



*CONSISTENCY IN PERFORMANCE*

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# DUCON

INFRA TECHNOLOGIES LTD.

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## **ANNUAL REPORT 2020-2021**

## DUCON INFRA TECHNOLOGIES LIMITED

### CORPORATE INFORMATION

#### BOARD OF DIRECTORS

Arun Govil  
Harish Shetty

Chandrasekhar Ganesan  
Ratna Jhaveri

Prakash Vaghela (Appointed w.e.f. 12.02.2021)

Jinesh Shah ( Appointed w.e.f. 12.02.2021)

Abhinav Anand (Resigned w.e.f. 19.11.2020)

Sudatta Subhankar (Resigned w.e.f. 24.11.2020)

Managing Director

Executive Director &  
Chief Financial Officer

Executive Director

Independent Director

Independent Director

Independent Director

Independent Director

Independent Director

#### Auditors

M/s. Hitesh Shah & Associates  
Chartered Accountants  
Mumbai

#### Company Secretary

CS Darshit Parikh

#### Registrar & Transfer Agents

##### Bigshare Services Pvt. Ltd.

1st Floor Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri East,  
Mumbai- 400 059.

#### Principal Bankers

Bank of Baroda

#### Registered Office

Ducon House, Plot No A/4,  
Road No.1 MIDC, Wagle  
Industrial Estate,  
Thane – 400604

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**NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE TWELVTH ANNUAL GENERAL MEETING (AGM) OF THE MEMBERS OF DUCON INFRA TECHNOLOGIES LIMITED WILL BE HELD ON FRIDAY, 17TH SEPTEMBER, 2021 AT 05:30 P.M. INDIAN STANDARD TIME ("IST") THROUGH VIDEO CONFERENCING ("VC") / OTHER AUDIO VISUAL MEANS ("OAVM") ON ACCOUNT OF OUTBREAK OF COVID-19 (CORONAVIRUS) PANDEMIC AND IN ACCORDANCE WITH THE RELEVANT CIRCULARS ISSUED BY THE MINISTRY OF CORPORATE AFFAIRS, TO TRANSACT THE FOLLOWING BUSINESS:**

**ORDINARY BUSINESS**

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2021, and the reports of the Board of Directors and Auditors thereon; and in this regard, pass the following resolution(s) as an Ordinary Resolution:  
  
**"RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."
2. To appoint a Director in place of Mr. Harish Shetty (DIN-07144684), who retires from the office of Director by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS****3. Appointment of Mr. Jinesh Shah (DIN-08847375) as an Independent Director of the Company**

**To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:**

**"RESOLVED THAT** Mr. Jinesh Shah (DIN-08847375) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 12th February, 2021 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ("Act") and as per Articles of Association of the Company but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the appointment of Mr. Jinesh Shah (DIN:08847375) who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five years till the conclusion of the 17th Annual General Meeting to be held in the year 2026, be and is hereby approved."

**4. Appointment of Mr. Prakash Vaghela (DIN-07768595) as an Independent Director of the Company**

**To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:**

**"RESOLVED THAT** Mr. Prakash Vaghela (DIN-07768595) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 12th February, 2021 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ("Act") and as per Articles of Association of the Company but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149,152 and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the appointment of Mr. Prakash Vaghela (DIN-07768595) who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five years till the conclusion of the 17th Annual General Meeting to be held in the year 2026, be and is hereby approved."

**Date: 14<sup>th</sup> August, 2021**  
**Place: Thane**

**Registered Office**

Ducon House, Plot No. A/4,  
Road No. 1, MIDC,  
Wagle Industrial Estate,  
Thane-400604.

CIN No: **L72900MH2009PLC191412**

**By Order of the Board of Directors  
For Ducon Infratechnologies Limited**

**Arun Govil**  
**Managing Director**  
**DIN: 01914619**

**Harish Shetty**  
**Executive Director & CFO**  
**DIN: 07144684**

**NOTES:**

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19", circular no. 20/2020 dated May 5, 2020 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" and Circular no. 02/2021 dated January 13, 2021 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic" and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the CoVID -19 pandemic" (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the members of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item No. 3 and 4 of the Notice, is annexed hereto. The relevant details as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment at the AGM for Item no. 2, 3 and 4 is furnished as annexure to the Notice.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
5. As per Regulation 40 of SEBI Listing Regulations, as amended and as per SEBI in its press release dated December 03, 2018 had decided that securities of listed companies can be transferred only in dematerialized form with effect from April 01, 2019. In view of the above and to avail the benefits of dematerialization and ease portfolio management, Members are requested to dematerialize the shares held by them in physical form.
6. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer books of the Company will remain closed from Saturday, 11th September, 2021 to Friday, 17th September, 2021 (both days inclusive).
7. The Members holding the shares in physical form may obtain the nomination form from the Company's Registrar & Share transfer agent- Bigshare Services Pvt. Ltd. (BSPL) and are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or BSPL for assistance in this regard.
8. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or BSPL, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
9. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
10. Pursuant to Rule 18(3) of the Companies (Management and Administration) Rules, 2014, the Members are requested to provide their e-mail id to the Company or Registrar and Share Transfer Agent in order to facilitate easy and faster dispatch of Notices of the general meetings and other communication by electronic mode from time to time.
11. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in de-mat

form and to the Company's Registrars and Transfer Agents-BSPL, in case the shares are held by them in physical form.

