



Independent Auditors' Report

To,
The Members of M/s Punj Lloyd Aviation Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS financial statements of **M/s Punj Lloyd Aviation Limited** ("the Company"), which comprise the balance sheet as at 31st March, 2021, the Statement of profit and loss (including other comprehensive income), the cash flow statement, statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS 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 state of affairs of the Company as at 31st March, 2021, its profit / loss including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Companies Act, 2013 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 Consolidated Ind AS financial statements.

Information other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors and Management is responsible for the preparation of the other information. The other information comprises the information included in the company's annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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



Material Uncertainty Related to Going Concern

We draw your attention to Significant Accounting Policy No. 2(a)i in the financial statements which indicates that the company has accumulated losses and its net worth has been fully eroded, the Company has incurred net cash loss during the current and previous year(s) and, the Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions, along with other matters set forth in Significant Accounting Policy No. 2(a)i, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.

Other Matter

We did not audit the financial statements of associate of the company, as considered in this consolidated Ind AS Financial Statements and other related financial information have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this associates and our report in terms of sub section (3) and (11) of the section 143 of the Act, in so far as it relates to the aforesaid associate is based solely on the reports of other auditors.

Our opinion on the consolidated Ind AS financial statements in so far as it relates to the amount and disclosures included in respect of aforesaid associates and our report in terms of sub section (3) and (11) of the section 143 of the Act, in so far as it relates to the aforesaid associates is based solely on the reports of other auditors and / or such unaudited financial statements / financial information as the case may be furnished to us by the management.

As per the information and explanations given to us by the management, no significant transaction or other events occurred between the reporting date of the aforesaid entities on 31st March, 2021 which require any adjustment. The management is of the opinion that the transactions are not significant and will not have any material impact on the consolidate Ind AS financial statements.

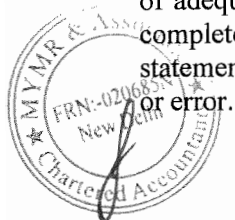
The status of the audited and unaudited financial statements as mentioned above is based on audit reports of other auditor furnished to us by the management of the company.

Our opinion on the consolidated Ind AS 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 report of the other auditors and the financial statements / financial information certified by the management.

Responsibilities of Management and those charged with Governance for the financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), statement of changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

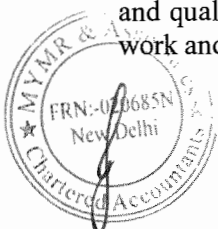
Auditor's Responsibility for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated Ind AS financial statement that individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the Financial Statements



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

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

Report on Other Legal and Regulatory Requirements

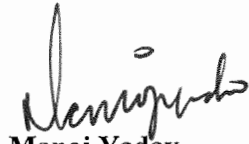
1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, is not applicable on the consolidated financial statements as referred in proviso to the paragraph 2 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of consolidated Ind AS financial statements.
 - b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including the Consolidated Statement of Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) On the basis of written representations received from the directors as on 31st March, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) We are enclosing herewith the report in "**Annexure A**" for our opinion considering the opinion of other auditor of associates company incorporated in India on adequacy of the internal financial controls system in place and operating effectiveness of such controls.
 - g) In our opinion, the managerial remuneration for the year ended 31st March, 2021, has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act:



h) 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:

- i) The Company has disclosed the impact of pending litigations on the financial position in the Consolidated Ind AS financial statement. Refer Note No.20
- ii) The Company & its associates have made provision, as required under the applicable law or India Accounting Standards, for material foreseeable losses, if any on long-term contracts including derivative contracts.
- iii) The holding company and its associate company incorporated in India did not have any dues on account of Investor Education and Protection Fund.

For **MYMR & Associates**
Chartered Accountants
FRN 020685N



Manoj Yadav
Proprietor
M. No. 503079
27th August 2021, New Delhi



UDIN: 21503079 AAAAHM7743

ANNEXURE A to the Independent Auditor's Report

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

We have audited the internal financial controls over financial reporting of Punj Lloyd Aviation Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting with reference to these 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 control over financial reporting with reference to these 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

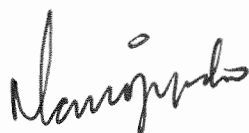
Opinion

In our opinion, the Company and its associates company, which are companies incorporated in India has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Financial Statements and such internal financial controls over financial reporting with reference to these Financial Statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

For MYMR & Associates

Chartered Accountants

FRN: 020685N



Manoj Yadav

Proprietor

M.No.: 503079

27th August 2021, New Delhi



UDIN: 21503079 AAAAHM7743

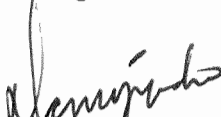
Punj Lloyd Aviation Limited
Consolidated Balance Sheet as at March 31, 2021
(All amounts in INR, unless otherwise stated)
CIN No. U62200DL2007PLC163930

	Notes	As at	
		March 31, 2021	March 31, 2020
Assets			
Non-current assets			
Property, plant and equipments	4	1	1
Intangible assets	5	-	-
Financial assets			
Non-current investments	6	58,797,292	-
Other non-current assets	9	116,879	116,879
Current assets			
Financial assets			
Cash and bank balances	7	38,884	87,036
Other financial assets	8	1,835,470	1,835,470
Current tax assets (Net)		-	-
Other current assets	9	549,284	549,284
		61,337,811	2,588,670
Equity and liabilities			
Equity			
Equity share capital	10	637,987,100	637,987,100
Other equity		(1,515,775,883)	(1,573,210,893)
Non-current liabilities			
Financial Liabilities			
Borrowings	11	123,679,000	123,679,000
Current liabilities			
Financial Liabilities			
Borrowings	12	252,843,641	252,843,641
Trade payables	13		
-total outstanding dues of micro enterprises and small enterprises		-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises		11,320,747	11,149,366
Other financial liabilities	13	548,578,577	547,428,576
Other current liabilities	14	2,704,630	2,711,880
		61,337,811	2,588,670
Summary of significant accounting policies	2		

The accompanying notes form an integral part of the financial statements
As per our report of even date

