

Taneja Aerospace and Aviation Limited  ***TAAL***

Annual Report 2014-15

COMPANY INFORMATION

BOARD OF DIRECTORS

Salil Taneja	Chairman
B. R. Taneja	Director (upto August 14, 2015)
Preeti Taneja	Director (w.e.f. August 14, 2015)
C. S. Kameswaran	Director
R. Surie	Director
R. Poornalingam	Director (w.e.f. November 13, 2014)
N. Chandra	Director (w.e.f. November 13, 2014)
Raj K. Sureka	Director (w.e.f. August 14, 2015)
K. Rustumji	Director (upto August 13, 2015)
J. P. Sureka	Director (upto December 1, 2014)
S. M. Kapoor	Managing Director (w.e.f. December 1, 2014 upto March 31, 2015)

COMPANY SECRETARY

Priya Nair (upto May 28, 2015)
Chetan Nathani (w.e.f. August 14, 2015)

AUDITORS

M/s. Haresh Upendra & Co.
Chartered Accountants

BANKERS

Allahabad Bank
Canara Bank
Vijaya Bank

REGISTERED OFFICE & WORKS

Belagondapalli Village, Thally Road, Denkanikottai Taluk, Krishnagiri District,
Belagondapalli – 635114, Tamil Nadu
Phone : 04347 - 233508, Fax : 04347 - 233414
E-mail : secretarial@taal.co.in Website : www.taal.co.in
CIN : L62200TZ1988PLC014460

CORPORATE OFFICE

GGR Towers, 2nd Floor, Sy # 18/2b, Sarjapur Road
Bangalore – 560 103, Karnataka

REGISTRAR & SHARE TRANSFER AGENT

Sharepro Services (India) Pvt. Ltd.

Taneja Aerospace and Aviation Limited

Directors' Report

To the Members of Taneja Aerospace and Aviation Limited
Your Directors present herewith the Twenty-sixth Annual Report and the Audited Accounts for the year ended March 31, 2015.

FINANCIAL HIGHLIGHTS

(Rs. in Lakhs)

Particulars	2014-15	2013-14
Gross Income	3527.00	5472.05
Expenditure	3786.01	4705.98
Finance Charges	694.44	543.27
Depreciation	345.93	352.43
Profit/(Loss) Before Tax	(1299.39)	(129.63)
Provision for Taxation (including Deferred Tax)	(564.38)	-
Tax for earlier years	8.31	-
Prior Period Items	8.95	2.46
Extra-ordinary items	0.75	-
Profit/ (Loss) after Tax and Prior Period Items	(753.02)	(132.10)

DIVIDEND

Your Directors are unable to recommend a dividend for the year ended on March 31, 2015, in view of the loss.

OPERATIONS

The gross income was lower since Engineering design services division was hived off w.e.f. August 1, 2013.

During the year the Company commenced the business of trading activity of electrical goods.

SCHEME OF ARRANGEMENT

The Board of Directors of your Company at its meeting held on October 9, 2014, approved the Scheme of Arrangement between Taneja Aerospace and Aviation Ltd. & TAAL Enterprises Ltd. a wholly owned subsidiary of the Company & their respective shareholders ("Scheme") for demerger of Charter business & investment in First Airways Inc. & TAAL Tech India Pvt. Ltd. The Scheme was subsequently approved by Hon'ble High Court of Judicature at Madras vide its Order dated June 22, 2015. The Scheme will become effective upon filing the said Order with the Registrar of Companies. However, the details of Discontinuing operations as required by AS-24 form part of the Notes to Accounts.

INDEPENDENT DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. R Poornalingam and Mr. N Chandra were appointed as Independent Directors of the Company w.e.f November 13, 2014.

Mr. Ajay Gupta was appointed as Chief Financial Officer of the Company w.e.f November 13, 2014.

Ms. Priya Nair resigned as Company Secretary and Compliance Officer of the Company w.e.f. May 29, 2015 due to personal reasons.

Mr. Chetan Nathani has been appointed as Company Secretary and Compliance Officer of the Company w.e.f. August 14, 2015.