12. Members who hold shares in dematerialized form are requested to bring their DP ID and Client ID numbers for easy identification of attendance at the meeting.
13. The Equity Shares of the Company are mandated for trading in the compulsory demat mode. The ISIN Number allotted for the Company's shares is INE741L01018.
14. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members holding shares in physical form may submit the same to BSPL. Members holding shares in electronic form may submit the same to their respective depository participant.
15. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

#### **16. DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:**

- i. In compliance with the MCA Circulars and SEBI Circulars as mentioned under Note no. 1 above, the Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website [www.duconinfra.co.in](http://www.duconinfra.co.in), website of the Stock Exchanges, i.e., National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and BSE Limited at [www.bseindia.com](http://www.bseindia.com). Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- ii. For receiving all communication (including Annual Report) from the Company electronically:
  - a) Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the Company's Registrar & Share transfer agent-Bigshare Services Pvt. Ltd. (BSPL) with details of Name of Shareholder, Folio No, Scanned copy of Share Certificate (front and back), self-attested copy of PAN card and Aadhar Card on [info@bigshareonline.com](mailto:info@bigshareonline.com).
  - b) Members holding shares in dematerialized mode are requested to register / update their email addresses with the relevant Depository Participant.
17. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
18. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
19. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM.
20. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circulars as mentioned under note no. 1 above. Further, the facility for remote e-voting and e-voting at the AGM will be provided. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended) and as per MCA circulars under reference. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting at the AGM will be provided by NSDL.
21. Ms. Shruti H. Shah, Practicing Company Secretary (FCS No. 8852) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner and she has consented to act as a scrutinizer.
22. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than forty eight hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
23. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.duconinfra.co.in](http://www.duconinfra.co.in) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) within two days of the passing of the resolutions at the 12th AGM of the Company on 17th September, 2021. The same will also be submitted to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

#### **24. Voting through electronic means:**

- i. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management

and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 and the Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020, 5th May, 2020 and 13th January, 2021, SEBI Circular dated 9th December, 2020, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the AGM by remote e-voting and e-Voting at AGM. The both the E-voting Services as provided by National Securities Depository Limited (NSDL).

- II. The remote e-voting period commences on Tuesday, 14th September, 2021 (9:00 a.m. IST) and ends on Thursday, 16th September, 2021 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Friday, 10th September, 2021 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting, shall be eligible to vote through e-voting system during the AGM.
- III. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- IV. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- V. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. 10th September, 2021, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 10th September, 2021 may follow steps mentioned in the Notice of the AGM under Access to NSDL e-voting system".
- VI. The details of the process and manner for remote e-voting are explained herein below:

#### **How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

#### **Step 1: Access to NSDL e-Voting system**

#### **A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by the Company, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
<b>Individual Shareholders holding securities in demat mode with NSDL</b>	<ol style="list-style-type: none"> <li>1. If you are already registered for <b>NSDL IDeAS facility</b>, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "<b>Beneficial Owner</b>" icon under "Login" which is available under "<b>IDeAS</b>" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or <b>e-Voting service provider – NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "<b>Register Online for IDeAS</b>" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> </ol>

	<p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digitdemat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
<b>Individual Shareholders holding securities in demat mode with CDSL</b>	<p>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</p> <p>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>
<b>Individual Shareholders (holding securities in demat mode) login through their depository participants</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
<b>Individual Shareholders holding securities in demat mode with NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
<b>Individual Shareholders holding securities in demat mode with CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for evoting and joining the virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL:



<https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutiniser, Ms. Shruti Shah, Practising Company Secretary on [csshrutishah@gmail.com](mailto:csshrutishah@gmail.com), with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and remote e-voting user manual for members, available at the downloads Section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or toll free no. 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Soni Singh, NSDL Officer at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self- attested scanned copy of Aadhar Card) by email to [cs@duconinfra.co.in](mailto:cs@duconinfra.co.in).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [cs@duconinfra.co.in](mailto:cs@duconinfra.co.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e.Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

### **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/would like to register as speaker/have questions may register/send their questions before 14th September, 2021 mentioning their name, demat account number/folio number, email id, mobile number at [cs@duconinfra.co.in](mailto:cs@duconinfra.co.in). The same will be replied by the company suitably.

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**Date: 14<sup>th</sup> August, 2021**  
**Place: Thane**

**Registered Office**  
Ducon House, Plot No. A/4,  
Road No. 1, MIDC,  
Wagle Industrial Estate,  
Thane-400604.  
CIN No: **L72900MH2009PLC191412**

**By Order of the Board of Directors**  
**For Ducon Infratechnologies Limited**

**Arun Govil**  
**Managing Director**  
**DIN: 01914619**

**Harish Shetty**  
**Executive Director & CFO**  
**DIN: 07144684**

## EXPLANATORY STATEMENT

The following Explanatory Statement, as required under Section 102 of the Companies Act, 2013, set out all material facts relating to the business under Item No. 3 and 4 of the accompanying Notice dated 14th August, 2021.

### ITEM NO. 3

Pursuant to the provisions of Section 149 of Companies Act, 2013 (The Act), which came into effect from April 1, 2014, the Independent Directors are not liable to retire by rotation.

Mr. Jinesh Shah (DIN-08847375), Non-executive Director of the Company, has given a declaration to the board that he meets the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the board, the director fulfills the conditions specified in the Act and rules framed thereunder for appointment as an Independent Director. The Nomination and Remuneration committee and the Board of Directors of the Company has recommended the appointment of Mr. Jinesh Shah (DIN-08847375), as an Independent, Non-Executive Director of the Company till the conclusion of the 17th Annual General Meeting of the Company to be held in the year 2026.

In compliance with the provision of Section 149 of the act, the appointment of Mr. Jinesh Shah (DIN-08847375), as an independent director is now being placed before the members for their approval.

A brief profile of Mr. Jinesh Shah (DIN-08847375), nature of his expertise in specific functional areas and names of companies in which he hold Directorship and membership/chairmanship of Board Committee's as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges in India, is annexed hereto.

The Board recommends the resolution at item No. 3 for approval by member.

None of the Directors, Promoters, Key Managerial Personnel and their relatives are concerned or interested in item No. 3 of the Notice except Mr. Jinesh Shah (DIN-08847375).

### ITEM NO. 4

Pursuant to the provisions of Section 149 of Companies Act, 2013 (The Act), which came into effect from April 1, 2014, the Independent Directors are not liable to retire by rotation.

Mr. Prakash Vaghela (DIN-07768595), Non-executive Director of the Company, has given a declaration to the board that he meets the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the board, the director fulfills the conditions specified in the Act and rules framed thereunder for appointment as an Independent Director. The Nomination and Remuneration committee and the Board of Directors of the Company has recommended the appointment of Mr. Prakash Vaghela (DIN-07768595), as an Independent, Non-Executive Director of the Company till the conclusion of the 17th Annual General Meeting of the Company to be held in the year 2026.

In compliance with the provision of Section 149 of the act, the appointment of Mr. Prakash Vaghela (DIN-07768595), as an independent director is now being placed before the members for their approval.