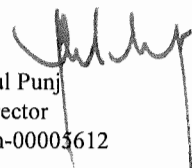
for **MYMR & ASSOCIATES**
Chartered Accountants
Firm registration number: 020685N

For and on behalf of the Board of Directors of
Punj Lloyd Aviation Limited


MANOJ YADAV
Proprietor
Membership no.: 503079




Kunal Aggarwal
Director
Din-08417636


Atul Punj
Director
Din-00003612



Place: Delhi
Date: August 27, 2021

UDIN: 21503079 AAAAHM7743

Punj Lloyd Aviation Limited

Consolidated Statement of Profit and Loss for the year ended March 31, 2021

(All amounts in INR, unless otherwise stated)

CIN No. U62200DL2007PLC163930

	Notes	Year ended	
		March 31, 2021	March 31, 2020
Income			
Other income	15	-	6,708,897
Total income		-	6,708,897
Expenses			
Other expenses	16	1,361,349	1,590,934
Total expenses		1,361,349	1,590,934
Earning before interest, tax, depreciation and amortization (EBITDA)		(1,361,349)	5,117,963
Depreciation and amortization expense		-	-
Finance costs	17	934	968
(Loss)/ profit before tax		(1,362,283)	5,116,995
Share of profit/(loss) of associates		58,797,292	(358,907,858)
Tax expenses		-	-
Profit/ (loss) for the year		57,435,009	(353,790,863)
Other comprehensive income			
OCI not to be reclassified to profit or loss in subsequent years			
- Re-measurement gains/(losses) on defined benefit plans		-	-
- Net fair value gain/(loss) on FVTOCI on equity investments		-	8,731,327
Other comprehensive income for the year, net of tax		-	8,731,327
Total comprehensive income/ (loss)		57,435,009	(345,059,536)
Earning per equity share (in Rs.)			
- Basic	18	0.90	(5.55)
- Diluted		0.90	(5.55)

Summary of significant accounting policies

2

The accompanying notes from an integral part of the financial statements
As per our report of even date

for **MYMR & ASSOCIATES**
Chartered Accountants
Firm registration number: 020685N


MANOJ YADAV
Proprietor
Membership no.: 503079

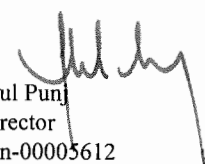
Place: Delhi
Date: August 27, 2021

UDIN: 21503079AAAAHM7743



For and on behalf of the Board of Directors of
Punj Lloyd Aviation Limited


Kunal Aggarwal
Director
Din-08417636


Atul Punj
Director
Din-00005612



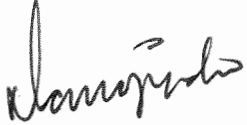
Punj Lloyd Aviation Limited
Consolidated Statement of Cash Flows for the year ended March 31, 2021
 (All amounts in INR, unless otherwise stated)
 CIN No. U62200DL2007PLC163930

	Year ended	
	March 31, 2021	March 31, 2020
Cash flow from/ (used in) operating activities		
(Loss) / profit before tax	(1,362,283)	5,116,995
Adjustments for:		
Unspent liabilities written back	-	6,708,897
Operating profit before changes in operating assets and liabilities	(1,362,283)	11,825,893
Movement in working capital:		
- changes in trade payables	171,381	(7,389,625)
- changes in other financial liabilities	1,150,000	(4,988,199)
- changes in other liabilities	(7,250)	(237,962)
- changes in other assets	-	768,372
- changes in other financial assets	-	(1)
Cash generated from/ operations	(48,153)	(21,522)
Net cash flow from/ operating activities (A)	(48,153)	(21,522)
Cash flow used in investing activities		
Interest received	-	-
Net cash flow investing activities (B)	-	-
Cash flow (used in)/ from financing activities		
Borrowings from related parties	-	-
Interest paid	-	-
Net cash flow /from financing activities (C)	-	-
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(48,153)	(21,522)
Cash and cash equivalents at the beginning of the year	87,036	108,558
Cash and cash equivalents at the end of the year	38,884	87,036
Components of cash and cash equivalents		
Cash on hand	-	-
Balances with banks:		
On current accounts	38,884	87,036
Total cash and cash equivalents (also refer note 7)	38,884	87,036


The accompanying notes from an integral part of the financial statements
 As per our report of even date

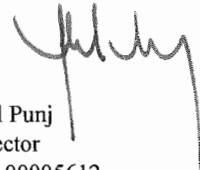
for **MYMR & ASSOCIATES**
 Chartered Accountants
 Firm registration number: 020685N

For and on behalf of the Board of Directors of
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 Membership no.: 503079




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 Atul Punj
 Director
 Din-00005612

Place: Delhi
 Date: August 27, 2021

UDIN: 21503079 AAAAHM 7743



Punj Lloyd Aviation Limited

Notes to consolidated financial statements for the year ended March 31, 2021

(All Amounts in INR, unless otherwise stated)

1. Corporate information

The financial statements comprise financial statement of Punj Lloyd Aviation Limited (the Company) and its associate (collectively, the Group) for the year ended March 31, 2021. The Company is a public limited company domiciled in India and incorporated under the provision of the Companies Act applicable in India. The Company is engaged in the business of Airlines and Helicopter Operators for transporting passengers, mail, cargo, freight to Indian and International tourists and also to provide charter services to Indian and international companies and to provide consultancy in the area of aircraft / helicopter procurement.

Corporate Insolvency Resolution Process (CIRP) for Punj Lloyd Limited (The Holding Company) under the insolvency and bankruptcy code, 2016 (IBC) has commenced with effect from March 08, 2019. Mr. Gaurav Gupta, Interim Resolution Professional (IRP) was appointed by Hon'ble National Law Tribunal (NCLT), Principal Bench, New Delhi vide its order dated March 08, 2019. Subsequently NCLT vide its order CA-971(PB)/2019 dated May 22, 2019 has appointed Mr. Ashwini Mehra as Resolution Professional (RP) and have taken over from IRP on May 27, 2019. Under CIRP, the powers of the Board of Directors of ultimate holding Company stand suspended. During the COC meeting held on March 30, 2021 in terms of Regulation 19 of IBC, the RP informed that the resolution plan which was put to E-vote under Corporate Insolvency Resolution Process of the Holding Company has not been approved by the COC members. Accordingly, the Holding Company is headed towards liquidation, and the COC members have recommended liquidation of the Holding Company as a going concern and that they will also simultaneously consider a scheme of arrangement under section 230 of the Companies Act, 2013, if any is presented. Necessary application in this regard has been filed by the RP with Hon'ble NCLT and is pending. Until further direction by the Hon'able NCLT, the financial statements of the Company have been prepared on a going concern basis.