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

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the Non-Executive Directors and Executive Directors like : Knowledge and Skills, Familiarity with the Company and its business, Monitoring Company's Corporate Governance Practices, Development of strategies and risk management, Participation and attendance in meetings, Professional conduct, Sharing of information etc.

The details of familiarization programme of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on its website www.taal.co.in

OTHER DIRECTORS

In accordance with the provisions of the Companies Act, 2013 ('Act') and the Articles of Association of the Company, Mr. C.S. Kameswaran retires by rotation and being eligible, offers himself, for re-appointment.

Mr. J. P Sureka resigned as Director of the Company w.e.f. December 2, 2014 due to personal reasons. The Board placed on records its appreciation and gratitude for his guidance and contribution to the Company.

Mr. S M Kapoor, Chief Executive Officer (CEO) of Aircraft Manufacturing Complex, Hosur of the Company was appointed as Whole-time Director designated as the Managing Director (MD) of the Company w.e.f December 1, 2014. Unfortunately, owing to ill health, Mr. S.M. Kapoor had to resign as MD of the Company w.e.f. April 1, 2015. The Board placed on records its appreciation and gratitude for his guidance and contribution to the Company.

The Members of the Company had approved the appointment of Mr. Salil Taneja as Whole-time Director of the Company on March 31, 2015.

Mr. C.S. Kameswaran ceased to be MD as on November 30, 2014 and has continued to be a Non-Executive Director thereafter.

Mr. K. Rustumji resigned as Director of the Company w.e.f August 14, 2015 due to personal reasons. The Board placed

Directors' Report (Contd.)

on records its appreciation and gratitude for his guidance and contribution to the Company.

Mr. B. R. Taneja resigned as Director of the Company w.e.f. August 15, 2015. The Board placed on records its appreciation and gratitude for his guidance and contribution to the Company.

Mrs. Preeti Taneja & Mr. Raj K. Sureka have been appointed as an Additional Directors of the Company w.e.f. August 14, 2015 to hold office upto the ensuing Annual General Meeting.

AUDITORS

M/s. Haresh Upendra & Co., Chartered Accountants retire as Statutory Auditors of the Company at the conclusion of ensuing Annual General Meeting but do not offer themselves for re-appointment.

M/s. MZSK & Associates, Chartered Accountants have confirmed that their appointment as Statutory Auditors of the Company for the financial year 2015-16 will be in compliance with Section 141 of the Companies Act, 2013 and offer themselves for appointment as Statutory Auditors of the Company for the financial year 2015-16 pursuant to Section 139 of the Act.

The Directors sincerely thank M/s. Haresh Upendra & Co., Chartered Accountants for the professional services rendered by them to the Company.

As regards Auditors' remarks, amounts due from LightO Technologies Pvt. Ltd. are being regularly received subsequent to the Balance Sheet date and the entire outstanding amount is fully recoverable. Further, amounts paid to Associate Company represent expenses incurred in the ordinary course of business. Other remarks of Auditors have been suitably dealt with in the Directors Report and Notes to Accounts.

COST AUDIT

The Cost Audit Report for the year 2013-14 was due on September 30, 2014 and was filed with the Ministry of Corporate Affairs on September 26, 2014.

Cost Audit is not applicable to the Company effective from financial year 2014-15.

SUBSIDIARY AND ASSOCIATE COMPANIES

During the year under review, Katra Auto Engineering Private Limited became wholly-owned subsidiary of the Company and TAAL Enterprises Limited was incorporated as wholly-owned subsidiary of the Company.

TAAL Aerosystems Private Limited ceased to be an Associate Company effective April 07, 2015.

As on date of this report, the Company has five direct and indirect subsidiaries. A Report in Form AOC-1 on performance & financial position of each of the subsidiaries as per the Companies Act, 2013 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

FIXED DEPOSITS

The Company has not accepted any deposits from the public.

