

**TRANSCRIPT OF THE 7<sup>TH</sup> ANNUAL GENERAL MEETING ('AGM') OF TAAL ENTERPRISES LIMITED HELD AT 11:30 AM IST ON WEDNESDAY, SEPTEMBER 29, 2021 THROUGH VIDEO CONFERENCING ('VC') / OTHER AUDIO VISUAL MEANS ('OAVM')**

**Ms. Shruti Zope, Secretarial Department Personnel:**

Good Morning ladies and gentlemen.

I request Mr. Salil Taneja, Chairman of the Board, to take the Chair as Chairman of this 7<sup>th</sup> Annual General Meeting.

**Mr. Salil Taneja, Chairman:**

Thank you Shruti.

Dear Shareholders, A Very Good Morning to you all!!

I, On behalf of the Board of Directors, welcome you all to the 7<sup>th</sup> AGM of TAAL Enterprises Limited.

Before we begin, I would like to introduce to you my colleagues on the VC. I would request each member to acknowledge themselves when I introduce.

**Mr. Salil Taneja, Chairman:**

Mr. Shyam Powar – Independent Non Executive Director and Chairman of the Audit Committee.

**Mr. Shyam Powar**

Thank you Salil.

**Mr. Salil Taneja, Chairman:**

Mr. Arvind Nanda. - Independent Non-Executive Director and Chairman of the Nomination and Remuneration Committee.

**Mr. Arvind Nanda:**

Hello and a very Good Morning.

**Mr. Salil Taneja, Chairman:**

Mr. Jitendra Muthiyan- Chief Financial Officer of the Company

**Mr. Jitendra Muthiyan**

Hello and Good Morning everyone.

**Mr. Salil Taneja, Chairman:**

We also have Mr. Abuali Darukhanawala from M/s. V. P. Thacker & Co, Statutory Auditors of the Company as well as Mr. Giriraj Mohta, Practicing Company Secretary the Secretarial Auditor of the Company and the Scrutinizer for this Annual General Meeting.

**Mr. Giriraj Mohta, Practicing Company Secretary**

Hello everybody.

**Mr. Salil Taneja, Chairman:**

I now request the Ms. Shruti Zope from Secretarial Team to brief the members.

**Ms. Shruti Zope, Secretarial Personnel:**

Thank you Chairman.

Due to COVID-19 pandemic the Ministry of Corporate Affairs and the Securities and Exchange Board of India vide their respective circulars, have allowed companies to hold the AGM through video conferencing or other audio-visual means during calendar year 2021.

Further as per the said circulars, the companies are permitted to be dispensed with the requirement of sending the physical copies of annual report to the shareholders.

Accordingly, the Annual Reports of the Company for FY 2020-21 have been sent by electronic means to all those shareholders whose email Ids were registered with the Company or Depositories.

Now, few instructions about the e-meeting:

- Members who have not voted during remote e-voting period may cast vote electronically during the meeting. The e-voting will end 15 minutes after the conclusion of this AGM.
- All members have been kept on mute.
- Shareholders who have registered as Speakers will be unmuted once their name is called.
- We will respond to the queries received in due course of the meeting.
- Speed and working of audio video mode for joining the meeting by members depends on your internet capacity.

For any queries relating to attendance or e-voting at the meeting member can call on helpline toll free no. 022-23058542/43.

I now request the Chairman to kindly start with the proceedings.

Thank you.

**Mr. Salil Taneja, Chairman:**

Thank you Shruti .

Now I am starting with the formal proceedings of the meeting.

I have been informed, based on registrations received from shareholders for e-meeting, that the requisite quorum for the meeting is present. I, therefore call this meeting to order.

Since the meeting is through Electronic means, no proxies are allowed to attend the meeting.

The Company has received representations under Section 113 of the Companies Act, 2013 and the details are available with the scrutinizer.

I would like to inform that the statutory registers as required under the Companies Act, 2013, are made available for electronic inspection to the members.

**Ms. Shruti Zope, Secretarial Personnel:**

I now request the Chairman to address the shareholders.

**Mr. Salil Taneja, Chairman:**

Dear Members,

Good Morning Ladies and Gentleman.

It is my privilege in extending you all a warm welcome to the 7th Annual General Meeting of your company. I would like to thank you for the continued faith in your company by sparing the time to be with us today. It is a pleasure to connect with you virtually although it is much nicer to meet in person having said that, I hope you and your family members are safe and healthy.

Very briefly I would like to touch upon the performance of the Company.

During the year 2020-21, Total Consolidated Income of the Company was Rs. 123 Cr. as against Rs. 137 Cr. as against previous year i.e. 2019-20. The Consolidated Profit After Tax stood at Rs. 31.80 Cr. as against Rs. 19.31 Cr. as against previous year.

Total Consolidated Income stood at Rs. 33.31 Cr. in the quarter ended 30th June, 2021 as against Rs. 30.52 Cr. in same quarter previous year while Consolidated Profit After Tax stood at Rs. 8.44 Cr. as against Rs. 5.84 Cr. in same quarter previous year.