2. Summary of significant accounting policies

a). Basis of preparation

i. Ongoing Concern

During the year ended as on March 31, 2021, Company has incurred a net profit of Rs.57,435,009/- and, as of that date, the Company's current liabilities exceeded its Current assets by Rs.87,77,88,783/- (previous year Rs.93,52,23,793/-) and net worth of company is also eroded. This is the one of the financial indication which cast significant doubt on the entity ability to continue as a going concern as per SA 570. To improve operational efficiencies, the Company is taking various measures including new avenues to generate funds. The present conditions indicate that a material uncertainty exists that casts significant doubt on the Company's ability to continue as a going concern. However, the management is confident that with the above measures, the Company would be able to generate sustainable cash flows, discharge its short term and improve its net worth through profitable operations and continue as a going concern. Hence, financial statements have been prepared on a going concern basis.

ii. Principles of Consolidation

The Consolidated Financial Statements comprise the financial statements of the Company and its associate. In the preparation of these Consolidated Financial Statements, investment in Associate company has been accounted for in accordance with Ind AS 110 (Consolidated Financial Statements) and Ind AS 28 (Investments in Associates and Joint Ventures) issued by the Institute of Chartered Accountants of India. The Consolidated Financial Statements are prepared on the following basis-



Punj Lloyd Aviation Limited

Notes to consolidated financial statements for the year ended March 31, 2021

(All Amounts in INR, unless otherwise stated)

- Investments in Associates are accounted for using the equity method. The excess of cost of investment over the proportionate share in equity of the Associate as at the date of acquisition of stake is identified as Goodwill and included in the carrying value of the Investment in the Associate. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the Associate. However, the share of losses is accounted for only to the extent of the cost of investment. Subsequent profits of such Associates are not accounted for unless the accumulated losses (not accounted for by the Group) are recouped. Where the associate prepares and presents consolidated financial statements, such consolidated financial statements of the associate are used for the purpose of equity accounting. In other cases, Consolidation financial statements of associates are used for the purpose of consolidation.
- As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's Consolidation financial statements. Differences in accounting policies are disclosed separately.
- The financial statements of the entities used for the purpose of consolidation are drawn up to same reporting date as that of the Company.

Consolidated Ind-AS Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and relevant provisions of the Companies Act, 2013.

Accordingly, the Company has prepared these Consolidated Financial Statements which comprise the Balance Sheet as at 31 March, 2021, the Statement of Profit and Loss for the year ended 31 March 2021, the Statement of Cash Flows for the year ended 31 March 2021 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Consolidated Ind-AS Financial Statements').

iii. Basis of preparation of financial statements

These Consolidated Ind-AS Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on an accrual basis as per provisions of the Companies Act, 2013 ("the Act"), except for:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value;
- certain items of property, plant and equipment which have been fair valued on the transition date

Accounting policies have been consistently applied 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.

The Consolidated Ind-AS Financial Statements have been presented in Indian Rupees (INR), which is the Company's functional currency, unless otherwise stated.

These Standalone Ind-AS Financial Statements are approved for issue by the Board of Directors on August 27, 2021.



Punj Lloyd Aviation Limited

Notes to consolidated financial statements for the year ended March 31, 2021

(All Amounts in INR, unless otherwise stated)

b) Property, plant and equipment

Property, plant and equipment, excluding freehold land, but including capital work-in-progress are stated at cost, less accumulated depreciation and impairment losses, if any. Freehold land is carried at historical cost. The cost includes the purchase price and expenditure that is directly attributable to bringing the asset to its working condition for the intended use.

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

The Company adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with Ministry of Corporate Affairs ("MCA") circular dated August 09, 2012, exchange differences adjusted to the cost of tangible assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the Company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange differences.

Depreciation method, estimated useful lives and de-recognition

Depreciation on the PPE is calculated on straight line method, at the rates prescribed under Schedule II to the Companies Act, 2013, which are based on the estimated useful life of the assets except in the case of aircraft.

In case of aircraft, life of the assets is considered on the basis of certificate of chartered engineer which is 15 years whereas in schedule II of the companies act, 2013 is as 20 years.

Individual assets costing up to Rs 5,000 are depreciated @100%.

(c) Intangible assets

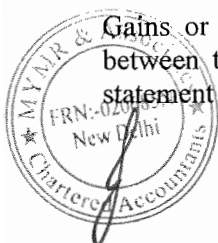
Intangible assets are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any.

Development expenditures are recognized as an intangible asset when the Company is able to demonstrate:

- the technical feasibility of completing the intangible asset so that the asset will be available for use
- its intention to complete and its ability and intention to use or sell the asset
- how the asset will generate future economic benefits
- the availability of resources to complete the asset
- the ability to measure reliably the expenditure during development

The Company amortizes intangible assets with finite lives using the straight-line method over the period of licenses or based on the nature and estimated useful economic life, i.e., six years, whichever is lower.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.



Punj Lloyd Aviation Limited

Notes to consolidated financial statements for the year ended March 31, 2021

(All Amounts in INR, unless otherwise stated)

The amortization period and the method is reviewed at each financial year end and adjusted prospectively.

(d) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's CGU to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/ forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries or countries in which the Company operates, or for the market in which the asset is used.

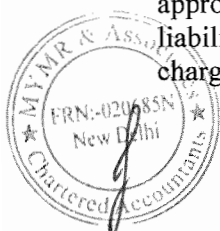
Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been, had no impairment loss been recognized. Such reversal is recognized in the statement of profit and loss.

(e) Leases

Where the Company is the lessee

Lease where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss, unless they are directly



Punj Lloyd Aviation Limited

Notes to consolidated financial statements for the year ended March 31, 2021

(All Amounts in INR, unless otherwise stated)

attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life or the lease term of the asset.