MANAGEMENT DISCUSSION & ANALYSIS AND CORPORATE GOVERNANCE REPORT

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, a separate section on Management Discussion & Analysis and Corporate Governance together with Certificates is forming part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, your Directors make the following statement:

- i) that in the preparation of the 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 and applied them consistently and made judgments and estimates, that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2015 and of the Loss 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 and other irregularities;
- iv) that the Directors have prepared the annual accounts on a going concern basis;
- v) That considering the size and nature of business the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- vi) That the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

EXTRACT OF ANNUAL RETURN

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

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

The particulars as required under Section 134(3)(m) of the Companies Act, 2013 is forming part of this Report as Annexure B.

Taneja Aerospace and Aviation Limited

NOMINATION AND REMUNERATION POLICY

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

The criteria for performance evaluation as laid down by Nomination and Remuneration Committee has been defined in the Nomination and Remuneration Policy.

Details pertaining to remuneration of Directors and employees required under Section 197(12) of the Companies Act, 2013 read with Rules framed thereunder are forming part of this Report as Annexure C.

SECRETARIAL AUDIT REPORT

Pursuant to Section 204 of the Companies Act, 2013 the Board has appointed M/s. MRM Associates, a firm of Company Secretaries in Practice as Secretarial Auditors to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2015. The Report of the Secretarial Auditors in Form MR-3 is forming part of this Report as Annexure D. The Company is in the process of appointing an Independent Director and a Woman Director to address the observations mentioned in the Secretarial Audit Report and upon demerger, the Company will not have any material unlisted Indian Subsidiary.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Particulars of Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013 is mentioned in notes to the Financial Statements forming part of this Report.

RISK MANAGEMENT

The Company is developing a risk management frame work including the policy covering material risks. The Company has already identified the key risk as delays in award of Government Orders for its core manufacturing.

INTERNAL FINANCIAL CONTROLS

Internal controls of the Company are being strengthened with the help of the CFO appointed during the year, taking into account the changing business requirements and the comments of the Auditor.

AUDIT COMMITTEE AND VIGIL MECHANISM

The Composition of Audit Committee is mentioned in Report on Corporate Governance which is forming part of this Report.

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

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the year, the Company had not entered into any contract/ arrangement/ transaction with related parties which were either not at an arm's length or not in the ordinary course of business and further could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Hence, there is no information to be provided in Form AOC-2 while the particulars of all Related Party Transactions in terms of AS-18 are forming part of the financial statements.

The 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 at 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. Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

Pune
August 14, 2015

Salil Taneja
Chairman

Management Discussion and Analysis

INDUSTRY STRUCTURE AND DEVELOPMENT

The new Government has given a big thrust to domestic defence production especially in private sector as part of the 'Make in India' initiative of the Government. This of course creates a great opportunity for companies like ours which has been in defence business for past two decades.

Apart from manufacturing, the other activities of the Company viz., Airfield and Air Charter Services (presently being demerged) are linked more to overall economic activity.

DIVISION WISE PERFORMANCE *

(Rs. in Lakhs)

Particulars (TOTAL REVENUE)	2014-15	2013-14
AMM	1,044.22	2,668.71
Airfield	1,053.60	724.85
Aircharter	717.16	802.58
Trading	353.27	-
Total	3,168.25	4,196.14

* excluding performance of Engineering Design Services division which was hived off w.e.f. August 1, 2013.

This was indeed a difficult year with over a 50% drop in the core manufacturing business. This was largely due to delay in finalisation of defence orders, some of which have since been received. There were steady improvement in both Air Charter and Air Field operations.

OPPORTUNITIES AND THREATS

The impetus given by the Government at the centre to the defence sector as a whole, is expected to generate more business opportunities to the industries in the days to come.

OUTLOOK

With thrust being given to "Make in India", the Company with its expertise would be in an advantageous situation in its business operations.

RISKS AND CONCERNS

Aviation manufacturing with its complex nature and safety aspects involving prolonged tests and trial procedure, results in delayed implementation. This will have an impact on its operations & business deliverables.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company also recognizes need to strengthen the control systems on an ongoing basis and is taking required steps towards this objective.