The Company has had a presence in the Air Charter segment of the Aviation Industry. Unfortunately, aircraft met with an accident, due to which the charter operations of the Company ceased. We are currently analyzing the various options Company has, to re-start the business and still trying to decide what else to do.

We are hopeful that the consolidated business performance of the Company will improve in the 2nd half of FY21-22.

On behalf of Board of Directors of your Company, I express my gratitude to our shareholders for their continued Support & Co-operation.

I also take this opportunity to express my sincere thanks to Investors, Bankers, Domestic & Global Customers, Suppliers and all other authorities for their continued support & co-operation.

Finally, I would like to specially acknowledge the entire TAAL Enterprises family for their contribution, hard work & commitment in the progress of your company. Let us continue our efforts to meet the challenges ahead & move forward in our endeavors.

Again, on behalf of the Board of Directors of TAAL Enterprises I want to thank you for your continued trust confidence and support.

The Annual Report and the Notice convening the 7th Annual General Meeting were dispatched through electronic means. With your permission, I take the Notice as read.

I request Ms. Shruti Zope from Secretarial Team to read the qualifications or observations or comments in Auditors' Report.

**Ms. Shruti Zope, Secretarial Personnel:**

Thank you Chairman.

Dear Members,

Pursuant to the provisions of the Companies Act, 2013, I hereby read out qualifications, observation or comments of Auditors in Audit Report for the Financial Year 2020-21.

**Statutory Auditors' Report:**

Members may refer to Page 9 of Annual Report for comments of Statutory Auditors in its Report as follows:

## **Emphasis of Matters**

We draw attention to the following matters in the Notes to the Standalone Financial Statements:

We draw attention to Note 42 to the standalone financial statements which states that the management has performed 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, 2021 and has concluded that there is no material impact which is required to be recognized in the standalone financial statements. Accordingly, no adjustments have been made to the standalone financial statements.

Our opinion is not modified in respect of the above matters.

### **Mr. Salil Taneja, Chairman:**

I now commence to transact the business contained in the Notice dated 12th August, 2021 and request the Ms.Shruti Zope to read out the proceedings.

### **Ms. Shruti Zope, Secretarial Personnel:**

As per the provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Company had provided two modes to the shareholders for casting their vote on the resolution set-out in the Notice convening the AGM : Remote e-voting and electronic voting facility at the Annual General Meeting i.e. E-voting.

The Remote e-voting facility was made available to all Members from Sunday, 26th September, 2021 (09.00 A.M.) to Tuesday, 28th September, 2021 (05.00 P.M.) through e-voting portal of CDSL and the same has been closed.

The E-voting at the AGM is being made available to enable members, who have not cast their votes through remote e-voting to exercise their voting rights. The Members may please go to the e-voting website of CDSL and cast their vote.

Since the AGM is being held through video conferencing and other Audio visual means and the resolutions mentioned in the Notice convening this AGM have already been put to vote through remote e-voting there will be no proposing and seconding of resolutions.

The members who have already voted through remote e-voting shall not be eligible to participate in the voting today. However, they can participate in the AGM.

Mr. Giriraj Mohta, Practising Company Secretary has been appointed as the Scrutinizer of the Meeting to scrutinize the votes cast through remote e-voting and e-voting during the AGM.

Upon Completion of e-voting, the voting results will be declared within 48 hours based on scrutinizer's report and the same would be published on the Company's website and uploaded on website of BSE Limited.

Now I request the Chairman to continue with the proceedings.

### **Mr. Salil Taneja, Chairman:**

Thank you.

Now I invite the shareholders those who have registered as Speakers, to ask the questions. What we will do is collect all questions first and answer them in one go after everyone has finished with their questions.

Thank you.

**Ms. Shruti Zope, Secretarial Personnel:**

I now request the moderator to un-mute the mic of the speaker on pronouncing their names.

**Moderator:**

Ma'am you can take the names of speaker shareholders one by one.

**Ms. Shruti Zope, Secretarial Personnel:**

Mr.Rishikesh Chopra

**Moderator:**

Rishikesh Chopra is not available.

**Ms. Shruti Zope, Secretarial Personnel:**

Moving further, I request you to connect to Mr.Navin Sharma.

**Mr.Navin Sharma,Speaker Shareholder.**

Hello

Good Morning Everyone.

Thank you for the opportunity.

I have sent few questions I'm reading it out again.

1. What is the revenue potential of the standalone charter business?
2. What are the margins likely to be in the standalone business post pandemic?
3. What are the products and services on offer from TTIPL?
4. What are the revenue targets for TTIPL over the next 2-3 years?
5. How will be the margin profile evolve over time as we grow?
6. What kind of investments are we making on the P&L and Balance Sheet for future growth?

Thank you everyone for giving me the opportunity and All the best for the Future.

**Mr. Salil Taneja, Chairman:**

Thanks Navin.

**Ms. Shruti Zope, Secretarial Personnel:**

Moderator I request you to please unmute the mic of Mr.Hardik Jain .