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

Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Lease income from operating lease is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are classified in the balance sheet based on their nature.

(f) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized.

- i) Revenue from charter and other miscellaneous services like rendering of Pilot support services is accounted after rendering of service to customers in accordance with the terms of agreement with customers.
- ii) For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial assets or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument, but does not consider the expected credit losses. Interest income is included in other income in the statement of Profit and Loss

(g) Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that are incurred in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.



Punj Lloyd Aviation Limited

Notes to consolidated financial statements for the year ended March 31, 2021

(All Amounts in INR, unless otherwise stated)

(h) Foreign currencies

i). Functional and presentation currency

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

ii). Transaction and balances

Transactions in foreign currencies are initially recorded in the functional currency using the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences resulting from the settlement or translation of such transactions are generally recognized in profit or loss, except the following:

a. Exchange differences are deferred in equity if they are attributable to part of the net investment in a foreign operation. They are recognized initially in other comprehensive income (OCI) and reclassified to statement of profit and loss on disposal of the net investment, as part of gain or loss on disposal.

b. Exchange differences arising on long-term foreign currency monetary items (recognized upto 31 March 2016), related to acquisition of a depreciable asset are capitalized and depreciated over the remaining useful life of the asset.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

iii). Translation of foreign operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate of exchange at the reporting date,
- Income and expenses are translated at quarterly average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transaction), and
- All resulting exchange differences are recognized in OCI.

On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in profit or loss.

Cumulative currency translation differences for all foreign operations are deemed to be zero at the date of transition, i.e. 01 April 2015. Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but comprises only translation differences arising after the transition date.



Punj Lloyd Aviation Limited

Notes to consolidated financial statements for the year ended March 31, 2021

(All Amounts in INR, unless otherwise stated)

(i) Financial instruments

Financial Instruments (assets and liabilities) are recognized when the Company becomes a party to a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, other than those designated as fair value through profit or loss (FVTPL), are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in statement of profit and loss.

a. Financial assets

(i). Subsequent measurement

Subsequent measurement depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its financial assets.

- **Amortised 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 amortised cost using the Effective Interest Rate (EIR) method. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.
- **Fair value through other comprehensive income (FVTOCI):** The Company has investments which are not held for trading. The Company has elected an irrevocable option to present the subsequent changes in fair values of such investments in other comprehensive income. Amounts recognized in OCI are not subsequently reclassified to the statement of profit and loss.
- **Fair value through profit and loss (FVTPL):** FVTPL is a residual category for financial assets in the nature of debt instruments. Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. This category also includes derivative financial instruments, if any, entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

(ii). Impairment of financial assets

The Company applies Ind AS 109 for recognizing impairment losses using Expected Credit Loss (ECL) model. Impairment is recognized for all financial assets subsequent to initial recognition, other than financial assets in FVTPL category. The impairment losses and reversals are recognized in statement of profit and loss.

(iii). De-recognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or the same are transferred.



Punj Lloyd Aviation Limited

Notes to consolidated financial statements for the year ended March 31, 2021

(All Amounts in INR, unless otherwise stated)

b. Financial liabilities

(i). Subsequent measurement

There are two measurement categories into which the Company classifies its financial liabilities.

- **Amortised cost:** After initial recognition, interest-bearing borrowings and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised 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 amortisation is included as finance costs in the statement of profit and loss.
- **Financial liabilities at FVTPL:** Financial liabilities are classified as FVTPL when the financial liabilities are held for trading or are designated as FVTPL on initial recognition. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

(ii). De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

c. Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

(j) Fair value measurement

The fair value of an asset or liability is measured using the assumption that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

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 – Where fair value is based on quoted prices from active market.

Level 2 – Where fair value is based on significant direct or indirect observable market inputs.

Level 3 – Where fair value is based on one or more significant input that is not based on observable market data.



Punj Lloyd Aviation Limited

Notes to consolidated financial statements for the year ended March 31, 2021

(All Amounts in INR, unless otherwise stated)

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfer is required between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) (a) on the date of the event or change in circumstances or (b) at the end of each reporting period.

(k) Employee benefits

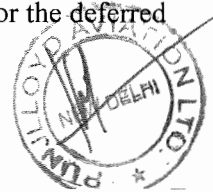
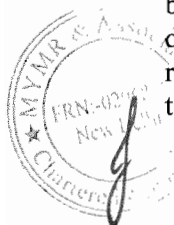
- i) The Company makes contribution to statutory provident fund and pension funds in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is a defined contribution plan. The Company has no obligation, other than the contribution payable to respective funds. The Company recognizes contribution payable to respective funds as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.
- ii) Gratuity liability is a defined benefit obligation. The scheme is non-funded by the Company. The amount paid/payable in respect of present value of liability for past services is charged to the statement of profit and loss on the basis of actuarial valuation on the projected unit credit method at the end of each financial year. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with corresponding debit or credit to retained earnings through OCI in the period in which they occur.
- iii) Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with corresponding debit or credit to retained earnings through OCI in the period in which they occur. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

(l) Income taxes

Income tax comprises current income tax and deferred tax. The income tax expense or credit for the year is the tax payable on the current year's taxable income, based on the applicable income tax rate for each jurisdiction where the Company operates, adjusted by changes in deferred tax assets and liabilities attributed to temporary differences and to unused tax losses.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities, using the tax rates and tax laws that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generate taxable income.

Deferred tax is provided using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates and tax laws that have been enacted or substantively enacted by the end of reporting period and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.



Punj Lloyd Aviation Limited

Notes to consolidated financial statements for the year ended March 31, 2021

(All Amounts in INR, unless otherwise stated)

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set-off current tax assets against liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. 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.

Current and deferred tax is recognized in the statement of profit or loss, except to the extent that it relates to items recognized in OCI or directly in equity. In this case, the tax is recognized in OCI or directly in equity, respectively.

(m) Segment reporting

Identification of segments

The Company's operating businesses are organized and managed 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 analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

(n) Earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the financial year, adjusted for the events such as bonus issue, share split or otherwise 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 profit or loss attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.



