

***Taneja Aerospace and Aviation Limited***



**Annual Report 2020-21**



**COMPANY INFORMATION**

**BOARD OF DIRECTORS**

Dr. Prahlada Ramarao	Chairman
Ramesh Jaiswara	Director (w.e.f. September 02, 2020)
Salil Taneja	Director
Rahael Shobhana Joseph	Director
Muralidhar Chitteti Reddy	Director
Arvind Nanda	Director

**CHIEF FINANCIAL OFFICER**

Mahendra Nalluri

**COMPANY SECRETARY**

Syssha Kumar (upto November 18, 2020)

Shruti Zope (w.e.f. February 11, 2021)

**AUDITORS**

M/s. MSKA & Associates

Chartered Accountants

**BANKERS**

Allahabad Bank

Canara Bank

Bank of Baroda (erstwhile 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](mailto:secretarial@taal.co.in), Website: [www.taal.co.in](http://www.taal.co.in)

CIN: L62200TZ1988PLC014460

**REGISTRAR & SHARE TRANSFER AGENT**

Bigshare Services Private Limited

# Taneja Aerospace and Aviation Limited

## Board's report

To the Members of **Taneja Aerospace and Aviation Limited**

Your Directors have pleasure in presenting the Thirty-Second Annual Report and the Audited Financial Statements for the financial year ended March 31, 2021.

### FINANCIAL HIGHLIGHTS

(Rs. in Lakhs)

Particulars	2020-21	2019-20
Gross Income	3481.50	3252.23
Expenditure	2653.81	2644.03
Profit/ (Loss) after Tax	622.75	584.07

### OPERATIONS

During the year under review, the total income of the Company was Rs. 3481.50 Lakhs as compared to Rs. 3252.23 Lakhs during the comparable previous year. The total comprehensive income for the year was Rs. 621.02 Lakhs as compared to Rs 585.62 Lakhs during the comparable previous year.

In March, 2020, the World Health Organization declared COVID-19 a global pandemic. The Company remains watchful of the potential impact of this pandemic and continues to assess its impact on the business operations based on all relevant internal and external information. The impact of COVID-19 pandemic on the overall economic environment may affect the underlying assumptions and estimates.

The Company has taken appropriate measures to ensure the safety and health of all its employees and ensured due compliance with various directives issued by State Government authorities.

The financial impact on the performance of the Company during Financial Year 2021-22 will be evaluated and reported appropriately in the next year.

### TRANSFER TO RESERVES

During the year, the Company has not transferred any amount to General Reserves.

### DIVIDEND

Your Directors do not recommend any dividend for the year ended March 31, 2021, in order to conserve the resources.

### DEMERGED CHARTER OPERATION

During the Financial Year 2019-20, the aircraft which was being operated by TAAL Enterprises Limited under the Company's NSOP license as per the Scheme of Arrangement approved by the Hon'ble Madras High Court, veered off the runway during landing and was extensively damaged.

During the year under review, TAAL Enterprises Limited has received insurance claim against the damaged aircraft.

This has not impacted the Company's financial performance as all risks and rewards are being passed on to TAAL Enterprises Limited as per the approved Scheme of Arrangement.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

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

During the year under review, Mr. Ramesh Jaiswara was appointed as Additional Director with effect from September 02, 2020 and designated as Whole-Time Director of the Company with effect from October 1, 2020 to September 30, 2022.

Ms. Sysha Kumar resigned from the position of Company Secretary and Compliance Officer with effect from November 18, 2020.

Ms. Shruti Zope was appointed as Company Secretary and Compliance Officer of the Company with effect from February 11, 2021 pursuant to Section 203 of the Act & SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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

The Board is assured that the Independent Directors of the Company possess adequate proficiency, experience, expertise and integrity.

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

The details of familiarization program of Independent Directors, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company & related matters are put up on the Company's website :www.taal.co.in.

### SUBSIDIARIES, ASSOCIATE AND JOINT VENTURE COMPANIES

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

A report on the performance and financial position of the subsidiary company is provided in the Financial Statements forming part of this Annual Report for the Financial Year 2020-21.

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

### PUBLIC DEPOSITS

Your Company has not accepted any deposits from the public falling within the purview of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

### MANAGEMENT DISCUSSION & ANALYSIS

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

### CORPORATE GOVERNANCE REPORT

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

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

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

## MEETINGS OF THE BOARD

The Board met 4 times during the financial year. The meeting details are provided in the Corporate Governance Report that forms part of this Annual Report.