FINANCIAL PERFORMANCE

The financial performance of the Company for FY 2014-15 as compared to the previous period is given below:

(Rs. in Lakhs)

Particulars	2014-15	2013-14
Gross Income	3,527.00	5,472.05
Expenditure	3,786.01	4,705.98
Profit/ Loss before Interest, Tax, Depreciation and Amortization	(259.01)	766.07
Profit/ (Loss) after Interest, Tax, Depreciation and Extraordinary Items	(753.02)	(132.10)
Earnings Per Share	(3.02)	(0.53)

The Company had to incur additional non recurring expenditure of Rs. 2.48 Crore resulting in operating losses for the year.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS

The Company maintained good industrial relations with its employees and staff. Human Resources remained a key focus area for your Company during the year under review. As on March 31, 2015, the Company had 483 employees.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's expectations or predictions are 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include demand-supply conditions, raw material prices, changes in Government regulations, tax regime, economic developments within the country and other factors such as litigation and labour negotiations.

Taneja Aerospace and Aviation Limited

Corporate Governance Report

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

BOARD OF DIRECTORS

The Board consists of 8 Directors of which 4 Directors are independent as on March 31, 2015.

The composition of the Board, their attendance at the Board Meetings held during the year and at the last Annual General Meeting, the number of Directorships in other public companies and memberships in various committees across all public companies as on March 31, 2015 are as follows:

Name of the Director	Category	Financial Year 2014-15 Attendance at		No. of Directorships in other public companies^	Committee positions in other public companies\$	
		Board Meetings	Last AGM		Member	Chairman
Salil Taneja*	Promoter-ED	6	No	1	-	-
S. M. Kapoor**	MD	-	Yes	-	-	-
C. S. Kameswaran@	NED	7	Yes	1	-	-
B. R. Taneja	Promoter-NED	4	No	1	-	-
J. P. Sureka***	NED	5	No	NA	NA	NA
R. Surie	Independent-NED	8	Yes	-	-	-
K. Rustumji	Independent-NED	7	No	-	-	-
R. Poornalingam^^	Independent-NED	2	No	2	-	-
N. Chandra^^	Independent-NED	1	Yes	-	-	-

NED-Non-Executive Director; ED-Executive Director; MD-Managing Director;

NA-Not Applicable

^ This does not include directorships in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 (Act).

\$ This includes only Audit and Stakeholders Relationship Committees.

* Was Non-Executive Director from April 01, 2014 upto November 30, 2014 and appointed as Executive Director thereafter.

** Was appointed as the Managing Director w.e.f. December 01, 2014.

@ Was the Managing Director upto November 30, 2014 and continued as Non- Executive Director thereafter.

*** Ceased to be a Director w.e.f. December 02, 2014.

^^ Appointed as a Director w.e.f. November 13, 2014.

Corporate Governance Report (Contd.)

During the year under review, Eight Board Meetings were held as under:

Sr. No.	Date of Meeting
1.	May 28, 2014
2.	July 16, 2014
3.	August 09, 2014
4.	September 26, 2014
5.	October 09, 2014
6.	November 13, 2014
7.	November 13, 2014
8.	February 13, 2015

As on March 31, 2015, the composition of the Board was in conformity with Clause 49 of the Listing Agreement.

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

APPOINTMENT/ RE-APPOINTMENT OF DIRECTORS

In terms of the Articles of Association of the Company and the relevant provisions of the Companies Act, 2013, Mr. C. S. Kameswaran, Director of the Company retires by rotation at the ensuing AGM and being eligible offers himself for re-appointment.

Brief resume of the Directors proposed to be appointed/ re-appointed is given in the Notice convening the AGM.

AUDIT COMMITTEE

The terms of reference of the Audit Committee are in conformity with the provisions of Section 177 of the Companies Act, 2013 and the stipulations of Clause 49 of the Listing Agreement with the Stock Exchange.

Composition, Meetings and Attendance during the year:

The composition of Audit Committee and attendance of member is indicated alongside their names:

Name of Director	Chairman / Member	No. of Meetings Attended
R. Surie	Chairman	6
J. P. Sureka*	Member	4
K. Rustumji	Member	6
R. Poornalingam**	Member	2
N. Chandra**	Member	1

* Director upto December 01, 2014.