Punj Lloyd Aviation Limited

Notes to consolidated financial statements for the year ended March 31, 2021

(All Amounts in INR, unless otherwise stated)

(o) Cash and cash equivalents

Cash and cash equivalents, for the purposes of cash flow statement, comprise cash on hand, demand deposits, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(p) Dividends

The Company recognized a liability for the amount of any dividend declared when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders.

(q) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. A disclosure is made for a contingent liability when there is a:

- a). possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Company;
- b). present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- c). present obligation, where a reliable estimate cannot be made.

(r) Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

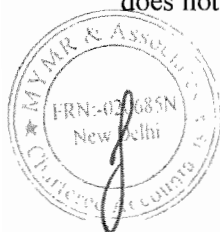
Where the effect of the time value of money is expected to be material, provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as interest expense.

(s) Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents and the management considers this to be the project period.

(t) Measurement of EBITDA

As permitted by the Guidance Note on the Division II of Schedule III to the Companies Act, 2013, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.



Punj Lloyd Aviation Limited

Notes to consolidated financial statements for the year ended March 31, 2021

(All Amounts in INR, unless otherwise stated)

(u) Current and Non-Current Classification:

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

An Asset is classified as Current when it is –

- Expected to be realized or intended for sale or consumption in, the Company's normal operating cycle;
- Held primarily for the purpose of trading;

All other assets are classified as non-current.

A liability is classified as current when it is:

- Expected to be settled in normal operating cycle;
- Held primarily for the purpose of trading.

- It is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current only.

(aa). Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

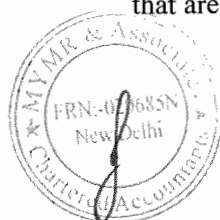
3. Significant accounting judgements, estimates and assumptions:

The preparation of financial statements requires the 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 period.

Critical estimates and judgements

In applying the accounting policies, following are the items/ areas that involved a higher degree of judgement or complexity and which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.



Punj Lloyd Aviation Limited

Notes to consolidated financial statements for the year ended March 31, 2021

(All Amounts in INR, unless otherwise stated)

Impairment of financial assets:

The Company basis the impairment provisions for financial assets on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculations, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Impairment of non-financial assets:

Non-financial assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The recoverable amount is sensitive to inputs like discount rate, expected future cash-inflows and growth rate used for extrapolation purposes.

Taxes:

Deferred tax assets are recognized for unused tax losses and unabsorbed depreciation to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax asset that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company neither has any taxable temporary difference nor any tax planning opportunities available that could support the recognition of unused tax losses and unabsorbed depreciation as deferred tax assets. On this basis, the Company has accounted for deferred tax assets on temporary differences, including unabsorbed depreciation and business losses, for which it is reasonably certain that future taxable income would be generated.

Recoverability of Trade Receivables:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

Global Health Pandemic on COVID19:

The Company has assessed the possible impact of COVID-19 on its financial statements based on the internal and external information available up to the date of approval of the financial statements and necessary adjustments has been considered in these financial statements. The Company continues to monitor the future economic conditions.

Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from 1st April, 2021. MCA issued notifications dated 24th March 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting 1st April, 2021.



Punj Lloyd Aviation Limited


Statement of Changes in Equity for the year ended March 31, 2021

(All amounts in INR, unless other stated)

	Equity share capital (A)	Other equity			Total other equity (B)	Total (A+B)
		Reserves and Surplus	Other comprehensive income (OCI)			
		Retained earnings	FVTOCI reserve	Other items of OCI		
As at April 01, 2019	637,987,100	(1,228,151,357)	-	-	(1,228,151,357)	(590,164,257)
Profit/ (loss) for the year	-	(353,790,863)	-	-	(353,790,863)	(353,790,863)
Change in fair value of investments	-	-	8,731,327	-	8,731,327	8,731,327
Remeasurement of the net defined benefit liability/ asset	-	-	-	-	-	-
OCI reclassified to retained earnings	-	-	-	-	-	-
As at March 31, 2020	637,987,100	(1,581,942,220)	8,731,327	-	(1,573,210,893)	(935,223,793)
Profit/ (loss) for the year	-	57,435,009	-	-	57,435,009	57,435,009
Change in fair value of investments	-	-	-	-	-	-
Remeasurement of the net defined benefit liability/ asset	-	-	-	-	-	-
OCI reclassified to retained earnings	-	-	-	-	-	-
As at March 31, 2021	637,987,100	(1,524,507,210)	8,731,327	-	(1,515,775,883)	(877,788,783)

The accompanying notes from an integral part of the financial statements
As per our report of even date

for **MYMR & ASSOCIATES**
Chartered Accountants
Firm registration number: 020685N


MANOJ YADAV
Proprietor
Membership no.: 503079

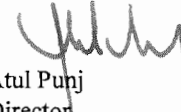


Place: Delhi
Date: August 27, 2021

UDIN: 21503079 AAAAHM 7743

For and on behalf of the Board of Directors of
Punj Lloyd Aviation Limited


Kunal Aggarwal
Director
Din-08417636


Atul Punj
Director
Din-00005612



Punj Lloyd Aviation Limited

Notes to Consolidated financial statements for the year ended March 31, 2021

(All amounts in INR, unless otherwise stated)

4 Property, Plant and Equipments

Particulars	Plant and Machinery	Office equipments	Others (Computer)	Total
Gross Block				
At April 1, 2019	803,397,911	-	-	803,397,911
Additions	-	-	-	-
Disposals	-	-	-	-
At March 31, 2020	803,397,911	-	-	803,397,911
Additions	-	-	-	-
Disposals	-	-	-	-
At March 31, 2021	803,397,911	-	-	803,397,911
Depreciation Reserve				
At April 1, 2019	803,397,910	-	-	803,397,910
Charge for the year	-	-	-	-
Disposal during the year	-	-	-	-
At March 31, 2020	803,397,910	-	-	803,397,910
Charge for the year	-	-	-	-
Disposal during the year	-	-	-	-
At March 31, 2021	803,397,910	-	-	803,397,910
Net block				
At March 31, 2020	1	-	-	1
At March 31, 2021	1	-	-	1