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

## DIRECTORS' RESPONSIBILITY STATEMENT

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

- i) that in preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) that the Directors have selected such accounting policies & applied them consistently & made judgments & estimates, that are reasonable & prudent so as to give a true and fair view of the state of affairs of the Company at end of the financial year March 31, 2021 and of the profit of the Company for that period;
- iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud & other irregularities;
- iv) that the Directors have prepared the annual accounts on a going concern basis;
- v) that the directors have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- vi) that the directors have devised proper systems to ensure compliance with provisions of all applicable laws & that such systems were adequate & operating effectively.

## ANNUAL RETURN

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

## POLICY ON NOMINATION & REMUNERATION OF DIRECTORS

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

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

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

A statement showing details of employees in terms of Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report.

However, in terms of Section 136 of the Act, the Annual Report excluding the aforesaid information is being sent to the members and others entitled there to. The said statement is available for inspection by the Members at the Registered Office of the Company during business hours on working days up to the date of the ensuing Annual General Meeting ('AGM'). If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

## AUDITORS

### a. Statutory 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 33<sup>rd</sup> AGM 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.

### b. Secretarial Auditor:

Pursuant to Section 204 of the Act and the Rules made thereunder, the Board of Directors has appointed Giriraj A. Mohta, Practicing Company Secretary as Secretarial Auditor to undertake Secretarial Audit of the Company for the period ended March 31, 2021 onwards.

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

With respect to observations made by the Secretarial Auditor in their audit report for the year ended March 31, 2021, are self explanatory and do not call for any further comments.

## PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

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

## RISK MANAGEMENT

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

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

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

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

# Taneja Aerospace and Aviation Limited

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Annual Report on CSR Activities for the Financial Year ended March 31, 2021 forms part of this Report as Annexure 'D'.

## INTERNAL FINANCIAL CONTROLS

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

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

## 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 of the Company at [www.taal.co.in](http://www.taal.co.in)

## 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 Ind 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 was no change in the authorized as well as paid up share capital of the Company during the year under review.
4. There have been no material changes and commitment, if any affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial report relates and the date of the report.
5. 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.
6. The Company has complied with applicable Secretarial Standards.
7. In terms of provisions of Section 148 of the Act read with Rule 3 of Companies (Cost Record and Audit) Rules, 2014, the Company is required to maintain the cost records and as such the same are maintained for the Financial Year 2020-21.

## ACKNOWLEDGEMENTS

Your 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

Date : June 09, 2021  
Place : Bengaluru

**Dr. Prahlada Ramarao**  
**Chairman**

## MANAGEMENT DISCUSSION AND ANALYSIS

### Industry Structure And Development

Over the last two decades, the Indian aviation sector has been through a huge transformation and growth. It is still considered to be a sunrise sector and the Aerospace and Defence manufacturing sector is very much a part of this sector that has to keep the growth momentum intact to cater the growing demand of the aspirational class as well as the requirements of the defense sector.

A number of large players have emerged in aviation & space manufacturing sectors. The companies like Tata, Mahindra, Reliance, L&T, Wipro, LMW, Bharat Forge, have entered this sector and are competing on the basis of pricing that is based on aggressive entry strategy. The financial strength and corporate credibility of these companies provides them with the ability to look at this market space with a medium and long term perspective.

The rapid onset of the COVID-19 pandemic and the overall financial crunch faced by the Government of India and the agencies that generate work for the Company such as Vikram Sarabhai Space Center and Hindustan Aeronautics Limited are unable to place orders and if orders are placed these agencies are not able to supply material on-time for processing because of financial constraints and other exigencies. This affects execution and the economics of order execution.

The Company has increased its customer base with the addition of new customers in Aerospace and Defence activities.

### Division Wise Performance

The Company has two divisions – Manufacturing (AMC) and Services.

The division wise revenue of the Company for Financial Year 2020-21 as compared to previous period is as below:

(Rs. in Lakhs)

Name of the Division	2020-21	2019-20
Manufacturing (AMC)	1,600.45	1,431.19
Services	1,851.56	1,793.62
<b>Total</b>	<b>3,452.01</b>	<b>3,224.81</b>

The Aircraft Manufacturing Complex ('AMC') Division manufactures aerospace components and structures. Majority of the revenue of the Division for over two decades has come from supplies/services provided to the defense sector establishments such as Hindustan Aeronautics Limited, Defence Research and Development Organization, Bharat Electronics Limited, Indian Air Force, Defense Electronics Research Laboratory, Vikram Sarabhai Space Centre, Aeronautical Development Establishment, Centre for Airborne Systems etc.

