

# Taneja Aerospace and Aviation Limited

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## Board's Report

To the Members of Taneja Aerospace and Aviation Limited

Your Directors have pleasure in presenting the Thirtieth Annual Report and the Audited Financial Statements for the financial year ended March 31, 2019.

### FINANCIAL HIGHLIGHTS

Particulars	2018-19	2017-18
Gross Income	3,333.13	3246.75
Expenditure	2,681.66	3220.06
Profit/ (Loss) after Tax	515.99	15.00

### OPERATIONS

During the year under review the total income of the Company was Rs.3,333.13 Lakhs as compared to Rs. 3,246.75 Lakhs during the comparable previous year. The total comprehensive income for the year was Rs. 523.64 Lakhs as compared to Rs. 28.75 Lakhs during the comparable previous year.

### RESERVES

There is no amount proposed to be transferred to reserves.

### DIVIDEND

Your Directors do not recommend any dividend for the year ended March 31, 2019.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

The Independent Directors of the Company had given a declaration pursuant to Section 149(7) of the Act.

The annual performance evaluation has been done by the Board of its own performance and that of its Committees and individual directors based on the criteria for evaluation of performance of independent directors and the Board of Directors and its Committees as approved by the Nomination and Remuneration Committee which the Board found to be satisfactory.

Details of familiarization program of Independent Directors, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company & related matters are put up on its website [www.taal.co.in](http://www.taal.co.in)

Mr. Vijay Venkataraman was appointed as Chief Financial Officer of the Company w.e.f August 14, 2018. However he resigned as Chief Financial Officer of the Company w.e.f December 22, 2018.

Mr. Mahendra Nalluri was appointed as Chief Financial Officer of the Company w.e.f May 28, 2019.

Ms. Sysha Kumar was appointed as Company Secretary and Compliance Officer with effect from August 14, 2018.

### AUDITORS

M/s. MSKA & Associates, Chartered Accountants (Firm Registration No. 105047W) was appointed as the Statutory Auditors of the Company in the AGM held on September 26, 2017 for a period of five years i.e. till the conclusion of the 33rd Annual General Meeting of the Company.

In respect of Emphasis of Matter by Auditors on the Standalone & Consolidated Financial Statement, it has been explained in Notes forming part of the Financial Statements which are self-explanatory & therefore do not call for any further comments.

### SUBSIDIARIES, ASSOCIATE AND JOINT VENTURE COMPANIES

As on date of this report, the Company has one subsidiary. A statement containing salient features of the financial statement of the subsidiary company in Form AOC-1 is provided in financial statements forming part of this Annual Report.

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

The Company has framed a Policy for determining Material Subsidiaries which is available on its website [www.taal.co.in](http://www.taal.co.in)

### FIXED DEPOSITS

The Company has not accepted any deposits from the public.

### MANAGEMENT DISCUSSION & ANALYSIS

Pursuant to the SEBI (LODR) Regulations, 2015 a separate section on Management Discussion & Analysis is forming part of this Report.

### CORPORATE GOVERNANCE REPORT

Pursuant to the SEBI (LODR) Regulations, 2015 a separate section on Corporate Governance Report together with Certificates is forming part of this Report.

The Whole Time Director and CFO have certified to the Board with regard to the financial statements and other matters as required under regulation 17(8) of the aforesaid Regulations.

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

### MEETINGS OF THE BOARD AND INDEPENDENT DIRECTORS MEETING

Six Board Meetings were held during the year. The Particulars of meetings held & attended by directors are given in the Corporate Governance Report forming part of this Report.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) read with Section 134(5) of the Act, your Directors make the following statement:

- i) that in preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) that the Directors have selected such accounting policies & applied them consistently & made judgments & estimates, that are reasonable & prudent so as to give a true and fair view of the state of affairs of the Company at end of the financial year March 31, 2019 and of the profit of the Company for that period;
- iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud & other irregularities;
- iv) that the Directors have prepared the annual accounts on a going concern basis;
- v) that the directors have laid down Internal financial Controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi) that Directors have devised proper systems to ensure compliance with provisions of all applicable laws & that such systems were adequate & operating effectively.

## EXTRACT OF ANNUAL RETURN

The extract of Annual Return in Form MGT-9 is forming part of this Report as Annexure 'A'.

As per Section 134(3)(a) of the Act, the Annual Return referred to in Section 92(3) has been placed on the website of the Company at [www.taal.co.in](http://www.taal.co.in)

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

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

## POLICY ON NOMINATION & REMUNERATION OF DIRECTORS

The Nomination & Remuneration Policy of the Company on director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director & other matters is available on its website [www.taal.co.in](http://www.taal.co.in)

Details pertaining to remuneration of Directors and employees required under Section 197(12) of the Act read with Rules framed thereunder are forming part of this Report as Annexure 'C'.

A statement showing details of employees in terms of Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. However, in terms of Section 136 of the Act, the Annual Report excluding the aforesaid information is being sent to the members and others entitled there to. The said statement is available for inspection by the Members at the Registered Office of the Company during business hours on working days up to the date of the ensuing AGM. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

## SECRETARIAL AUDIT REPORT

Pursuant to Section 204 of the Act and the Rules made thereunder the Board has appointed M/S DVD & Associates, Company Secretaries in Practice as Secretarial Auditor to undertake the secretarial audit of the company. The Report of Secretarial Auditors in Form MR-3 is forming part of this Report as Annexure-'D'.

## PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Particulars of Loans, Guarantees & Investments covered under Section 186 of the Act has been given in Notes to Financial Statements forming part of this Annual Report.

## RISK MANAGEMENT

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company has already identified the key risk as delays in award of Government orders for its core business.

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

The company was not required to constitute a Corporate Social Responsibility Committee pursuant to Section 135 of the Act during the year under review.

## INTERNAL FINANCIAL CONTROLS

Internal controls of the Company are being strengthened by putting in place appropriate systems and processes taking into account the changing business environment and the scale of operations and the comments of the Auditor.

## AUDIT COMMITTEE AND VIGIL MECHANISM

Pursuant to Section 177 of the Act, an Audit Committee constituted by the Board consists of at least three directors with independent directors forming a majority. The Composition of Audit Committee is mentioned in Report on Corporate Governance forming part of this Report.

The Whistle Blower Policy/ Vigil Mechanism of the Company as established by the Board is available on its website

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## CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the year the company has not entered into any contracts with related parties which were not on arm's length basis or not in the ordinary course of business and further would be considered material in accordance with the policy of the company on Materiality of Related Party Transactions.

Hence, there is no information required to be provided in form AOC-2 while the particulars of all related party transactions in terms of Ins AS 24 has been given in Notes to Financial Statements forming part of this Annual Report.

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

## GENERAL

1. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
2. There is no change in the nature of business of the Company.
3. There have been no material changes and commitment, if any affecting the financial position of the company which have occurred between the end of the financial year of the Company to which the financial report relates and the date of the report.
4. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and during the year under review, there were no cases filed under the said Act.

5. The Company has complied with applicable Secretarial standards.
6. The Company has made and maintained Cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013.

## ACKNOWLEDGEMENTS

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

For and on behalf of the Board of Directors

**Dr. Prahlada Ramarao**  
Chairman

**Bengaluru, May 28, 2019**