5 Intangible assets

Particulars	Computer softwares	Total
Gross Block		
At April 1, 2019	33,352	33,352
Additions during the year	-	-
Disposals during the year	(33,352)	(33,352)
At March 31, 2020	-	-
Additions during the year	-	-
Disposals during the year	-	-
At March 31, 2021	-	-
Amortization		
At April 1, 2019	33,352	33,352
Charge for the year	-	-
Disposals during the year	(33,352)	(33,352)
At March 31, 2020	-	-
Charge for the year	-	-
Disposals during the year	-	-
At March 31, 2021	-	-
Net block		
At March 31, 2020	-	-
At March 31, 2021	-	-



Punj Lloyd Aviation Limited
Notes to Consolidated financial statements for the year ended March 31, 2021
(All amounts in INR, unless otherwise stated)

6 Non-current investments

Particulars	March 31, 2021	March 31, 2020
Non-trade investments (Fair valued through other comprehensive income)		
<i>Unquoted equity instruments</i>		
Investment in associate company		
Air Works India Engineering Limited	538,718,827	538,718,827
17,516,100 shares (previous year : 17,516,100) of Re. 1 each)		
Less : share of loss accounted upto last year	(538,718,827)	(179,810,969)
Add : share of Profit/(loss) for current year	58,797,292	(358,907,858)
	<u>58,797,292</u>	<u>-</u>

7 Cash and bank balances

Particulars	March 31, 2021	March 31, 2020
Cash and cash equivalents		
Cash on hand	-	-
Balances with banks:		
On current accounts	38,884	87,036
	<u>38,884</u>	<u>87,036</u>
	<u>38,884</u>	<u>87,036</u>

8 Other financial assets

Particulars	March 31, 2021	March 31, 2020
Unsecured security deposit, considered good	1,835,470	1,835,470
Advance recoverable	-	-
Provision for expected credit loss	-	-
	<u>1,835,470</u>	<u>1,835,470</u>

9 Other assets

Particulars	Non-current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Advance recoverable in kind				
Unsecured, considered good	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other loans and advances				
GST/Cenvat recoverable	116,879	116,879	-	-
Prepaid expenses	-	-	549,284	549,284
	<u>116,879</u>	<u>116,879</u>	<u>549,284</u>	<u>549,284</u>
	<u>116,879</u>	<u>116,879</u>	<u>549,284</u>	<u>549,284</u>



Punj Lloyd Aviation Limited
Notes to Consolidated financial statements for the year ended March 31, 2021
(All amounts in INR, unless otherwise stated)

10 Share capital

Particulars	March 31, 2021	March 31, 2020
Authorised shares		
65,000,000 (previous year: 65,000,000) equity shares of Rs. 10 each	650,000,000	650,000,000
Issued, subscribed and fully paid-up shares		
63,798,710 (previous year: 63,798,710) equity shares of Rs. 10 each	637,987,100	637,987,100
	637,987,100	637,987,100

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

Equity shares

Particulars	March 31, 2021		March 31, 2020	
	Nos.	Amount	Nos.	Amount
At the beginning of the year	63,798,710	637,987,100	63,798,710	637,987,100
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	63,798,710	637,987,100	63,798,710	637,987,100

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

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) Shares held by holding company and their subsidiaries

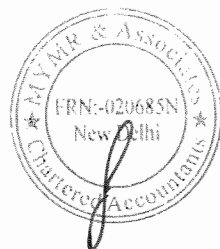
Out of equity shares issued by the Company, shares held by its holding company and their subsidiary are as below:

	March 31, 2021	March 31, 2020
Punj Lloyd Limited, the holding company - (under CIRP)	539,987,100	539,987,100
53,998,710 (previous year: 53,998,710) equity shares of Rs. 10 each fully paid		
Punj Lloyd Industries Limited, fellow subsidiary	98,000,000	98,000,000
9,800,000 (previous year: 9,800,000) equity shares of Rs. 10 each fully paid		

(d) Details of shareholders holding more than 5% of the equity shares in the Company :

Name of Shareholder	As at March 31, 2021		As at March 31, 2020	
	Nos.	% of Holding	Nos.	% of Holding
Punj Lloyd Limited (under CIRP)	53,998,710	84.64%	53,998,710	84.64%
Punj Lloyd Industries Limited	9,800,000	15.36%	9,800,000	15.36%

(e) No bonus shares or shares issued for consideration other than cash or shares bought back over the last five years immediately preceding the reporting date.



Punj Lloyd Aviation Limited**Notes to Consolidated financial statements for the year ended March 31, 2021**

(All amounts in INR, unless otherwise stated)

11 Long-term borrowings

Particulars	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Term loans				
Unsecured				
Loans and advances from related parties	123,679,000	123,679,000	-	-
	123,679,000	123,679,000	-	-

12 Short-term borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
Loans from related parties		
Interest free loan from holding company, repayable on demand	150,688,041	150,688,041
Loan from related parties, repayable on demand	102,155,600	102,155,600
	252,843,641	252,843,641

13 Trade and other payables

Particulars	As at March 31, 2021	As at March 31, 2020
Total Outstanding dues of micro and small enterprise	-	-
Total Outstanding dues other than micro and small enterprise	11,320,747	11,149,366
Other liabilities		
Due to related party	548,578,577	547,428,576
	559,899,323	558,577,942

14 Other current liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Advance received from customer	2,700,880	2,700,880
Tax deducted at source payable	3,750	11,000
Goods and service tax payable	-	-
	2,704,630	2,711,880
	2,704,630	2,711,880



Punj Lloyd Aviation Limited

Notes to Consolidated financial statements for the year ended March 31, 2021

(All amounts in INR, unless otherwise stated)

15 Other income

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest income on others	-	-
Others non-operating income	-	6,708,897
	-	6,708,897

16 Other expenses

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Operational expenses	324,320	395,300
Travelling and conveyance	-	13,487
Rates and taxes	5,184	11,314
Insurance	879,336	1,014,052
Payment to auditors (refer details below)	50,000	50,000
Consultancy and professional charges	95,429	102,641
Miscellaneous expenses	7,080	4,140
	1,361,349	1,590,934