The Company has leased hangar space and buildings to a Commercial Maintenance, Repair and Overhaul (MRO). The Company also generates income from the use of infrastructure facilities including runway and hangars. Due to pandemic, commercial passenger traffic has come down affecting the MRO Facility.

### Opportunities

With the Government opening up and providing opportunities to the private sector, global and domestic players are collaborating and establishing joint ventures for manufacturing of aerospace components and MRO facilities for civil and military aviation sectors. In addition, the ongoing Government initiative in the outer space missions has opened up new opportunities.

Post the COVID-19 pandemic, it is expected that air passenger traffic would increase and the resultant growth in airline fleet sizes is expected to increase demand for MRO facilities of civil aircraft.

### Threats

Aerospace & Defence Manufacturing and MRO sectors face severe challenges in the form of technology obsolescence due to the dominance of emerging domestic and international players and delays in finalization of orders. Economic slowdown which is likely to exist for some time, could also have an adverse impact on the business.

### Outlook

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

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

### Risks And Concerns

Manufacturing for the aerospace sector is a complex exercise which is capital-intensive, has high technological requirements and a prolonged gestation period. In addition, quality assurance and quality control of aerospace products is also critical. While the industry has come a long way, it is still evolving to overcome the challenges of costly raw materials, skilled labour and technological requirements. Apart from above, any changes in government policies may adversely impact the business making it economically unviable.

### Internal Control Systems

Through regular internal review systems, the Company's internal control system is being continuously strengthened to meet the needs of Manufacturing and Services Divisions.

### 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, 2021, the Company had 146 permanent employees.



# Taneja Aerospace and Aviation Limited

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## Key Financial Ratios

In accordance with the Listing Regulations, as amended, the Company is required to provide details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key sector specific financial ratios. The Company has identified the following ratios as key financial ratios:

Particulars	2020-21	2019-20	Change
Debtors Turnover	4.01	5.08	(21%)
Inventory Turnover	482.80	27.21	1674%
Interest Coverage Ratio	4.23	2.55	65%
Current Ratio	1.18	1.02	16%
Debt Equity Ratio	0.08	0.20	60%
Operating Profit Margin (%)	44.57%	48.42%	(7.95%)
Net Profit Margin (%)	18.04%	18.15%	(0.6%)
Return on Net Worth	5.96%	5.95%	0.1%

Inventory Turnover Ratio is not strictly comparable on account of business mix. Interest Coverage and Debt Equity Ratios improved due to reduction in borrowings and repayment of term loans during the year.

## Cautionary Statement

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



## CORPORATE GOVERNANCE REPORT

### COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

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

### BOARD OF DIRECTORS

The Board of Directors of the Company ('Board') has an optimum combination of Executive and Non-Executive Directors & comprise of 6 Directors including 2 Independent Directors and 1 Executive Director.

The composition of the Board, their attendance at the Board Meetings held during the year & at the last Annual General Meeting, ('AGM') number of Directorships in other public companies & memberships in various committees across all public companies as on March 31, 2021 are as follows:

Name of the Director	Category	Number of Board Meetings held during the Year 2020-21			Whether attended last AGM	No. of Directorships in other public companies^	Committee positions in other public companies <sup>s</sup>	
		Held	Entitled to attend	Attended			Member	Chairman
Dr. Prahlada Ramarao	Independent-NED	4	4	4	Yes	-	-	-
Mr. Salil Taneja	Promoter-NED	4	4	4	Yes	1	-	-
Mr. Muralidhar Chitteti Reddy*	NED	4	4	4	No	-	1	-
Mrs. Rahael Shobhana Joseph	Promoter-NED	4	4	4	No	1	2	1
Mr. Arvind Nanda	Independent-NED	4	4	4	Yes	1	3	-
Mr. Ramesh Jaiswara	ED	2	2	2	Yes	-	-	-

NED-Non-Executive Director; ED-Executive Director

\* Stepped down as Whole-time Director designated as Managing Director with effect from March 31, 2020 and continued as Non-Executive Director (non-independent category) from April 01, 2020;

^ 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. Number of Memberships in Committee(s) of Mr. Muralidhar Chitteti Reddy and Mr. Arvind Nanda includes the membership in Audit committee of unlisted public company.