** Appointed as member w.e.f. November 13, 2014.

During the year under review, Six Audit Committee Meetings were held as under:

Sr. No.	Date of Meeting
1.	May 28, 2014
2.	August 09, 2014
3.	September 26, 2014
4.	October 09, 2014
5.	November 13, 2014
6.	February 13, 2015

Mr. R. Surie, Chairman of the Audit Committee was present at the last AGM.

MANAGERIAL REMUNERATION

a) NOMINATION AND REMUNERATION COMMITTEE

The Company has a Nomination and Remuneration Committee of the Board of Directors.

The Nomination and Remuneration Committee is empowered to fix, review and recommend the remuneration payable to the Whole Time Director of the Company from time to time including the annual increase in his remuneration.

Composition, Meetings and Attendance during the year:

The composition of Nomination and Remuneration Committee and attendance of each Member is indicated alongside their names:

Name of Director	Chairman / Member	No. of Meetings Attended
R. Poornalingam*	Chairman	1
R. Surie	Member	2
K. Rustumji	Member	2
N. Chandra^	Member	1
J. P. Sureka**	Member	1

* Appointed as Member and Chairman w. e. f. February 13, 2015

^ Appointed as Member w.e.f. February 13, 2015.

** Director upto December 01, 2014

During the year under review, Two Nomination and Remuneration Committee Meetings were held as under:

Sr. No.	Date of Meeting
1.	November 13, 2014
2.	February 13, 2015

The Company does not have any Employee Stock Option Scheme.

Taneja Aerospace and Aviation Limited

Corporate Governance Report (Contd.)

b) REMUNERATION POLICY:

Based on the recommendations of Nomination and Remuneration Committee, the remuneration payable to the Whole Time Director is decided by the Board which inter-alia is based on the criteria such as industry benchmarks, financial performance of the Company, performance of the Whole Time Director etc.

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

Non-Executive Directors were paid sitting fees of Rs. 10,000/- each for attending Board and Committee Meetings.

During the FY 2014-15, on recommendation of Nomination and Remuneration Committee the Board had approved the Nomination and Remuneration Policy.

c) REMUNERATION TO DIRECTORS:

A statement on the remuneration paid / payable to the Whole Time Director and sitting fees paid to Non-Executive Directors during the year under review is given below:

Name of Director	Salary & Perquisites (Rs.)	Sitting fees (Rs.)
Salil Taneja@	32,05,000	50,000
R. Surie	-	160,000
B. R. Taneja	-	40,000
K. Rustumji	-	200,000
C. S. Kameswaran*	19,56,907	-
J. P. Sureka^	-	120,000
R. Poornalingam**	-	80,000
N. Chandra**	-	50,000
S. M. Kapoor^^	14,00,000	-
Total	67,61,907	7,00,000

^ Ceased to be Director w.e.f. December 02, 2014.

** Appointed as Director w.e.f. November 13, 2014.

^^ Was the Managing Director from December 01, 2014.

* Was the Managing Director from April 01, 2014 upto November 30, 2014 and continued as Non-Executive Director thereafter.

@ Appointed as a Whole-time Director w.e.f. December 01, 2014.

Note: Salary and perquisites includes contribution to Provident Fund and Superannuation, Leave Travel Allowance, Medical Reimbursement.

Service of the Whole-time Directors may be terminated

by either party giving the other party notice as per the notice period mentioned in their Agreement or the Company paying salary for said notice period in lieu thereof. There is no separate provision for payment of severance fees

Details of shares of the Company held by its Non-Executive Directors as on March 31, 2015 are given below:

Name of Director	Number of Equity Shares
R. Surie	1,81,054
B. R. Taneja	300
K. Rustumji	200
C. S. Kameswaran	-
R. Poornalingam	-
N. Chandra	750

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Company has a Stakeholders Relationship Committee of the Board of Directors to look into the redressal of shareholders' and investors' complaints relating to transfer or credit of shares, non-receipt of Annual Reports/ dividends etc.

Composition, Meetings and Attendance during the year:

The composition of Stakeholders Relationship Committee and attendance of members is indicated alongside their names:-

Name of Director	Chairman / Member	No. of Meetings Attended
N. Chandra^	Chairman	1
J. P. Sureka*	Member	2
K. Rustumji	Member	4
C. S. Kameswaran	Member	3
R. Poornalingam**	Member	2

* Director upto December 01, 2014.

