As on April 1, 2024	For the year	Deductions/ Adjustments	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Right of use of Assets	45.52	-	-	45.52	17.45	9.10	-	26.55	18.97	28.07
Total	**45.52**	**-**	**-**	**45.52**	**17.45**	**9.10**	**-**	**26.55**	**18.97**	**28.07**

7.2 Financial Year 2023-24

Particulars	Gross block				Depreciation				Net block	
	As on April 1, 2023	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2024	As on April 1, 2023	For the year	Deductions/ Adjustments	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
Right of use of Assets	45.52	-	-	45.52	8.35	9.10	-	17.45	28.07	37.17
Total	**45.52**	**-**	**-**	**45.52**	**8.35**	**9.10**	**-**	**17.45**	**28.07**	**37.17**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

8 Financial assets - Investments

Particulars	As at March 31, 2025		As at March 31, 2024	
a Investment in equity instruments (fully paid-up)				
- Unquoted equity shares				
(non-trade, Stated At Fair Value through Other Comprehensive Income)				
Prive Avion Alliances Pvt Ltd. - 200 shares (March 31, 2024 - 200 shares) of INR 100/- each		**63.00**		69.43
Altair Infrasec Pvt. Ltd. - 23,068 shares (March 31, 2024 - 23068 shares) of INR 10/- each		**2,216.37**		2,000.00
Zenith Precision Pvt. Ltd. - 27,777 shares (March 31, 2024 - Nil) of INR 10/- each		**318.88**		-
b Investment - Others				
Details	**March 31, 2025**		March 31, 2024	
- Unquoted (non-trade, Stated At Fair Value through Profit and Loss)	**No. of units**	**Amount**	No. of units	Amount
Northern Arc Money Market Alpha Trust	**1,77,706.50**	**185.04**	-	-
AAMSAR LLP	**2,99,985.00**	**319.38**	-	-
		3,102.68		2,069.43
Classified as :				
Current		**404.43**		-
Non-current		**2,698.25**		2,069.43
Total Financial assets - investments		**3,102.68**		2,069.43

9 Other financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Security deposits	**28.39**	24.40
Balances with banks		
On unpaid dividend accounts	**77.10**	52.40
Total other financial assets	**105.50**	76.80

10 Other non-current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Balance with revenue authorities	**0.77**	5.26
Capital advance to suppliers	**-**	-
Total other non-current assets	**0.77**	5.26

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

11 Inventories

Particulars	As at March 31, 2025	As at March 31, 2024
Inventory at the closing of the year	**56.22**	-
Work-in-progress in stock (At cost)	-	-
Finished Goods	-	-
Inventory - Others	-	-
Total Inventories	**56.22**	-

12 Trade receivables

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured		
Considered good	**426.78**	845.27
Credit impaired	**8.60**	0.26
Less : Allowance for expected credit loss	**(8.60)**	(0.26)
	426.78	845.27
Further classified as:		
Receivables from related parties	-	-
Receivables from others	**426.78**	845.27
Total Trade receivables	**426.78**	845.27

Ageing of trade receivables

As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment					
	less than 6 months	6 months to 1 years	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - Considered good	**422.33**	**0.10**	**4.35**	-	-	**426.78**
Undisputed trade receivables - Credit impaired	-	-	-	-	-	-
Disputed trade receivables - Considered good	-	-	-	-	-	-
Disputed trade receivables - Credit impaired	-	-	-	-	-	-

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment					
	less than 6 months	6 months to 1 years	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - Considered good	805.92	2.21	2.14	12.20	22.80	845.27
Undisputed trade receivables - Credit impaired	-	-	-	-	-	-
Disputed trade receivables - Considered good	-	-	-	-	-	-
Disputed trade receivables - Credit impaired	-	-	-	-	-	-

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

13 Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks		
On current accounts	**434.02**	585.57
Margin money deposits with banks (Less than 3 months maturity)	**-**	-
Fixed deposits with banks (Less than 3 months maturity)	**50.90**	-
Cash on hand	**0.01**	0.00
Total cash and cash equivalents	**484.93**	585.57

14 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Margin money deposits with banks (more than 3 months maturity)	**17.54**	3.80
Fixed deposits with banks (more than 3 months maturity)	**1,025.00**	6.08
Total Bank balances other than cash and cash equivalents	**1,042.54**	9.88

15 Current tax assets (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance income tax	**-**	115.18
[Net of provision for tax: (March 31, 2024: INR 487.65 lakh)]		
Total Current tax assets (net)	**-**	115.18

16 Other current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Cost Incurred - IndAS 115 (Project)	**38.57**	-
Advance to suppliers	**37.09**	83.67
Prepaid expenses	**7.76**	6.99
Interest accrued but not due	**4.26**	0.23
Unbilled revenue	**9.54**	13.57
Total Other current assets	**97.23**	104.46