A brief profile of Mr. Prakash Vaghela (DIN-07768595), nature of his expertise in specific functional areas and names of companies in which he hold Directorship and membership/chairmanship of Board Committee's as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges in India, is annexed hereto.

The Board recommends the resolution at item No. 4 for approval by member.

None of the Directors, Promoters, Key Managerial Personnel and their relatives are concerned or interested in item No. 4 of the Notice except Mr. Prakash Vaghela (DIN-07768595).

**Date: 14<sup>th</sup> August, 2021**

**Place: Thane**

**Registered Office**

Ducon House, Plot No. A/4,  
Road No. 1, MIDC,  
Wagle Industrial Estate,  
Thane-400604.

CIN No: **L72900MH2009PLC191412**

**By Order of the Board of Directors  
For Ducon Infratechnologies Limited**

**Arun Govil  
Managing Director  
DIN: 01914619**

**Harish Shetty  
Executive Director & CFO  
DIN: 07144684**

**Details of Directors appointment/re-appointment/retiring by rotation, as required to be provided pursuant to the provisions of (i) Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India and approved by the Central Government are provided herein below:**

Particulars	Mr. Jinesh Shah	Mr. Prakash Vaghela	Mr. Harish Shetty
Director Identification Number (DIN)	08847375	07768595	07144684
Date of Birth	11/08/1984	19/09/1973	15/07/1974
Date of First Appointment on Board	12/02/2021	12/02/2021	20/01/2016
Experience in functional Area	He has over 12 years of experience and is working as a partner in G.P Kapadia & Co. He has vast experience in performing Statutory audit, Tax compliance audit, Bank Audit, Tax Compliance Audit of Major Banks & Private Limited Companies. He had also been responsible for implementation of GST and providing advisory services on GST matters, implementation of Internal Financial control, providing of Budgeting Report and Variance Analysis.	Mr. Prakash Vaghela has expertise in Corporate & Statutory Audit and Assurance practices, including corporate law, Direct & Indirect Tax Compliances. He has worked with various organizations in various industries and has a hands on experience in Financial Management and corporate advisory services	Having more than 2 decades of experience in accounts, Finance and Taxation. Headed the accounts and finance functions of companies across manufacturing service and EPC sectors. He has thorough knowledge of handling multistate operations and ensuring statutory compliance.
Qualification	Fellow Chartered Accountant, B.com	Fellow Chartered Accountant, Grad. CWA, B.com, LLB (G), DISA	B.com, CA Inter
Directorship in other Companies (Public Limited Companies)	Please refer Corporate Governance Report section of the Annual Report 2020-2021	Please refer Corporate Governance Report section of the Annual Report 2020-2021	Please refer Corporate Governance Report section of the Annual Report 2020-2021
Membership of Committees of other public limited companies (Audit Committee and Shareholder's/Investor's Grievance Committee only)			
No. of Shares held in the Company			
The number of Meetings of the Board attended during the F.Y. 2019-20			
Remuneration Paid	Nil	Nil	28.80 lacs
Disclosure of relationship with other Directors & KMP of the Company	There are no inter-se relationship between the Directors & KMP of the	There are no inter-se relationship between the Directors & KMP of the Company.	There are no inter-se relationship between the Directors & KMP of the Company.

**Date: 14<sup>th</sup> August, 2021**

**Place: Thane**

**Registered Office**

Ducon House, Plot No. A/4,  
Road No. 1, MIDC,  
Wagle Industrial Estate,  
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**By Order of the Board of Directors  
For Ducon Infratechnologies Limited**

**Arun Govil  
Managing Director  
DIN: 01914619**

**Harish Shetty  
Executive Director & CFO  
DIN: 07144684**

## DIRECTORS' REPORT

Your Directors are pleased to present the **Twelfth** Annual Report of your Company for the period ended March 31, 2021.

### 1. Financial Highlights

(₹ In lakhs)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
Gross Income	34249.70	38155.87
Profit Before Interest and Depreciation	1313.22	1238.68
Finance Charges	1233.38	1078.07
Profit before Depreciation	79.84	160.61
Provision for Depreciation	26.12	50.40
Net Profit Before Tax	53.72	110.21
Provision for Tax	12.17	24.45
Net Profit After Tax	41.55	85.76
Other Comprehensive Income	2.17	1.27
Total Comprehensive Income after Tax	43.72	84.49
Balance of Profit brought forward	1944.18	1859.69
Income Tax Earlier Year	-	-
Balance available for appropriation	1987.91	1944.19

### 2. Management Analysis and Discussions

#### Discussion on financial performance with respect to operational performance

The total income for the financial year under review was Rs. 34249.70 lacs as against Rs. 38155.87 lacs during the previous year, reflecting a reduction of 11.40% over the previous year. However, the Operating Profit (earnings before depreciation and interest and tax) increased from Rs. 1238.68 lacs to Rs. 1313.22 lacs. The profit before tax stood at Rs. 53.72 lacs as compared to Rs. 110.21 lacs in the previous year. The Company has made a provision of tax totaling to Rs. 12.17 lacs and the profit after tax stood at Rs. 41.55 lacs for the current year.

The reduction in growth is the result of the business disruptions caused by Covid-19 pandemic. Amid stringent restrictions on mobility and large scale disruptions in supply of labour, the Company demonstrated strong resilience, consolidated its capabilities and stayed on course with its strategic objectives. With the bidding for FGD projects of more than 5000 mw during the year, the company hopes to corner some of the projects in the immediate future.

#### Review of Operations

##### ENGINEERING, PROCUREMENT AND CONSTRUCTION - EPC

##### AIR POLLUTION CONTROL SYSTEMS - FGD

**Flue-gas desulfurization (FGD)** is a set of technologies used to remove sulfur dioxide (SO<sub>2</sub>) from exhaust flue gases of fossil-fuel power plants, and from the emissions of other sulfur oxide emitting processes. This process is carried out during combustion in fossil fuel power plants such as coal and oil fired combustion units. When coal or oil is burned to produce energy, about 95 percent or more of the sulfur is generally converted to sulfur dioxide (SO<sub>2</sub>) under standard temperature conditions.