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

Name of the Director	Name of the Listed entity	Category
Dr. Prahlada Ramarao	-	-
Mr. Salil Taneja	TAAL Enterprises Limited	Promoter-ED
Mr. Muralidhar Chitteti Reddy	-	-
Mrs. Rahael Shobhana Joseph	TAAL Enterprises Limited	Promoter-NED
Mr. Arvind Nanda	TAAL Enterprises Limited	Independent-NED
Ramesh Jaiswara	-	-

During the year under review, 4 Board Meetings were held as under:

Sr. No.	Date of Meeting
1.	June 24, 2020
2.	September 02, 2020
3.	November 11, 2020
4.	February 11, 2021

As on March 31, 2021, the composition of the Board was in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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

### Appointment/ Re-Appointment of Directors

In terms of Articles of Association of the Company and the relevant provisions of the Act, Mr. Salil Taneja, Non-Executive Director of the Company retires by rotation at ensuing Annual General Meeting (AGM) and being eligible, offers himself for re-appointment.

Dr. Prahlada Ramarao will attain the age of 75 years on February 05, 2022 and pursuant to Regulation 17(1A) of the Listing Regulations, approval of the shareholders is required for continuing the Directorship of a Non-Executive Director attaining the age of 75 years. Accordingly, the same is placed before the approval of the shareholders in the notice convening the AGM.

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

# Taneja Aerospace and Aviation Limited

## AUDIT COMMITTEE

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

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

The composition of the Audit Committee & attendance of each member is as follows:

Name of Director	Chairman/ Member	No. of Meetings Attended
Mr. Arvind Nanda	Chairman	4
Dr. Prahlada Ramarao	Member	4
Mrs. Rahael Shobhana Joseph	Member	4

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

Sr. No.	Date of Meeting
1.	June 24, 2020
2.	September 02, 2020
3.	November 11, 2020
4.	February 11, 2021

Mr. Arvind Nanda, Chairman and Dr. Prahlada Ramarao, Member of Audit Committee were present at the last Annual General Meeting held on September 29, 2020.

## MANAGERIAL REMUNERATION

### a) Nomination and Remuneration Committee

The Company has a Nomination & Remuneration Committee ('NRC') of the Directors.

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

The composition of NRC and attendance of each Member is as follows:

Name of Director	Chairman/ Member	No. of Meeting attended
Mr. Arvind Nanda	Chairman	2
Dr. Prahlada Ramarao	Member	2
Mrs. Rahael Shobhana Joseph	Member	2

During the year under review, two NRC Meetings were held as under:

Sr. No.	Date of Meeting
1.	September 02, 2020
2.	February 11, 2021

The Company does not have any Employee Stock Option Scheme.

### b) Remuneration Policy:

- Based on recommendations of NRC, the remuneration payable to Whole Time Director, Key Managerial Personnel and Senior Management is decided by the Board which inter-alia is based on the criteria such as industry benchmarks, financial performance of the Company, performance of the Whole Time Director etc.
- The Company pays remuneration by way of salary, perquisites and allowances to its Whole Time Director. No remuneration was paid by way of commission to any Non-Executive Director.
- The Company paid sitting fees of Rs. 20,000/- each for attending Board and Audit Committee Meetings and Rs. 10,000/- each for all other committee meetings to the Non-Executive Directors.
- Performance evaluation of the Independent Directors shall be done by the Board of Directors on the performance evaluation criteria's as recommended by the NRC and approved by the Board of Directors.
- The Company has framed a Remuneration Policy upon the recommendation of NRC and as approved by the Board.

### c) Remuneration to Directors:

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.)	Commission (Rs.)	Sitting fees (Rs.)
Mr. Ramesh Jaiswara	20,21,000	-	-
Mr. Muralidhar Chitteti Reddy	-	-	90,000
Mr. Salil Taneja	-	-	90,000
Dr. Prahlada Ramarao	-	-	1,90,000
Mrs. Rahael Shobhana Joseph	-	-	1,90,000
Mr. Arvind Nanda	-	-	2,00,000
<b>Total</b>	<b>20,21,000</b>	<b>-</b>	<b>7,60,000</b>

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

Service of the Whole-time Director 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