Payment to auditors:

As auditor:

- Audit fees

50,000 50,000

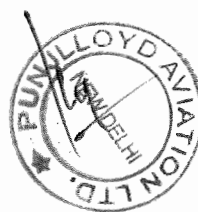
50,000 50,000

17 Finance costs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest expense	-	-
Bank charges	934	968
	934	968

18 Earnings per share

	Year ended March 31, 2021	Year ended March 31, 2020
a) Calculation of weighted average number of equity shares of Rs. 10 each		
Number of equity shares at the beginning of the year	63,798,710	63,798,710
Equity shares at the end of the year	63,798,710	63,798,710
Weighted average number of equity shares outstanding during the year	63,798,710	63,798,710
b) Net (loss)/ profit after tax available for equity share holders (Rs.)	57,435,009	(353,790,863)
c) Basic and diluted earnings per share	0.90	(5.55)
d) Nominal value of share (Rs.)	10	10



Punj Lloyd Aviation Limited

Notes to consolidated financial statements for the year ended March 31, 2021

(All Amounts in INR, unless otherwise stated)

19. In accordance with the required Indian Accounting Standard (Ind AS-24) on related party disclosures where control exist and where transactions have taken place and description of the relationship as identified and certified by management are as follows:

List of related parties

a. Holding Company:

1. Punj Lloyd Ltd - Holding Company- (under CIRP)
2. Punj Lloyd Industries Ltd, Fellow Subsidiary

b. Related parties with whom transactions have taken place during the year.

1. Punj Lloyd Ltd - Holding Company- (under CIRP)
2. Punj Lloyd Industries Ltd, Fellow Subsidiary
3. Air Works India Engineering Ltd, Associate Company
4. Punj Lloyd Infrastructure Ltd, Fellow Subsidiary
5. Punj Lloyd Pte Ltd, Fellow Subsidiary (under liquidation)
6. Spectra Punj Lloyd Ltd, Fellow Subsidiary

c. Key managerial personnel

1. Atul Punj – Chairman
2. Kunal Aggarwal - Director
3. Joginder Singh – Director (Up to 30th April 2021)
4. Harbinder Kumar Gulati (wef 30th April'21 to 3rd June'21)
5. Santosh Raj (wef 1st June'2021)

d. Transaction with related parties

	March 31,2021	March 31, 2020
Sales and purchase of goods and services		
<i>With Holding Company:</i>		
Interest expenses	-	-
<i>With Fellow Subsidiary Companies:</i>		
Interest expenses	-	-
<i>With Associate:</i>		
Repair & Maintenance	-	-
Other transactions		
<i>With Fellow Subsidiary Companies:</i>		
Loan received during the year	11,50,000	17,20,698
<i>With Associate:</i>		
Share of profit/(loss) accounted on equity accounting basis:	-	-

e. Outstanding balances

	March 31,2021	March 31,2020
Holding Company		
Loan Payable	274,367,041	274,367,041
Trade Payable	530,249,077	530,249,077
Fellow Subsidiary Companies		
Loan Payable	10,21,55,600	10,21,55,600
Trade Payable	15,458,801	15,458,801
Trade Receivable	-	-
Associate		
Investment (including share of loss accounted on equity accounting basis)	5,87,97,292	Nil
Trade payable	1,07,18,585	1,07,18,585



Punj Lloyd Aviation Limited

Notes to consolidated financial statements for the year ended March 31, 2021

(All Amounts in INR, unless otherwise stated)

f. Commitments by related parties on our behalf

	March 31, 2021	March 31, 2020
<i> Holding Company</i>		
Bank guarantee	-	-

g. Terms and conditions of transactions with related parties

All related party transactions are in ordinary course of business and on arm's length basis. All outstanding balances are unsecured and repayable on demand.

20. Contingent Liability

	March 31, 2021	March 31, 2020
Interest on loan (Contingent on profitability of the Company as such cannot be quantified)	172,891,434	172,891,434
Custom Duty (against import of aircraft)	178,923,346	178,923,346

21. Capital Commitments

There are no contracts remaining to be executed on capital account and not provided for in the accounts, as at the end of the reporting period.

22. Segment information

The Company is engaged in the business of providing Chartering of Aircraft, which is a single business segment, and accordingly, additional disclosure requirements of Ind AS 108- "Segment Reporting" are not applicable. Also The Company's operations are based in India only hence there are no geographical segments.

Revenue from one customer amounted to Rs. Nil (previous year: Rs. Nil), arising from chartering of aircraft.

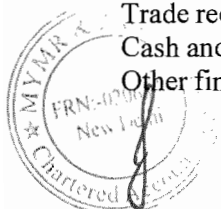
23. Interest in other entities

Name of entity	Country of operation	Nature of operation	Relationship	Ownership interest as at	
				March 31, 2021	March 31, 2020
Air Works India (Engineering) Pvt Ltd	India	Aviation related Maintenance, Repair and Overhaul services	Associate	23.24 % of outstanding equity capital	

24. Financial instruments

(a) Financial instruments by category

Particulars	March 31, 2021		March 31, 2020	
	FVTOCI	Amortized cost	FVTOCI	Amortized cost
Financial assets				
Non-current investments	350,776,531	-	350,776,531	-
Trade receivables	-	-	-	-
Cash and cash equivalents	-	38,884	-	87,036
Other financial assets	-	1,835,470	-	1,835,470
	350,776,531	18,74,354	350,776,531	19,22,506



Punj Lloyd Aviation Limited

Notes to consolidated financial statements for the year ended March 31, 2021

(All Amounts in INR, unless otherwise stated)

Financial liabilities				
Borrowings	-	37,65,22,641	-	37,65,22,641
Trade payables	-	1,40,25,377	-	1,38,61,246
Other financial liabilities	-	54,85,78,576	-	54,74,28,576
	-	93,91,26,594	-	93,78,12,463

Fair value hierarchy

Financial instruments are classified into three levels in order to provide an indication about the reliability of the inputs used in determining the fair values.

The categories used are as follows:

Level 1: Where fair value is based on quoted prices from active market.