#### The Technology

FGD can be characterized into wet & spray dry scrubbing, wet sulfuric acid process, SNOX flue gas desulfurization and dry sorbent injection system based on methods of desulfurization. Most FGD systems employ two stages: one for fly ash removal and the other for SO<sub>2</sub> removal. In wet scrubbing systems, the flue gas normally passes first through a fly ash removal device, either an electrostatic precipitator or a baghouse, and then into the SO<sub>2</sub>-absorber. However, in dry injection or spray drying operations, the SO<sub>2</sub> is first reacted with the lime, and then the flue gas passes through a particulate control device. Another important design

consideration associated with wet FGD systems is that the flue gas exiting the absorber is saturated with water and still contains some SO<sub>2</sub>. These gases are highly corrosive to any downstream equipment such as fans, ducts, and stacks. Two methods that may minimize corrosion are: (1) reheating the gases to above their dew point, or (2) using materials of construction and designs that allow equipment to withstand the corrosive conditions. Both alternatives are expensive. Engineers determine which method to use on a site-by-site basis. Wet FGD systems are widely used in comparison to dry FGD and are expected to maintain dominance over the forecast period owing to high efficiency and low maintenance.

### **Applications**

Application segments of flue gas desulfurization market include new FGD systems and reagents & replacements. Increasing electricity demand in emerging economies such as China and India owing to rapid industrialization and urbanization is expected to increase the number of coal-fired power plants. This, in addition to increasing prevalence of airborne diseases, implementation of environmental laws and regulations, and growing concerns over environmental pollution is expected to boost the demand for new FGD systems in the market. The demand for reagents & replacements was primarily for repair of parts such as pump impellers, nozzles, valves and filter belts among others in established FGD systems. The increasing use of reagents such as limestone, dibasic acid, and sodium hydroxide is further expected to boost the growth of reagents & replacements application segment in the market. Increasing demand for FGD systems from chemicals, power generation, cement manufacturing, iron & steel, and many other industries is also expected to fuel the FGD market, globally.

### **Geography**

Flue gas desulfurization market has witnessed a significant growth in recent years due to stringent government policies relating to emissions of harmful gases in the environment. The global flue gas desulphurization (FGD) market is forecast to grow from \$9.6 billion in 2018 to \$12 billion by 2024, exhibiting a CAGR of over 4% during 2019-2024, owing to the enforcement of various federal laws and regulations that mandate SO<sub>x</sub> emitting industries to install air quality control equipment in their plants.

Regionally, Asia-Pacific is expected to exhibit the fastest growth in the global flue gas desulphurization market during the forecast period, on the back of the increasing demand for FGD systems from the growing industrial sectors such as cement and metal smelting in countries like China and India. Moreover, alarming pollution levels and stringent laws introduced by the governments to curb pollution in the region are also anticipated to aid the Asia-Pacific FGD market growth in coming years.

### **Key Players**

Some of the major companies in global flue gas desulfurization market include Alstom S.A., Babcock & Wilcox, Siemens Energy, Thermax, Ducon Technologies Inc., Hamon Research-Cottrell, Mitsubishi Heavy Industries, and Marsulex Environmental Technologies. Other companies include China Boqi, Chiyoda Corporation, Hitachi Power Systems America Ltd., Marsulex Environmental Technologies and Lonjing Environment Technology Co. Ltd.

### **FGD in India**

India satisfies most of her power requirement through thermal power. Thermal power generation constitutes about 56.5 per cent of the total installed capacity followed by renewable energy which is 21.2 per cent. Going forward, around 30 GW of coal-based capacity is expected to be added over the next five years largely led by under-construction projects of state and central entities according to a Research by CRISIL.

Indian coal is high in ash, but is low in sulphur. Indian coal contains sulphur in the range of 0.25 per cent to 0.5 per cent. This range of sulphur content coal produces SO<sub>2</sub> in the range of 1,500-2,000 microgram per cubic metre of flue gas (mg/Nm<sup>3</sup>). However, coal is also imported from Indonesia, Australia and South Africa for fuelling thermal power plants. This imported coal is high in sulphur content while being low in ash.

The government has focused on reduction of emissions from coal-based thermal power plants in accordance with the Intended Nationally Determined Contributions (INDCs) submitted to the United Nations Framework Convention on Climate Change (UNFCCC) that has committed to curb emission intensity of its economy by 30-35 per cent from the 2005 level by 2030. Accordingly, the Ministry of Environment, Forest and Climate Change (MoEFCC), has issued notification no: S.O.3305(E) titled 'Environmental (Protection) Amendment rules, 2015 dated 7.12.2015 with the objective of reducing emissions of suspended

particulate matter (SPM), SO<sub>x</sub>, NO<sub>x</sub> and mercury at thermal power plants (TPPs). With the MoEFCC order, it has become compulsory to install Flue Gas Desulphurisation (FGD) system in the existing and upcoming thermal power plants to curb SO<sub>x</sub> emissions.

### **Ducon and FGD**

Globally, Ducon has supplied wet FGD systems on over 20,000 MW of combined power plant capacity. Ducon FGD systems can achieve over 99% sulfur dioxide removal efficiency. Ducon Flue Gas Desulfurization systems can also recover up to 90% of oxidized mercury in the flue gas.

Depending upon the reagent utilized, Ducon can select a packed tower, a spray tower or a Ventri-Rod Absorber (VRA™) (a proprietary Environeering unit) for the wet FGD application. For Dry Flue Gas Desulfurization systems, Ducon uses its proprietary two-fluid nozzle DRX-25 to atomize feed slurry in the spray reactor. Ducon can also provide a Circulating Reactor Dry FGD System suitable for applications of upto 3% sulfur coal and by utilizing dry lime, it can provide upto 97% SO<sub>2</sub> removal efficiency. Ducon provides either bag house filter or Electrostatic Precipitator for duct collection downstream. Ducon works with reputable vendors to provide Gas-to-Gas heat exchangers, fans, controls, and reagent handling & feeding systems.

Ducon has the capability to provide a complete global turnkey installations including effluent treatment systems.

### **Milestone Projects**

With many firsts in its stride, Ducon is rightly regarded as the pioneers of FGD in India.