17 Equity share capital

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised		
4,00,00,000 (March 31, 2024 - 4,00,00,000) equity shares of INR 5/- each	**2,000.00**	2,000.00
10,00,000 (March 31, 2024 - 10,00,000) 15% Redeemable Cumulative Preference Shares of INR 50/- each	**500.00**	500.00
	2,500.00	2,500.00
Issued, subscribed and paid-up		
2,55,00,536 (March 31, 2024 - 2,55,00,536) equity shares of INR 5/- each fully paid-up	**1,275.03**	1,275.03
Total	**1,275.03**	1,275.03

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

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

Particulars	**As at March 31, 2025**		As at March 31, 2024	
	Number of shares	**Amount**	Number of shares	Amount
Equity Shares at the beginning of the year	**2,55,00,536**	**1,275.03**	2,49,30,736	1,246.54
Equity Shares issued during the year	**-**	**-**	5,69,800	28.49
Equity Shares bought back during the year	**-**	**-**	-	-
Equity Shares outstanding at the end of the year	**2,55,00,536**	**1,275.03**	2,55,00,536	1,275.03

(b) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares of INR 5/- 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.

The Company has only one class of preference shares, there are no preference shares issued till date.

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) Details of shares held by Holding Company and more than 5% of the aggregate shares in the Company

Name of the shareholder	**As at March 31, 2025**		As at March 31, 2024	
	Number of shares	**% of holding in the class**	Number of shares	% of holding in the class
Asscher Enterprises Limited (Previously known as Indian Seamless Enterprises Limited)	**1,32,23,134**	**51.85**	1,32,23,099	51.85

(d) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(e) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

(f) Shareholding of Promoters

Name of the Promoter	No of shares held	% of shares	% of change during the year
Salil Baldevraj Taneja	3,500	0.01%	-
Alka Metha	-	0.00%	(0.10)
Vishkul Enterprises Private Limited	39,556	0.16%	(0.01)
Laurus Tradecon Private Limited (Promoter upto 14th February 2025)	45,717	0.18%	-
Asscher Enterprises Limited	1,32,23,134	51.85%	0.0001

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

18 Other Equity

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Capital reserve		
Opening balance	**5.83**	5.83
Closing balance	**5.83**	5.83
The Company recognises profit and loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.		
(b) Securities premium account		
Opening balance	**7,175.04**	5,203.53
Add : Securities premium credited on share issue	**-**	1,971.51
Closing balance	**7,175.04**	7,175.04
Securities premium account is used to record the premium received on issue of shares. The reserve can be utilised only for limited purpose such as issuance of bonus shares in accordance with the provisions of Companies Act, 2013.		
(c) General reserve		
Opening balance	**1,271.86**	1,271.86
Closing balance	**1,271.86**	1,271.86
The General reserve represents the adjustment on account of scheme of amalgamation approved by the High court in the FY 2009-10.		
(d) Retained earnings		
Opening balance	**3,341.46**	3,229.22
Net Profit / (Net Loss) for the year	**1,807.56**	1,113.08
Less: Items of Other Comprehensive Income	**(3.85)**	(3.61)
- Re-measurement gain/ (loss) on defined benefit plans (net of taxes)		
	5,145.18	4,338.69
Less: Interim dividend	**(637.51)**	(997.23)
Closing balance	**4,507.66**	3,341.46
Retained earnings represents undistributed accumulated earnings of the Company as at the Balance Sheet date.		
(e) Other Comprehensive Income (OCI)		
Opening balance	**(27.39)**	-
Add: Net gain/ (loss) on equity instruments measured at fair value through OCI (net of taxes)	**25.66**	(27.39)
Add: Net gain/ (loss) on re-measurement of defined benefit plans (net of taxes)	**(3.85)**	(3.61)
Transferred to retained earnings	**3.85**	3.61
Closing balance	**(1.73)**	(27.39)
Total Other equity	**12,958.66**	11,766.80

19 Other non-current financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Deposit from lessee	**386.26**	346.90
Deposit from customers	**-**	-
Total Other non-current financial liabilities	**386.26**	346.90

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

20 Provisions

	Particulars	As at March 31, 2025	As at March 31, 2024
	Non-current provisions		
	Provision for employee benefits (Refer Note 38)		
(a)	Provision for gratuity (funded)	-	-
(b)	Provision for leave encashment (unfunded)	**17.86**	14.95
	Total Non-current provisions	**17.86**	14.95
	Current provisions		
	Provision for employee benefits (Refer Note 38)		
(a)	Provision for gratuity (funded)	**26.41**	18.20
(b)	Provision for leave encashment (unfunded)	**18.91**	13.50
	Total Current provisions	**45.33**	31.70
	Total Provisions	**63.19**	46.65

21 Other non-current liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred rental income	**244.40**	280.80
Total Other non-current liabilities	**244.40**	280.80

22 Current borrowings

	Particulars	As at March 31, 2025	As at March 31, 2024
	Unsecured		
(a)	Short-term borrowings from related parties *	-	-
	Opening	-	-
	Add: Obtained during the year	-	75.00
	Less: Re-paid during the year	-	(75.00)
	Total Current borrowings	-	-

* During the year, the Group has not obtained any short-term loan (FY 2023-24 - INR 75 lakh) from related parties to meet its working capital requirements.