Level 2: Where fair value is based on significant direct or indirect observable market inputs.

Level 3: Where fair value is based on one or more significant input that is not based on observable market data.

	Level 3	Total
As at March 31, 2021		
Non-current investments		
- Unquoted	5,87,97,292	5,87,97,292
Total	5,87,97,292	5,87,97,292
As at March 31, 2020		
Non-current investments	(Nil)	(Nil)
- Unquoted	(Nil)	(Nil)
Total	(Nil)	(Nil)

There are no transfers between any levels during the year.

(b) Fair value of financial instruments measured at amortized cost

The carrying amounts of the financial instruments measured at amortized cost, disclosed in note (a) above, approximates to their fair values. Accordingly, the fair values of such instruments have not been disclosed separately.

(c) Valuation techniques and processes used to determine fair value

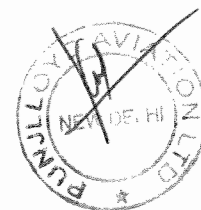
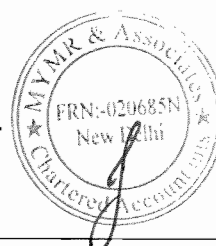
Fair value of quoted investments is based on the quotation as at the reporting date. For unquoted investments, fair value is determined based on the present values, calculated using internationally accepted valuation principles, by management.

(d) Valuation inputs and relationships to fair value

Significant unobservable inputs used in Level 3 fair value measurement.

Non-current investments – Unquoted

As at	Fair value	Significant unobservable inputs*
March 31, 2021	5,87,97,292	Fair value accounted on equity method based on financial statements of the investee
March 31, 2020	(81,31,327)	



* There were no significant inter-relationships between unobservable inputs that materially affect fair values.

Punj Lloyd Aviation Limited

Notes to consolidated financial statements for the year ended March 31, 2021

(All Amounts in INR, unless otherwise stated)

(e) Reconciliation of financial instruments categorized under Level 3

	2020-21	2019-20
Opening	(81,31,327)	350,776,531
Share of profit/(loss) of associates for the year (As on 31/3/2020)	5,87,97,292	(358,907,858)
Closing	5,06,65,965	(81,31,327)

25. Financial risk management objectives and policies

Exposure to credit, interest rate, foreign currency risk and liquidity risk arises in the normal course of the Company's business. The Company has risk management policies which set out its overall business strategies, its tolerance for risk and its general risk management philosophy and has established processes to monitor and control the hedging of transactions in a timely and accurate manner. Such policies are reviewed by the management with sufficient regularity to ensure that the Company's policy guidelines are adhered to.

The management reviews and agrees policies for managing each of these risks, which are summarized below.

A. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under financial instrument or customer contract, leading to financial loss. The company is exposed to credit risk mainly from its operating activities i.e. trade receivable.

With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents and other receivables (including related party balances), the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

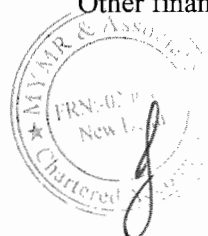
Trade receivable: Customer credit risk is managed with the Company's established policy, procedures and control relating to customer credit risk management, such as the outstanding from customer receivables is regularly monitored. As at March 31, 2021 the Company has Nil numbers of customers having outstanding of Rs. 1 crore or more. The Company does not hold collateral as security against these receivables, however it evaluates the concentration of risk with respect to trade receivables as low, as the customers operate in largely independent market.

Other financial assets: Cash and bank balances are managed by the Company's treasury department. Concentration risk is constantly monitored to mitigate financial loss.

B. Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements, both immediate and long-term. The finance needs are monitored and managed by the Company's management in consultation with operational team

Other financial liabilities, like trade and other payables, matures predominantly within one year.



Punj Lloyd Aviation Limited

Notes to consolidated financial statements for the year ended March 31, 2021

(All Amounts in INR, unless otherwise stated)

C. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in the market price. The only financial instruments affected by market risk are bank borrowings and foreign currency exposures.

C.1 Interest rate risk

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in the market interest rate. As on March 31, 2021 the Company does not have any borrowings at floating interest rate.

C.2 Foreign Currency risk

As on March 31, 2021 the Company does not have any significant exposure to foreign currencies.

C.3 Other Market risk

As on March 31, 2021 the Company does not have any other significant market related exposure.

26. Capital Management

For the purpose of the company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders. The primary objective of the company's capital management is to continue as a going concern so that it can maximize the shareholders' value.

The company monitors capital using a gearing ratio, which is net debts divided by total capital plus net debt. The company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

	Mar-21	Mar-20
Borrowings	37,65,22,641	37,65,22,641
Less: Cash and cash equivalents	38,884	87,036
Net Debts	37,64,83,757	37,64,35,605
Equity	(87,77,88,783)	(935,223,793)
Capital & net debts	(50,13,05,026)	(55,87,88,188)
Gearing Ratio	Not Measurable	Not Measurable

The company manages its capital structure and makes adjustment in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company policy is to keep the gearing ratio between 80% and 100%. There have been breaches of gearing ratio during the reported periods; however the management is taking corrective measures to rectify the breaches.

27. Deferred Tax

Deferred tax asset has not been recognized in accounts in accordance with the policy mentioned in note 2 (L) above.



Punj Lloyd Aviation Limited

Notes to consolidated financial statements for the year ended March 31, 2021


(All Amounts in INR, unless otherwise stated)

28. Previous year's figures have been regrouped/reclassified, wherever necessary, to conform to this year's classification.

Signature to the schedules forming part of the consolidated financial statements and to the above notes
In terms of our separate report of even date attached.

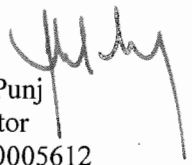
For **MYMR & ASSOCIATES**
Chartered Accountants
Firm registration number: 020685N

For and on behalf of the Board of Directors of
Punj Lloyd Aviation Limited


MANOJ YADAV
Proprietor
Membership No.: 503079




Kunal Aggarwal
Director
Din-08417636


Atul Punj
Director
Din-00005612

Place: Delhi
Date: August 27, 2021



VDIN: 21503079AAAAHM7743