- ❖ Ducon has installed India's first Sea water FGD system with 100% of flue gas, for 2 X 250 MW Dahanu Thermal Power Station for Reliance Energy Ltd. This unit consistently ranks among the cleanest as well as the most reliable power generating station in India. This project also disproved the notion that energy production and environmental protection are mutually exclusive.
- ❖ Ducon is also credited with providing India's first Wet limestone FGD system on coal fired power plant with production of saleable Gypsum for 2 x 600 MW Udipi Thermal Power Station, Karnataka. Today this unit has become benchmark installation for those desirous of installing FGD systems in India.
- ❖ India's first ever Dual Alkali Scrubber for Sterlite Copper, Toothukudi, Tamilnadu is provided by Ducon
- ❖ India's first ever FGD system for Glass Furnace at Saint Gobain Glass, Sriperumbudur, Tamilnadu is installed by Ducon

### **DRY BULK MATERIAL HANDLING SYSTEM**

The correct storage, extraction and the selection of suitable transportation systems is becoming increasingly important for power plant owners. This is particularly of great significance wherever a high service life, few to no interruptions, high throughputs and the lowest possible power consumptions are in demand.

Ducon with its technology specializes in the Design, supply, installation of complete turnkey facilities for Bulk Material Handling and Pneumatic Conveying Systems. Ducon supplies systems to unload, store, reclaim, weigh and sometimes process materials of all kinds of Power, Cement, Steel, Alumina, Chemical and Petrochemical industries.

Where there is a product to move, Ducon has the product to move it.

- Pneumatic Conveying Systems (Lean and Dense Phase)
- Mechanical conveying systems
- Discharge systems for Silos and Hoppers
- Process of Bulk materials (Crushing and Grinding)
- Big bag filling and discharge systems
- Transhipment systems (Rail Wagon and Tanker Loading and Unloading system)



### **Ash handling systems for Power Generation Industry**

The industry's main applications are the removal of ash from boiler and filter systems. Course ash / Fly ash collected at Economizer / Air Pre Heater / Duct Hoppers / ESP hoppers is pneumatically conveyed to intermediate silos and to remote silos. Ducon has the capability and technology to design the most efficient dense phase conveying system with capacity as high as 300 TPH and conveying distance in excess of 1500m.

#### **DU-PUMP system**

Ducon offers pressure pneumatic conveying system for conveying of various powdery material like Cement, Clinker dust, Sand, Coal, Alumina, Bentonite, Fly ash etc. DU-PUMP systems can operate at higher air to solid ratios and it has many advantages like positive pressure system, low velocity, less erosion of pipes and bends.

#### **DU-SLIDE conveyors**

DU-SLIDE Conveyors are used to convey the material from one point to another via air. It is ideal for materials such as Fly Ash, Cement, Hydrated Lime, Alumina, Barites and Flour etc. The aeration of the material causes it to act like a fluid and gently slide along the gradual slope of the slide.

#### **DU-SILO Fluidizer**

Ducon provides material extraction systems for flat bottom and conical bottom silos for using reverse fluidized cones and open-top-slide conveyors. The centre cone is fluidized constantly whereas the radial side conveyors on silo bottom are operated sequentially for systematic extraction of material from silo.

As an EPC company, Ducon has executed multiple Dry Bulk Material Handling systems over the last One decade. Ducon is also credited with First ever Pipe Conveyor in Aluminium Industry at Hindalco Industries Limited – Mahan Aluminium, Singrauli, Madhya Pradesh and Aditya Aluminium, Lapanga, Orissa.

### **RURAL AND URBAN ELECTRIFICATION PROJECTS**

In December 2014, Ministry of Power launched the Deen Dayal Gram Jyoti Yojana (DDUGJY) which subsumed RGGVY. The main object of the scheme was to ensure 100% rural electrification on targeted manner. It also involved improving sub-transmission and distribution infrastructure in rural areas.

In 2015, the Central Government launched the Integrated Power Distribution Scheme (IPDS) with the objective to provide 24/7 power for all. One of the flagship programmes of the Ministry of Power, IPDS aims at strengthening of sub-transmission network, and also the metering, IT application, Customer care services and the completion of the ongoing works of Restructured Accelerated Power Development and completion of the Reforms Program (RAPDRP).

The new Saubhagya Scheme (Pradhan Mantri Sahaj Bijli Har Ghar Yojana) seeks to ensure universal household electrification, that is, in both rural and urban areas. Under this scheme, the identified poor households will get free electricity connections.

Ducon is executing Rural Electrification under DDUGJY scheme and Urban Electrification under IPDS scheme. This is the new segment which Ducon has diversified into. The projects involve, Construction of new 33 / 11KVA sub-stations, Augmentation of 33/11KVA sub-stations, New 33 KV lines, New 11 KV lines, Metering, etc. Your company plans to expand the volume of this segment in future.

### **Strengths**

The strengths have enabled your Company to successfully articulate its various differentiated value propositions in the markets in which it operates. The inherent strength of your Company derives from its absolute belief in sound, sustainable business practices and an ability to continuously address the diverse needs of its customers. The strategic objective of the company is to build a sustainable organization that remains relevant to the agenda of the clients, while generating profitable growth for the investors. In order to do this, the company will apply the priorities of 'renew' and 'new' to our own business and cascade it to everything we do.

The Company provides the complete solutions in its EPC segments. The strength of your Company is its core technology FGD, for which it is known for and of course the EPC segment of Bulk Material Handling. With many successful installations in place, your company has the requisite expertise, dedicated group of talented Engineers and other professionals who drive its business and relationships with its business partners and manage its support functions. Having catered to the needs of the large corporates in India, your company has been receiving repeat orders over the years and expects it only to move upwards. The company expands existing client relationships by providing them with a broad set of end-to-end service offerings and increase the size, nature and number of projects they do with them. The strategy is to engage with these clients on regular basis.

Further, using the Lean strategies, your company has been able to identify the areas of improvements, re-design the workflows, and eliminate the unnecessary elements. The impact is seen in the operational efficiency and reflected in the financials of your company. We believe our strong brand, robust quality process and our access to skilled talent base at lower costs of providing services places to us in a unique position to take advantage of the opportunities available.