23 Trade payables

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises*	**46.00**	80.05
Total outstanding dues of creditors other than micro enterprises and small enterprises	**32.25**	40.05
Total Trade payables	**78.25**	120.10

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

Trade Payables ageing schedule

As at March 31, 2025

Particulars	**Outstanding for following periods from due date of payment**				**Total**
	less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	
Due to MSME	**46.00**	**-**	**-**	**-**	**46.00**
Due to Others	**12.03**	**0.51**	**0.03**	**19.67**	**32.25**
Disputed - Dues to MSME	**-**	**-**	**-**	**-**	**-**
Disputed - Dues to Others	**-**	**-**	**-**	**-**	**-**

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment				Total
	less than 1 year	1-2 years	2-3 years	More than 3 years	
Due to MSME	80.05	-	-	-	80.05
Due to Others	7.99	8.24	-	23.81	40.05
Disputed - Dues to MSME	-	-	-	-	-
Disputed - Dues to Others	-	-	-	-	-

* 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, 2024: INR Nil) towards interest payable to the vendors under the MSMED Act.

Particulars	**As at March 31, 2025**	As at March 31, 2024
i. The principal amount due thereon remaining unpaid as at the year end, interest amount due and remaining unpaid as at the year end		
a) Principal	**46.00**	80.05
b) Interest	**-**	-
Total	**46.00**	80.05
ii. The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 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 Micro, Small and Medium Enterprises Development Act, 2006.	**-**	-
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 Micro, Small and Medium Enterprises Development Act, 2006.	**-**	-

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

24 Other current financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Expenses Payables ^	**204.34**	146.55
Unpaid dividend	**77.10**	52.40
Employee related liabilities#	**60.84**	27.57
Total Other current financial liabilities	**342.28**	226.52

Includes INR 13.14 lakh (March 31, 2024 : INR Nil) due to Managing director.

25 Lease liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Right of use liability	**22.05**	30.34
Total Lease liabilities	**22.05**	30.34

26 Current tax liabilities (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Income-tax (Net of taxes paid: INR 576.78 lakh)	**21.60**	-
Total Current tax liabilities (net)	**21.60**	-

27 Other current liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory dues payable	**99.72**	127.22
Deferred rental income	**36.40**	37.56
Advance from customers	**9.00**	1.80
Total Other current liabilities	**145.11**	166.58

28 Revenue from operations

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Sales – Aviation		
Domestic sales	**-**	-
Export sales	**-**	-
Services – Aviation		
Domestic conversion charges	**361.14**	193.64
Rental income, maintenance and other services	**3,695.53**	2,837.50
Training services	**5.02**	4.06
Total Revenue from operations	**4,061.69**	3,035.20

* Includes IndAS interest income of INR 37.56 lakh (March 31, 2024 - INR 41.69 lakh).

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 at March 31, 2025 is INR 666.20 lakh (March 31, 2024 - INR 200.19 lakh) which the Company expects to recognize in the year 2025-26.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

29 Other income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest income *	**80.34**	27.01
Miscellaneous income	**57.71**	10.24
Gain on changes in fair value of investments	**14.70**	-
Profit on sale of property, plant and equipment	**0.17**	1.59
Write back of advances/ provisions	**-**	12.00
Total Other income	**152.92**	50.85

* Includes interest on bank deposits, Interest on income-tax refund of INR 6.05 lakh (March 31, 2024 - INR Nil), IndAS interest of INR 0.79 lakh (March 31, 2024 - INR 0.27 lakh) and other investments.

30 Other direct costs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Vendor charges	**409.56**	142.37
Total other direct costs	**409.56**	142.37

31 Cost of raw materials consumed

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Inventory at the beginning of the year	**-**	-
Add : Purchases	**75.86**	-
Less : Inventory at the end of the year	**(56.22)**	-
Total Raw materials consumed	**19.65**	-

32 Employee benefits expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages, bonus and other allowances *	**413.11**	335.16
Contribution to provident and other funds	**11.04**	9.26
Gratuity	**5.90**	6.14
Staff welfare expenses	**6.60**	4.54
Total Employee benefits expense	**436.65**	355.09

* Includes incentive paid to Managing Director of INR 20 lakh (March 31, 2024 - Nil)

33 Finance costs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Other finance costs *	**42.35**	42.81
Interest on working capital loans	**-**	4.98
Total Finance costs	**42.35**	47.79

* Includes IndAS interest cost of INR 41.94 lakh (March 31, 2024 - INR 42.21 lakh)

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

34 Depreciation and amortization expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation on property, plant and equipment (Refer note 4)	**251.15**	271.25
Depreciation on investment properties (Refer note 6)	**91.27**	91.26
Depreciation on ROU asstes (Refer note 7)	**9.10**	9.10
Total Depreciation and amortization expense	**351.53**	371.61