**Moderator:**

Mr.Hardik Jain has not joined the meeting.

**Ms. Shruti Zope, Secretarial Personnel:**

Moving on ,Moderator I request you to please unmute the mic of Ms.Swechha Jain .

**Ms.Swechha Jain, Speaker Shareholder:**

Hello,

Okay I have few questions regarding TAAL Tech India Private Limited

Basically I have 4-5 questions

1. What exactly is the business model of TTIPL, which segment we cater to and who all are our top customers in terms of segment wise
2. Which countries does this cater to since majority of our income is from exports and if we look at numbers of the company since past 3-4 years revenues have been range of Rs 100-140 Crores. And how do you think growth would happen in this company and what would be EBDITA on long term sustainable basis, some guidance around it.
3. Also some highlights on the current order book of TAAL Tech and you know about some color about the contract we execute what is the duration of contract are these contract auto renewed and are they basically fixed based contract. I think primarily they time and material contract but just if you could confirm that.
4. How many employees are their out this how many are working offsite, how is the model does all the employees work in India or we have people working at client site and typically if you could help us understand the billing rate what is billing rate per hour for this contract.

Thank you Sir .

**Mr. Salil Taneja, Chairman:**

Thank You.

**Ms. Shruti Zope, Secretarial Personnel:**

To check whether previous speakers are able to join the meeting.

**Moderator:**

They are not here yet.

**Ms. Shruti Zope, Secretarial Personnel:**

Chairman Sir. there are no more speakers request you to continue with the proceedings

**Mr. Salil Taneja, Chairman:**

Thank you. I will try to answer these questions in the best way possible. Keeping in mind as meeting is for TAAL Enterprises. As far as the character operations are concerned, as I mentioned, the aircraft met with an accident and so the aircraft is no longer operational and we don't have charter operations currently so there is no questions of margins or there is no revenue targets currently for charter operations in itself. As far as subsidiary is concerned, the questions of both the speakers are similar, the essential service we provide is backend engineering design services to Companies who are in the engineering services. Customers are there in USA and Europe and we are operating roughly in about 12 countries about 11 countries in Europe and some business in New Zealand as well and some business in Australia forming small portion of the Total business.

The kind of business engineering spaces are involved are Plant engineering we do design of factory and petro chemical plants etc that's called plant engineering. We are in BIM i.e Building Information Management and in aerospace that's how we started off so we continued to be in aerospace business and in the Industrial engineering space which is broad category but within that space we work machine design and various other industrial design.

As you rightly mentioned, the most of the contracts that we have are Time and material although there are other project based fixed price contracts as well, 90% of the business contract are time and material, it's a mixed model. We have people who are working from

client location as well as we have people who are working in India roughly around 20% of people are on-site and balance are all in India, largely in our offices in Bangalore .

I do not want to comment on what the future growth looks like but we certainly striving to ensure that our growth is in line with industries projections and industry growth or better. In general we are fairly looking for strong growth in the next coming years and that is largely because there is lot of investment to the infrastructure base in Europe and in particular in USA. There is lot of Infrastructure spend which is going to happen in USA will result in a lot of engineering work flowing down stream and USA doesn't seem to have kind of engineering Bandwidth that will be required to cater the need. We fairly see in times ahead of us the Company is very strongly positioned in many of the markets that we are in, particularly in aerospace, plant engineering etc and this area will grow not only in near terms but in longer terms and we do hope that we will be able to make use of this growth that takes place.

There is no order book for the company as such we have contracts with companies and billing is on the monthly basis and I can't comment on order book per se.

Margins in the business are very much in line with industries standard roughly around 25% of EBIDTA margin is what we are looking at.

When the Company is small margins tends to be thinner because there are fixed cost liking with we have already crossed that point where increase in business would result in higher margin I think our goal is now to protect the margin and grow the business.

Why was the business flat that was implied in your question .Business was flat for last three years, whatever business we had previously was a project based business and when you have few project based customers then business tends to be lumpy so our effort over last two years has been to make sure that we have more customers in the plant engineering space so that even though some of them may go ups & down our revenue would be stable with the basket of the customers we have. I think we believe that we have been able to achieve that so I think that history of lumpiness should be behind us and off course last year we suffered impact of the COVID the number of customer sort of their torn down the business or reduce or held back the orders so I think they are coming back in the current year.

Ms.Shruti are their any further questions that you are aware of.

**Ms. Shruti Zope, Secretarial Personnel:**

As all questions are Answered Sir, I request you to continue with the proceedings.

**Mr. Salil Taneja, Chairman:**

Now I request the members who have not yet voted may now cast their vote.

I request the scrutinizer to submit his report in order to declare the results of the voting within 48 hours of conclusion of the AGM to the Stock Exchange and display the same on the Company Website.

This concludes the business of the meeting & I thank all Members present, for attending the Meeting & casting their votes.

I now declare the meeting as concluded and thank you all for the active participation.

**Ms. Shruti Zope, Secretarial Personnel:**

Thank you so much sir. Thank you everybody for attending the meeting.

I request the moderator to please end this session. Thank you.