### **Quality**

You company continues to strive towards operational and delivery excellences with a renewed focus on the path of business excellence. Customer Satisfaction and excellence in quality are key elements for succeeding in this competitive market. Your company has a full-fledged QA / QC department headed by an Engineering professional with the rank of Assistant General Manager. Pre-defined SOPs are followed in every stage of execution of projects. In order to be able to respond quickly to the customers, your Company continues with various internal initiatives to implement result oriented quality management models, compete effectively, improve organizational flexibility and efficiency, streamline internal processes across all its entities globally and institutionalize a culture of continuous improvement.

A strong emphasis is based on quality in every aspect of the company's activities. Several initiatives have been taken to implement result oriented quality management models. In line with this philosophy we have designed our quality management program and have defined several key parameters for measurement of quality levels to ensure improvement in the quality of the deliverables.

In order to be able to respond quickly to the customers, your Company continues with various internal initiatives to compete effectively, improve organizational flexibility and efficiency, streamline internal processes and institutionalize a culture of continuous improvement. The system comprises well defined organization structure, pre-identified authority levels and documented policy guidelines and manuals for delegation of authority.

Review of key business processes like business planning, reporting and communication has been done to make them more effective in meeting business objectives. Moving forward, your company shall continue to further strengthen its processes by adopting best-in-class standards.

### **Opportunities and threats**

#### **Opportunities:**

Our diversification strategy continues to provide us with new growth opportunities. With our experience and expertise, we believe that we are strategically placed in our business segments. Similarly the management decision of having suitable business tie up will help us to capture maximum opportunities in the recently revived FGD segment. Looking towards the future, your Company will remain focused on agility, innovation and operational excellence. Focusing on strategic verticals and geographies will also lead to an increase in the list of potential customer base.

#### **Threats:**

Competition is the main threat to most EPC companies, considering the aggressive pricing by the new entrants, changes in technology and markets. Changes in government policy or regulations / legislation etc also brings challenges and treats to the smooth functioning of the Company. As companies recognize the critical role of technology as an enabler to their business, the number of in-house technology centers of large enterprises as well as the number of new entrants in the market increases.

Since the EPC sector is exposed to high attrition rate due to more opportunities available in market for the employee, retaining

existing talent pool and attracting new talented manpower is a major risk to the Company. The Company has initiated various measures to enhance the retention of employees during the year which includes, employee engagement surveys, transparent Performance Management System, ESOP etc to maintain employee-friendly culture in the organization.

### **Risks and Concerns**

Important factors that could influence the Company's operations include change in government regulations, tax laws, increased competition, economic and political developments. The Company's objectives and expectations may be forward looking within the meaning of applicable laws and regulations. The competition from large international and Indian companies is increasing in the domestic market space. Actual results may differ materially from those expressed.

The productive life of resources is shrinking and the regulatory requirement in the areas of Air Pollution Control is tightening, thereby increasing the level of investment needed to meet the market requirements. These, while provide huge growth opportunities to your Company, also exposes it to increased competition. In the EPC industry, the ability to execute projects, build and maintain client partnerships and to achieve forecasted operating and financial results are significantly influenced by the organization's success in hiring, training and retaining highly skilled Engineering professionals. The market continues to be highly competitive for attracting and retaining Engineering professionals & this is compounded by the ever changing constraints around talent mobility primarily on account of regulatory requirements and also the evolving value propositions for a range of clients across geographies.

### **Internal control systems and their adequacy**

The Company's well-defined organizational structure, documented policy guidelines, defined authority matrix and internal controls ensure efficiency of operations, compliance with internal policies and applicable laws and regulations as well as protection of resources.

Your Company has an effective internal control and risk mitigation system, which are constantly assessed and strengthened with new/revised standards operating procedures. The Company has the robust Management Information System, which is an integral part of the control mechanism. The Company has a well-defined delegation of power with authority limits for approving revenue as well as expenditure and processing payments. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The Company has made the employees responsible for establishing expectations and seeking feedback at every role that is assigned. The employees have been enabled to influence their network of peers to co-own goals. This has helped enable cross functional collaboration and interlock. Employees can give and receive help on their goals by making them public and also express their likelihood of reaching their goals. The company has put in place adequate systems of internal control commensurate with its size and the nature of its business. These systems provide a reasonable assurance in respect of financial and operational information, compliance with both applicable statutes, & corporate policies and safeguarding of the assets of the company.

Ducon Infratechnologies Limited has an audit committee, the details of which have been provided in the corporate governance report. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggest improvements to strengthen the same.

### **3. Dividend**

With a view to plough back the profits of the Company and keeping in mind the expansion of business activities, the Board of Directors consider it prudent and recommend not declaring any dividend for the year ended March 31, 2021.

### **4. Transfer of Unclaimed Dividend to Investor Education and Protection Fund:**

The Provisions of Sec.125 (2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

### **5. Transfer to reserves**

The Company has not transferred any amount to reserves.

**6. Material changes and commitments, 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 statements relate and the date of the report**

There were no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year of the Company and the date of the Directors' report. However, the following changes took place during the financial year under review:

The Company had allotted 5,70,00,000 Equity shares of face value Re. 1/- each at an issue price of Rs. 5/- each (including a premium of Rs. 4/- each) and 5,96,34,400 Warrants convertible into Equity Shares of face value Re. 1/- each at an issue price of Rs. 5/- each (including a premium of Rs. 4/- each), to Mr. Arun Govil (DIN: 01914619), Managing Director and Promoter of the Company, on preferential basis, on 1st February, 2021, by way of conversion of outstanding unsecured loan.

The Company had also allotted 1,50,00,000 Equity Shares of face value Re. 1/- each at an issue price of Rs. 5/- each (including a premium of Rs. 4/- each), to Mr. Atul Kumar, falling under public category, on preferential basis, on 1st February, 2021, by way of conversion of outstanding unsecured loan.

**7. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future**

No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

**8. Change in nature of Business Activity of the Company:**

There was no change in the nature of business activity of the Company.

**9. Details of Holding/Subsidiary/Joint Ventures/Associate Companies:**

The Company has a wholly-owned subsidiary at USA named "Ducon Combustion Equipment Inc." as on 31.03.2021. The same was incorporated on 4th December, 2017 at Newyork, USA with the objects to sell diversified combustion and power products.