32 Other expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Professional & Consultancy charges	**123.28**	105.60
Repairs and maintenance plant & equipment	**115.53**	122.41
Office & other administrative expenses	**68.96**	63.35
Outsourced Manpower Cost	**65.22**	60.23
Rates & taxes	**45.94**	43.05
Travelling & conveyance	**44.39**	28.00
Rent	**32.64**	30.84
CSR expenses (Refer note 45)	**29.77**	16.46
Insurance	**18.22**	12.93
Repairs and maintenance others	**15.63**	17.06
Legal expenses	**11.53**	26.00
Power and fuel	**9.46**	8.00
Sitting fees	**9.30**	9.00
Allowance for expected credit loss * / Bad debts written off	**8.60**	67.97
Auditors remuneration	**8.37**	6.85
Repairs and maintenance building	**2.78**	-
Selling expenses	**2.13**	1.20
Foreign exchange variance expenses	**0.01**	-
Total Other expenses	**611.76**	618.94

*** Movement in allowance for expected credit loss during the year :**

Details	Year ended March 31, 2025	Year ended March 31, 2024
Opening provision	**-**	0.26
Add: Created during the year	**8.60**	-
Less: Written off during the year	**-**	(0.26)
Closing allowance for expected credit loss (Refer note 12)	**8.60**	-

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

*** Bad debts writen off during the year**

Details	Year ended March 31, 2025	Year ended March 31, 2024
Bad-debts written off during the year	-	68.22
Less : Transfer (from)/ to provision for bad-debts	-	(0.26)
Net balance	-	67.97

The following is the break-up of auditors remuneration (exclusive of taxes)

Details	Year ended March 31, 2025	Year ended March 31, 2024
As auditor:		
Statutory audit and limited review fees	**8.06**	6.50
In other capacity:		
Certification Charges	**0.30**	-
Re-imbursement of expenses	**0.01**	0.35
Total	**8.37**	6.85

36 Tax expense:

Particulars	As at March 31, 2025	As at March 31, 2024
(A) Deferred tax relates to the following:		
Deferred tax assets		
On employee benefits	**54.75**	86.80
On provision for doubtful debts	-	-
MAT credit entitlement	-	-
Fair valuation of Equity Instruments through OCI	**22.50**	3.18
Deferred tax liabilities		
On property, plant and equipment	**(448.44)**	(570.40)
Fair valuation of Equity Instruments through OCI	**(22.50)**	-
	(393.69)	(480.43)
(B) Recognition of deferred tax asset to the extent of deferred tax liability		
Balance sheet		
Deferred tax asset	**77.25**	89.98
Deferred tax liabilities	**(470.94)**	(570.40)
Deferred tax assets / (liabilities), net	**(393.69)**	(480.43)
Deferred tax expenses / (credit) (as per Statement of Profit and Loss)	**(86.74)**	(46.87)
	(86.74)	(46.87)
(C) The reconciliation of tax expense and the accounting profit multiplied by India's tax rate :		
Tax expenses as per Statement of Profit & Loss		
Current tax	**624.17**	484.03
Deferred tax	**(88.62)**	(46.87)
Sub-total	**535.55**	437.16
Income tax impact on OCI	**(1.89)**	(4.66)
Total	**533.66**	432.50

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Profit from continuing operations before income-tax expense	**2,343.11**	1,550.30
Tax Rate	**25.168%**	29.12%
Tax computed using statutory tax rate	**589.71**	451.45
Tax effect of:		
Depreciation	**49.59**	-
Deferred tax	**(86.74)**	(51.54)
Impact of IndAS	**0.90**	-
Exempt income	**(0.86)**	-
CSR Expenses	**7.49**	-
Others	**(26.44)**	32.58
Income-tax expenses	**533.66**	432.50

37 **Earnings per share**

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

Diluted earnings per share amounts are calculated by dividing the profit 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	March 31, 2025	March 31, 2024
Profit attributable to equity shareholders of the Company	**1,807.56**	1113.08
Weighted average number of equity shares for basic EPS	**2,55,00,536**	2,49,93,009
Weighted average number of equity shares adjusted for the effect of dilution	**2,55,00,536**	2,49,93,009
Basic - Earnings per share (INR)	**7.09**	4.45
Diluted - Earnings per share (INR)	**7.09**	4.45

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.

