

TAAL Enterprises Limited

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2020

(Amount in INR lakhs, unless otherwise stated)

Following is a summary of changes in the carrying amount of goodwill :

Particulars	31 March 2020	31 March 2019
Carrying value at the beginning	(456.27)	(456.27)
Goodwill on acquisition	-	-
Goodwill re-classified under assets held for sale	456.27	-
Translation differences	-	-
Carrying value at the end	-	(456.27)

Based on the impairment assessment performed by the Company, the goodwill relating to Subsidiary - First Airways Inc has been impaired.

- 49** The Parent Company operates a chartered plane obtained under a lease agreement dated December 11, 2007 which is the sole aircraft being operated by the Company as a part of its business operations. As per the lease agreement with the lessor, the lease was for a period of 120 months which expired on December 11, 2017. During the year 2017-18, the Company and Lessor agreed for an extension of the lease for a period of one year from December 12, 2017 to December 11, 2018. During the year 2018-19, the Company has entered into an amended lease agreement dated September 21, 2018 for the aircraft taken on lease from Cessna Finance Corporation extending the lease up to September 2020 for carrying on the business and activities related to the demerged charter business. Further, as per the purchase option agreement entered between the Company, Lessor and First Airways Inc. (Wholly owned subsidiary), First Airways Inc. has an option to purchase the aircraft at the end of lease period. On this basis, the Company intends to either renew the lease term or exercise the purchase option at the end of lease period through its subsidiary. In view of above, the Company has prepared financial statements on going concern basis.
- 50** In the opinion of the Board, current assets and loans and advances are of the value stated if realised in the ordinary course of business. Further, provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.
- 51** Effective from Tuesday, July 05, 2016 the equity shares of the parent company got listed and admitted to dealings on the Bombay Stock Exchange.
- 52** Buyback of Shares
- During the year Company has approved to buy back 1,50,000 equity shares from Mr. Prakash Saralaya, the buyback will be completed on a progressive basis by April 2023 in 3 equal tranches as per terms and other conditions of the buyback agreement. Pursuant to the aforementioned the first tranche of the buyback has been completed.
- Pursuant to the Board Resolution and other regulatory approvals received on, 17 Jan 2020, 50000 shares of the Company which are issued, subscribed and paid-up Equity Capital of the Company were bought back from an eligible shareholder as on the notified Record Date at a price of Rs 1,250 per equity share. Consequent to this buyback, the paid-up capital of the Company has been reduced to Rs 95,00,000 from Rs 1,00,00,000 /-. The financial statements for the year ended 31 March 2020 include the impact of the above share buyback. Pursuant to the aforementioned the first tranche of the buy back has been completed during the year and the balance payable on remaining two tranches has been recorded as a financial liability at fair value.
- 53** The management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that there is no significant impact which is required to be recognized in the financial statements. The Company will continue to closely monitor any material changes to future economic conditions.