**10. Explanation or comments on Qualifications, reservations or adverse remarks made by Auditors and the Practicing Company Secretary in their Reports:**

The Auditors' Report to the members on the Accounts of the Company for the financial year ended 31st March, 2021 does not contain any qualifications, reservations or adverse remarks.

Note:1

The Secretarial Audit Report, however contains the following observation from Secretarial Auditor-

The Company had received fine notice from National Stock Exchange of India Limited (NSE) and BSE Limited on 15th February, 2021, for non-compliance with the provisions of Regulation 17(2A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to Non Compliance of Board Meeting quorum requirement for the quarter ended December 2020. The Company had paid Fine of Rs. 10000/- plus GST each at NSE and BSE on 18th February, 2021 and 24th February, 2021 respectively.

Borad's Response- The Board had taken adequate steps by appointing Mr. Prakash Vaghela (DIN: 07768595) and Mr. Jinesh Shah (DIN:08847375) as Non-Executive, Independent Directors of the Company w.e.f. 12th February, 2021.

Note:2

The Company had spent an amount of Rs. 0.21 lacs/- towards Corporate Social Responsibility against total obligation to spent Rs. 8.54 lacs and thus the Company has an unspent amount of Rs. 8.33 lacs towards CSR as per the provisions of Companies Act, 2013.

Borad's Response- Due to Covid-19 pandemic, the Company could not achieve the desired profit/result/could not carry out its business activities at the desired level during the Financial 2020-21 and due to which the Company could not make adequate contribution towards Corporate Social Responsibility.

## 11. Directors and Key Managerial Personnel

During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees. The board composition changed during the year on account of resignation of existing Directors and appointment of new Directors, details for the same are as follow:

Mr. Prakash Vaghela (DIN: 07768595), was appointed as an Additional, Independent, Non – Executive Director w.e.f. 12.02.2021 and simultaneously as a member of Audit committee, Stakeholders Relationship committee & Risk Management Committee and as a Chairman of Nomination & Remuneration committee and Corporate Social Responsibility committee.

Mr. Jinesh Shah (DIN:08847375), was appointed as an Additional, Independent, Non – Executive Director w.e.f. 12.02.2021 and simultaneously as a member of Audit committee, Nomination & Remuneration committee, Stakeholders Relationship committee, Corporate Social Responsibility & Risk Management Committee.

Further, the Company has received a notice in writing signifying his intention to appoint Mr. Prakash Vaghela (DIN: 07768595) and Mr. Jinesh Shah (DIN:08847375) as Director at the ensuing annual General Meeting of the Company to be held on 17th September, 2021.

Mr. Harish Shetty (DIN: 07144684), Executive Director of the Company retires by rotation and being eligible, has offered himself for re-appointment. The Board recommends the resolution for your approval for the above appointment.

The Board recommends the above appointment/re-appointment for your approval. Further, the above appointment/re-appointment of Directors by the Board of Directors are based on recommendation of Nomination and Remuneration Committee.

Mr. Abhinav Anand (DIN- 07732241) and Mr. Sudatta Subhankar (DIN- 08706538) have resigned from the post of Independent Director w.e.f 19.11.2020 and 24.11.2020 respectively and simultaneously from all the Board committees where they were Chairperson/Member.

Pursuant to the provisions of Section 203 of the Act, there has been no change in the key managerial personnel during the year.

## 12. Auditors

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, M/s. Hitesh Shah & Associates, Chartered Accountants, (ICAI Firm Registration No. 107416W) had been appointed as the statutory auditors of the Company, for a term of five consecutive years, at the AGM held in the year 2017. The Companies (Amendment) Act, 2017, has waived the requirement for ratification of the appointment of auditor by the shareholders at every Annual General Meeting with effect from May 07, 2018. Hence, the approval of the members is not being sought for the re-appointment of the Auditors in line with the resolution passed for their appointment at the 8th AGM held on September 29, 2017.

Auditors have confirmed that they are not disqualified to act as Auditors and are eligible to hold office as Auditors of your Company. They have also confirmed that they hold a valid peer review certificate as prescribed under Listing Regulations.

### Auditors Report

Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments. The Auditors' in their report to the members, have stated three "Emphasis of matter" and the response of your Directors on them are as follows:-

Note i -The management is of the opinion keeping in view their long term business synergy and potential, it has been decided to value such investments at cost as on the year ended March 31, 2021.

Note ii - The Management wish to highlight that due to the COVID-19 induced restrictions on physical movement and strict timelines, it may have impact on the future developments of the Company and due to lockdown, the entire audit team of Auditors could not visit the office of the Company for undertaking the required audit procedures as prescribed under ICAI issued Standards on Auditing, including but not limited to:

- Inspection, Observation, examination and verification of the original documents of invoices, legal agreements, bank accounts statements / loan accounts statements and files.

- Physical verification of Cash, including adequate internal controls thereof.
- Physical Verification of Property, Plant and Equipment, Inventories as on March 31, 2021
- Any other processes which required physical presence of the audit team.

### **13. Corporate Governance**

Your Company has always practiced sound corporate governance and takes necessary actions at appropriate times for meeting stakeholders' expectations while continuing to comply with the mandatory provisions of corporate governance.

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the report on Management Discussion and Analysis, Corporate Governance as well as the Statutory Auditors' Certificate regarding compliance of conditions of Corporate Governance forms part of the Annual Report.

### **14. Code of Conduct For Directors And Senior Management**

The Directors and members of Senior Management have affirmed compliance with the Code of Conduct for Directors and Senior Management of the Company. The copies of Code of Conduct as applicable to the Executive Directors (including Senior Management of the Company) and Non-Executive Directors are uploaded on the website of the Company – [www.duconinfra.co.in](http://www.duconinfra.co.in).

### **15. Familiarization Program for Independent Directors**

The Company has practice of conducting familiarization program of the independent directors as detailed in the Corporate Governance Report which forms part of the Annual Report.

### **16. Particulars of the Employees**

The information as required under Section 197 of the Act and rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 made there-under is not applicable as none of the employees are in receipt of remuneration which exceeds the limits specified under the said rules.