38 **Employee benefits**

(A) Defined contribution plans

Particulars	March 31, 2025	March 31, 2024
During the year, the Company has recognised the following amounts in the Statement of Profit and Loss		
Employer's contribution to provident fund, family pension fund and other funds	**11.04**	9.26

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

(B) Defined benefit plans

a) Leave encashment and gratuity payable to employees

i) Actuarial assumptions

Particulars	Leave Encashment (Unfunded)		Gratuity (Funded)	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024
Discount rate (per annum)	**6.80%**	7.20%	**6.80%**	7.20%
Rate of increase in salary	**6.00%**	6.00%	**6.00%**	6.00%
Expected rate of return on plan assets	**-**	-	**7.20%**	7.50%
Expected average remaining working lives of employees (years)	**9.81**	10.38	**10.80**	11.48
Withdrawal rate	**5%**	5%	**5%**	5%
Retirement age	**58 years**	58 years	**58 years**	58 years
Mortality table	**IALM (2012-14) ult**	IALM (2012-14) ult	**IALM (2012-14) ult**	IALM (2012-14) ult

ii) Changes in the present value of defined benefit obligation

Particulars	Leave Encashment (Unfunded)		Gratuity (Funded)	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024
Present value of obligation at the beginning of the year	**28.45**	21.85	**38.92**	30.08
Interest cost	**1.98**	1.47	**2.80**	2.17
Past service cost	**-**	-	**-**	-
Current service cost	**11.52**	11.14	**4.87**	3.97
Curtailments	**-**	-	**-**	-
Settlements	**-**	-	**-**	-
Benefits paid	**(2.00)**	(4.57)	**-**	(2.40)
Actuarial (gain) / loss on obligations	**(3.16)**	(1.44)	**5.11**	5.10
Present value of obligation at the end of the year	**36.78**	28.45	**51.70**	38.92

iii) Changes in fair value of plan assets

Particulars	Leave Encashment (Unfunded)		Gratuity (Funded)	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024
Fair value of plan assets at the beginning of the period	**-**	-	**20.72**	14.78
Interest income	**-**	-	**1.60**	1.21
Contributions	**-**	-	**3.00**	5.00
Mortality charges and taxes	**-**	-	**-**	(0.00)
Benefits paid	**-**	-	**-**	(2.40)
Return on plan assets excluding interest income - gain / (loss)	**-**	-	**(0.03)**	2.14
Fair value of plan assets at the end of the period	**-**	-	**25.29**	20.72

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

iv) Expense recognised in the statement of profit and loss

Particulars	Leave Encashment (Unfunded)		Gratuity (Funded)	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024
Current service cost	**11.52**	11.14	**4.87**	3.97
Interest cost	**1.98**	1.47	**2.80**	2.17
Expected return on plan assets	**-**	-	**(1.60)**	(1.21)
Actuarial (gain) / loss on obligations	**(3.16)**	(1.44)	**5.14**	5.10
Total expenses recognized in the statement of profit and loss*	**10.33**	11.17	**11.22**	10.03

*Included in employee benefits expense - Refer note 32.

Actuarial (gain) / loss on gratuity of INR 5.14 lakh for the year ended March 31, 2025 (March 31, 2024: INR 5.10 lakh) is included in other comprehensive income.

v) Assets and liabilities recognised in the Balance Sheet:

Particulars	Leave Encashment (Unfunded)		Gratuity (Funded)	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024
Present value of unfunded obligation as at the end of the year	**36.78**	28.45	**51.70**	38.92
Less : Funded with Life Insurance Corporation	**-**	-	**25.29**	20.72
Unfunded net (asset) / liability recognised in the Balance Sheet	**36.78**	28.45	**26.41**	18.20

vi) The major categories of plans assets are as follows:

Particulars	Leave Encashment (Unfunded)		Gratuity (Funded)	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024
Fund managed by LIC of India	**-**	-	**25.29**	20.72
Total amount	**-**	-	**25.29**	20.72

vii) A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	Leave Encashment (Unfunded)		Gratuity (Funded)	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024
Impact on defined benefit obligation				
Discount rate				
1% increase	**35.43**	27.29	**49.72**	37.26
1% decrease	**38.29**	29.75	**53.99**	40.82
Salary rate				
1% increase	**38.08**	29.57	**53.71**	40.51
1% decrease	**35.59**	27.44	**49.93**	37.52
Withdrawal rate				
1% increase	**37.77**	29.26	**51.82**	39.06
1% decrease	**35.64**	27.53	**51.58**	38.76

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

viii) Maturity profile of defined benefit obligation

Particulars	Leave Encashment (Unfunded)		Gratuity (Funded)	
	March 31, 2025	March 31, 2024	**March 31, 2025**	March 31, 2024
Year				
Upto one year	**17.81**	12.56	**20.07**	12.87
One to two years	**1.03**	1.87	**0.90**	5.52
Two to three years	**2.29**	0.85	**1.50**	0.84
More than three years	**14.81**	5.74	**28.87**	14.94

39 Leases

Operating leases where Group is a lessor:

The Group has entered into lease transactions mainly for leasing of hangars for a period of 25 years. The terms of lease include terms of renewal. The operating lease income recognised in the Statement of Profit and Loss amounts to INR 1,798.10 lakhs (March 31, 2024 - INR 1696.32 lakhs) included in note 28.