** Appointed as member w.e.f. November 13, 2014.

^ Appointed as member w.e.f. November 13, 2014 and as Chairman w.e.f. February 13, 2015.

During the year under review, Four Committee Meetings were held as under:

Sr. No.	Date of Meeting
1.	May 28, 2014
2.	August 09, 2014
3.	November 13, 2014
4.	February 13, 2015

INDEPENDENT DIRECTORS' MEETING:

During the year under review, the Independent Directors met on March 18, 2015 in conformity with the stipulations in Clause 49 of the Listing Agreement.

Corporate Governance Report (Contd.)**COMPLIANCE OFFICER**

Ms. Priya Nair, Company Secretary was the Compliance Officer of the Company for ensuring compliance with the requirements of the Listing Agreement with the Stock Exchange and under SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended from time to time.

During the year under review all the complaints/ grievances that were received from the shareholders/ investors, were attended to and satisfactorily resolved. No valid transfer/ transmission of shares were pending as on March 31, 2015.

Details of investor complaints received and redressed during the financial year 2014-15:

Number of complaints pending at the beginning of the year	Nil
Number of complaints received during the year	9
Number of complaints disposed of during the year	8
Number of complaints remaining unresolved at the end of the year	1

CODE OF CONDUCT

The Board has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The Code of Conduct is posted on the website of the Company.

CEO/CFO CERTIFICATION

In accordance with Clause 49(IX) of the Listing Agreement, the Chairman and the CFO have given their certificate to the Board.

GENERAL BODY MEETINGS

Location and time of Annual General Meetings held in last 3 years:

Year	Date	Location	Time	No. of Special Resolutions passed
2013-14	December 30, 2014	Registered office at Belagondapalli	2.00 PM	5
2012-13	September 30, 2013	- do -	- do -	1
2011-12	September 28, 2012	- do -	- do -	-

Special resolution moved at the Annual General Meeting for year 2012-13 was passed unanimously by show of hands. The special resolutions moved at the Annual General Meeting for year 2013-14 were passed with requisite majority by way of e-voting and poll.

POSTAL BALLOT

Pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the approval of Shareholders of the Company was sought for passing the following Special Resolutions through postal ballot process:

1. Special Resolution for creating charge etc. on Company's properties under Section 180(1)(a) of the Companies Act, 2013;
2. Special Resolution for grant of loan(s)/ guarantee(s)/ security(ies) and make investment under Section 186 of the Companies Act, 2013;
3. Special Resolution for Appointment and remuneration of Mr. Salil Taneja as a Whole-time Director of the Company with effect from December 1, 2014 to November 30, 2016.
4. Special Resolution for payment of remuneration to Mr. C.S. Kameswaran, Non-Executive Director of the Company with effect from February 1, 2015 to January 31, 2016.

Voting Pattern and Procedure for Postal Ballot:

- a) The Board of Directors of the Company at its Meeting held on February 13, 2015, had appointed Mr. Milind Kasodekar, Partner, MRM Associates, Practicing Company Secretary, as Scrutinizer for conducting the postal ballot process in a fair and transparent manner. The Postal Ballot Notice dated February 13, 2015 was dispatched to the Shareholders of the Company on February 26, 2015.
- b) The last date for receipt of Postal Ballot Forms was March 28, 2015.
- c) The Shareholders holding shares as on the "cut off" date i.e. February 20, 2015 were entitled to vote through either by e-voting or by means of postal ballot on the proposed resolutions (item nos. 1 to 4) as set out in the Notice of the Postal Ballot.
- d) The e-voting period remained open from February 27, 2015 to March 28, 2015 (Both days inclusive).
- e) The Scrutinizer had carried out the scrutiny of all the postal ballot forms received from the Shareholders and votes casted through electronic means upto 5.00 P.M. on March 28, 2015 and submitted his report on March 31, 2015.
- f) Further, 51 Shareholders voted through ballot process.