Future minimum rentals receivable under non-cancellable operating leases are as follows:

Particulars	March 31, 2025	March 31, 2024
Within one year	**1,949.74**	1,798.10
After one year but not more than five years	**9,041.14**	8,337.94
More than five years	**7,416.60**	9,702.15

40 Related party disclosures

(A) Names of related parties and description of relationship with the Company:

Ultimate Holding company
Vishkul Enterprises Private Limited

Holding company
Asscher Enterprises Limited (erstwhile known as Indian Seamless Enterprises Limited)

Others entities under common control
Laurus Tradecon Private Limited (erstwhile known as Lighto Technologies Private Limited) (Upto 14th February 2025)
TAAL Enterprises Limited
TAAL Tech India Private Limited

Key Management Personnel (KMP)
Mr. Rakesh Duda (Managing Director)
Mrs. Rahael Shobhana Joseph (Whole-time Director)
Mr. Jitendra Muthiyan (Chief Financial Officer) (w.e.f. 1st April 2024)
Mrs. Ashwini Navare (Company Secretary)

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

Directors
Dr. Prahlada Ramarao
Mr. Salil Taneja
Mrs. Rahael Shobhana Joseph
Mr. Arvind Nanda
Mr. Muralidhar Chittetti Reddy

(B) Details of transactions and closing balances of related parties in the ordinary course of business for the year ended:

Particulars	**March 31, 2025**	March 31, 2024
(i) Others entities under common control		
Loans taken from related parties during the year		
- Asscher Enterprises Limited	**-**	75.00
Loan re-paid to related parties during the year		
- Asscher Enterprises Limited	**-**	75.00
Re-imbursement for transactions incurred on behalf of the related parties		
- TAAL Enterprises Limited (Interest paid)	**-**	3.98
- TAAL Enterprises Limited (Fixed deposits)	**-**	312.00
Interest paid		
- Asscher Enterprises Limited	**-**	1.00
(ii) Key Management Personnel (KMP)		
Compensation of key management personnel		
Managerial remuneration #		
- Mr. Rakesh Duda	**95.00**	75.00
- Mrs. Rahael Shobhana Joseph	**36.00**	36.00
- Mr. Mahendra Nalluri	**-**	26.50
- Mrs. Ashwini Navare	**11.96**	10.85
- Mr. Jitendra Muthiyan	**7.88**	-
Director sitting fees		
- Mr. Arvind Nanda	**3.15**	3.00
- Dr. Prahlada Ramarao	**3.00**	2.90
- Mr. Salil Taneja	**1.35**	1.70
- Mr. Muralidhar Chittetti Reddy	**1.80**	1.40
Balance payable as at the year end		
- Mr. Rakesh Duda	**13.14**	-
- Mrs. Ashwini Navare	**0.82**	0.52
- Mr. Jitendra Muthiyan	**0.51**	-

The Managerial remuneration 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.

41 Segment reporting

The Chief Operating Decision Maker (CODM) regularly monitors and review the operating results separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The Group operates only in one segment i.e. "Aerospace and Aviation". The Group operates predominantly within one geographical segment i.e. India and accordingly, this is considered as the only secondary segment.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

Major customers

Revenue from one customer of the Group's aviation segment amounting to INR 2,077.63 lakh (March 31, 2024: INR 1,957.64 lakh) is more than 10% of Group's total revenue.

42 Fair values of financial assets and financial liabilities

The fair value of other current financial assets, cash and cash equivalents, trade receivables, investments, 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 liabilities consisting of security and other 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.

The Group has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

43 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 assets 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, 2025**	As at March 31, 2024
Level 1	**Nil**	Nil
Financial assets measured at fair value		
Investments measured at fair value through profit and loss	**504.43**	-
Level 2	**Nil**	Nil
Level 3		
Financial assets measured at amortized cost		
Cash and cash equivalents	**484.93**	585.57
Bank balances other than cash and cash equivalents	**1,042.54**	9.88
Trade receivables	**426.78**	845.27
Other financial assets	**105.50**	76.80
Investment - Equity Shares	**-**	2,000.00
Total Financial assets at amortized cost	**2,059.75**	3,517.53
Financial assets measured at FVOCI		
Investment - Equity Shares	**2,598.25**	69.43
Total Financial assets measured at FVOCI	**2,598.25**	5,586.96
Financial liabilities measured at amortized cost		
Borrowings	**-**	-
Trade payables	**78.25**	120.10
Other financial liabilities	**728.54**	573.42
Total Financial liabilities at amortized cost	**806.80**	693.51

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

The fair values of deposits from lessee 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 carrying amount of cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, other financial assets, borrowings, trade payables and other financial liabilities are considered to be the same as their fair values.

44 Financial risk management objectives and policies

The Group is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Group's risk management is co-ordinated by the Board of Directors and focuses on securing long-term and short-term cash flows. The Group 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 and derivative financial instruments.

(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 the Group's long-term debt obligations with floating interest rates.

The Group has no exposure towards interest rate risk, since no loans and borrowings during the year.

(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 Company's functional currency).

The Group has no exposure towards foreign currency risk, since no foreign exchange receivables & payable as on date.

(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 trade receivables from deposits with landlords 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.

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 landlords before giving any property on lease and has not had a single instance of non-refund of security deposit on vacating the leased property. The Group also in some cases ensure that the notice period rentals are adjusted against the security deposits and only differential, if any, is paid out thereby further mitigating the non-realization risk. The Group does not foresee any credit risks on deposits with regulatory authorities.

The Group determines the allowance for credit losses based on historical loss, experience adjusted to reflect current and estimated future economic conditions. The Group considers current and anticipated future economic conditions relating to industries the Group deals with and where it operates.

(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.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

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

Particulars	less than 12 months	1 to 4 years	More than 4 years	Total
March 31, 2025				
Trade payables	**78.25**	**-**	**-**	**78.25**
Other financial liabilities - Current	**342.28**	**-**	**-**	**342.28**
Other financial liabilities - Non-current	**386.26**	**-**	**-**	**386.26**
	806.80	**-**	**-**	**806.80**
March 31, 2024				
Trade payables	120.10	-	-	120.10
Other financial liabilities - Current	226.52	-	-	226.52
Other financial liabilities - Non-current	346.90	-	-	346.90
	693.52	-	-	693.52

42 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 of the Company. 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 Holding Company has distributed an interim dividend of INR 4/- per fully paid share to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure i.e. equity and debt. Total debt comprises of non-current and current borrowing from banks. 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.

Dividends	March 31, 2025	March 31, 2024
Equity shares		
Interim dividend for the year ended March 31, 2025 of INR 2.50/- (March 31, 2024 - INR 4.00/-) per fully paid-up share	**637.51**	997.23

		March 31, 2025	March 31, 2024
Total equity	(i)	**14,233.69**	13,041.83
Borrowings		**-**	-
Total debt	(ii)	**-**	-
Overall financing	(iii) = (i) + (ii)	**14,233.69**	13,041.83
Gearing ratio	(ii) / (iii)	**-**	-

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

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, 2025		March 31, 2024	
	As % of Consolidated net assets	Net assets	As % of Consolidated net assets	Net assets
Parent company				
Taneja Aerospace and Aviation Limited	**95.44%**	**13,583.98**	95.02%	12,392.06
Indian subsidiary				
Direct subsidiary				
Katra Auto Engineering Pvt. Ltd.	**4.56%**	**649.72**	4.57%	649.78
TOTAL	**100%**	**14,233.70**	100%	13,041.84

Note: The above figures are stated at gross values after eliminating investment in subsidiaries.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

(ii) Share in Profit or Loss

Name of the company	March 31, 2025		March 31, 2024	
	As % of Consolidated profit / (loss)	Profit / (Loss)	As % of Consolidated profit / (loss)	Profit / (Loss)
Parent company				
Taneja Aerospace and Aviation Limited	**100.003%**	**1,807.62**	100.01%	1,113.14
Indian subsidiary				
Direct subsidiary				
Katra Auto Engineering Pvt. Ltd.	**-0.003%**	**(0.06)**	-0.01%	(0.06)
TOTAL	**100%**	**1,807.56**	100%	1,113.08

Note: The above figures are stated at gross values after eliminating intra-group transactions.

(iii) Share in Other Comprehensive Income (OCI)

Name of the company	March 31, 2025		March 31, 2024	
	As % of Consolidated Other Comprehensive Income	Other Comprehensive Income	As % of Consolidated Other Comprehensive Income	Other Comprehensive Income
Parent company				
Taneja Aerospace and Aviation Limited	**100.00%**	**21.81**	100.00%	(31.00)
Indian subsidiary				
Direct subsidiary				
Katra Auto Engineering Pvt. Ltd.	**0.00%**	**-**	0.00%	-
TOTAL	**100%**	**21.81**	100%	(31.00)

(iv) Share in Total Comprehensive Income

Name of the company	March 31, 2025		March 31, 2024	
	As % of Consolidated Total Comprehensive Income	Total Comprehensive Income	As % of Consolidated Total Comprehensive Income	Total Comprehensive Income
Parent company				
Taneja Aerospace and Aviation Limited	**100.003%**	**1,829.43**	100.005%	1,082.14
Indian subsidiary				
Direct subsidiary				
Katra Auto Engineering Pvt. Ltd.	**-0.003%**	**(0.06)**	-0.005%	(0.06)
TOTAL	**100%**	**1,829.37**	100%	1,082.08

47 A) Contingent liabilities (to the extent not provided for)

Particulars	As at March 31, 2025	As at March 31, 2024
Claims against the Company not acknowledged as debts:		
(i) Goods and Service Tax	**7.72**	-
(ii) Excise Duty	**-**	88.16
(iii) Others	**170.00**	170.00
	177.72	258.16

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

(i) This relates to GST demand of INR 7.72 lakh (March 31, 2024: INR Nil) for the year 2021-22 which is disputed by the Parent Company. The Parent Company has filed an appeal against this order and the appeal is pending with the appellate authority.

(ii) Various excise duty demands pending as at March 31, 2024 have been settled during the year.

(iii) This relates to damages claimed by a customer towards breach of contractual obligations of INR 170 lakh (March 31, 2024: INR 170 lakh) during the year 2005-06 which are disputed by the Parent Company in the City Civil Court of Bangalore.

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

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

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

	As at March 31, 2025	As at March 31, 2024
(a) Bank guarantees*	**16.85**	6.08

* This relates to bank guarantees obtained by the Parent Company to issue the same to its customers amounting to INR 16.85 lakh (March 31, 2024: INR 6.08 lakh)

48 Corporate Social Responsibility expenditure (CSR)

Particulars	**As at March 31, 2025**	As at March 31, 2024
a) Gross amount required to be spent by the Company during the year	**29.77**	24.94

b) Details of amount spent towards CSR is as follows:

Particulars	**As at March 31, 2025**		As at March 31, 2024	
	Paid	**Yet to be paid**	Paid	Yet to be paid
(i) Construction / acquisition of any asset	**-**	**-**	-	-
(ii) On purposes other than (i) above*	**29.77**	**-**	16.46	-

* the amount spent includes towards ambulance service, welfare of society and administration overheads.

c) There is no cumulative shortfall in CSR expenditure at the end of the year (March 31, 2024: Nil)

49 During the FY 2023-24 the Parent Company had made an investment of INR 100 lakh in equity shares of Prive Avion Alliances Pvt. Ltd. Based on the valuation report, such investment have been measured at fair value through Other Comprehensive Income (OCI) at INR 63 lakh (March 31, 2024 - INR 69.43 lakh). The resulting difference of INR 5.94 lakh (March 31, 2024 - INR 27.39 lakh) (net of deferred tax) has been charged to the Statement of Profit and Loss account under OCI.

During the FY 2023-24 the Parent Company had made an investment of INR 2,000 lakh in equity shares of Altair Infrasec Pvt. Ltd. Based on the valuation report, such investment have been measured at fair value through Other Comprehensive Income (OCI) at INR 2,216.37 lakh (March 31, 2024 - INR 2,000 lakh). The resulting difference of INR 193.87 lakh (March 31, 2024 - INR Nil) (net of deferred tax) has been charged to the Statement of Profit and Loss account under OCI.

During the year the Parent Company had made an investment of INR 499.99 lakh in equity shares of Zenith Precision Pvt. Ltd. Based on the valuation report, such investment have been measured at fair value through Other Comprehensive Income (OCI) at INR 318.88 lakh (March 31, 2024 - INR Nil). The resulting difference of INR 162.27 lakh (March 31, 2024 - INR Nil) (net of deferred tax) has been charged to the Statement of Profit and Loss account under OCI.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2025

(INR in lakh, unless otherwise stated)

50 Additional regulatory information required by Schedule III

(i) Details of benami property held

The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.

(ii) Wilful defaulter

The Group have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) Relationship with struck off companies

The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(iv) Registration of charges or satisfaction with Registrar of Companies

The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(v) Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(vi) Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(vii) Valuation of PP&E, intangible asset and investment property

The Group has not revalued its property, plant and equipment and investment property or both during the current or previous year.

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Utilisation of borrowed funds and share premium

The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

51 Previous period / year's figures have been re-grouped / re-classified wherever necessary in line with the amendments to Schedule III of the Companies Act, 2013.

For and on behalf of the Board of Directors of
Taneja Aerospace and Aviation Ltd
CIN: L62200TZ1988PLC014460

Dr. Prahlada Ramarao	**Rakesh Duda**	**Jitendra R. Muthiyan**	**Ashwini Navare**
Chairman	**Managing Director**	**Chief Financial Officer**	**Company Secretary**
DIN : 07548289	DIN : 05234273		Membership Number : A51288
Place : Bengaluru	Place : Bengaluru	Place : Bengaluru	Place : Bengaluru
Date : May 13, 2025	Date : May 13, 2025	Date : May 13, 2025	Date : May 13, 2025

AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

PART "A": SUBSIDIARIES

Sr. No.	Name of Subsidiary	Reporting Currency in case of foreign subsidiaries	Share Capital	Other Equity	Total Assets	Total Liabilities	Investments	Turnover	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of Shareholding*
1	Katra Auto Engineering Pvt. Ltd.	-	5.00	644.72	649.78	0.06	0.00	0.00	(0.06)	0.00	(0.06)	Nil	100%

* Includes share held by a Nominee of the Company

Notes:

A Name of Subsidiaries which are yet to commence operations-

Sr. No.	Name of Subsidiary Company
1	Katra Auto Engineering Pvt. Ltd.

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
Taneja Aerospace and Aviation Ltd
CIN: L62200TZ1988PLC014460

Rakesh Duda
Managing Director
DIN : 05234273

Place : Bengaluru
Date : May 13, 2025

Prahlada Ramarao
Chairman
DIN : 07548289

Place : Bengaluru
Date : May 13, 2025

Jitendra Muthiyan
Chief Financial Officer

Place : Bengaluru
Date : May 13, 2025

Ashwini Navare
Company Secretary
Membership No. : A51288

Place : Bengaluru
Date : May 13, 2025