### **17. Documents Placed on the Website**

The following documents have been placed on the website in compliance with the Act

- Financial statements of the Company along with relevant documents.
- Details of Vigil mechanism for directors and employees to report genuine concerns as per proviso to Section 177(10).
- The terms and conditions of appointment of independent directors as per Schedule IV to the act.
- Latest Announcements
- Annual Reports
- Shareholding Pattern
- Code of Conduct
- Corporate Governance
- Nomination and Remuneration Policy
- Materiality Policy under Regulation 30 of SEBI(LODR) Regulations, 2015

### **18. Human Resource Management (Material developments in Human resources/Industrial Relations front, including number of people employed)**

Your Company encourages regular training and development program. Continuous training is imparted in advanced technologies, managerial and soft skills for the employees to enhance their skill-sets in alignment with their respective roles. The

major thrust continues in the effort to bring about measurable change in training coverage and effectiveness, increasing the Leadership and Development opportunities for every staff member.

Your Company's core strength is its people. To bring in more business focus and total ownership, your Company's business organizational structure has been redesigned. This is expected to allow better growth and reward opportunities for talent, while simultaneously delivering better value to shareholders. Your Company has HR policy that elaborates on each aspect of human resource management including recruitment, employee development & training, staff welfare, administration services & recreation events. The Company offers a growth environment along with monetary benefits in line with industry standards. The Company has a number of employee initiatives to attract, retain and develop talent in the organization.

Employee Retention is a key focus area. The Company has initiated various measures to enhance the retention of employees during the year which includes, employee engagement surveys, transparent Performance Management System, and connect to maintain employee-friendly culture in the organization.

Company's people centric focus providing an open work environment fostering continuous improvement and development helped several employees realize their career aspirations during the year. Ducon has continually adopted structures that help attract best external talent and promote internal talent to higher roles and responsibilities.

## 19. Fixed Deposits

Your Company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as on the date of the Balance Sheet.

## 20. Directors Responsibility Statement

Pursuant to the provisions of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013 the Directors based on the information and representations received from the operating management confirm that:

- a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with no material departures;
- b. The Directors had 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 and of the profit of the Company for that period;
- c. The Directors had taken proper and sufficient care, to the best of their knowledge and ability, 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;
- d. The Directors had prepared the annual accounts on a going concern basis; and
- e. 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.
- f. 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.

## 21. Share Capital

The paid up Equity Share Capital as on 31st March, 2021 is Rs. 17,66,75,117 divided into 17,66,75,117 Equity shares of Re.1/- each. The following are the details of preferential allotment made during the Financial year under review:

### (I) Preferential Allotment:

- (a) The Company had allotted 5,70,00,000 Equity shares of face value Re. 1/- each at an issue price of Rs. 5/- each (including a premium of Rs. 4/- each) and 5,96,34,400 Warrants convertible into Equity Shares of face value Re. 1/- each at an issue price of Rs. 5/- each (including a premium of Rs. 4/- each), to Mr. Arun Govil (DIN: 01914619), Managing Director and Promoter of the Company, on preferential basis, on 1st February, 2021, by way of conversion of outstanding unsecured loan.

- (b) The Company had allotted 1,50,00,000 Equity Shares of face value Re. 1/- each at an issue price of Rs. 5/- each (including a premium of Rs. 4/- each), to Mr. Atul Kumar, falling under public category, on preferential basis, on 1st February, 2021, by way of conversion of outstanding unsecured loan.

**(II) Purpose of Preferential Allotment & variation/deviation in utilization of fund raised through preferential allotment:**

The object of Preferential issue was to convert the unsecured loan into Equity Shares and Warrants convertible into Equity Shares and thereby to reduce the amount of outstanding liabilities of the Company and to increase the Equity amount of the Company. There is no deviation/variation in utilization of funds for which it was raised.

**22. Shares**

- a. Buyback of Securities: The Company has not brought back any of the securities during the year under review.
- b. Sweat Equity: The Company has not issued any sweat equity shares during the year under review.
- c. Employee Stock Option Plan: The Company had passed Resolution for providing Stock Options to the employees of the Company through postal ballot. However the same is yet to be implemented for which necessary approvals have been taken from regulatory authorities and Exchanges.

**23. Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committee.

**24. Number of Meetings of the Board**

During the year under review nine Board Meetings were held. The details of the Board and various Committee meetings are given in the Corporate Governance Report.

**25. Declaration by an Independent Director(s)**

A declaration has been received by an Independent Director(s) that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015. Further, there has been no change in the circumstances which may affect their status as independent director during the year.

**26. Remuneration Policy**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

**Nomination remuneration and compensation committee policy (NRC Committee)**

The NRC Committee of the Company shall be formed by the Board of Directors of the Company out of its Board members. The NRC Committee shall consist of minimum three non-executive directors out of which two shall be independent directors. The chairperson of the company may be appointed as a member of the NRC Committee but shall not chair the NRC Committee. The Chairman of the NRC Committee shall be an independent director. No member of the NRC Committee shall have a relationship that may interfere with his independence from management and the Company or with the exercise of his duties as a NRC committee member. The NRC Committee may invite such of the executives of the Company, as it considers appropriate (and particularly the Managing Director) to be present at the meetings of the NRC committee, but on occasions it may also meet without the presence of any executives of the company. The Company Secretary shall act as the secretary to the NRC Committee.

**27. Composition of Audit Committee**

The Audit Committee which comprises of Four directors namely, Ms. Ratna Jhaveri, Mr. Harish Shetty, # Mr. Prakash Vaghela, \$ Mr. Jinesh Shah, ^Mr. Abhinav Anand and @ Mr. Sudatta Subhankar.



# Mr. Prakash Vaghela (DIN: 07768595), was appointed as an Additional Independent Non – Executive Director w.e.f. 12.02.2021 and simultaneously as a member of Audit committee, Stakeholders Relationship committee & Risk Management Committee and as a Chairman of Nomination & Remuneration committee and Corporate Social Responsibility committee.

\$ Mr. Jinesh Shah (DIN:08847375), was appointed as an Additional Independent Non – Executive Director w.e.f. 12.02.2021 and simultaneously as a member of Audit committee, Nomination & Remuneration committee, Stakeholders Relationship committee, Corporate Social Responsibility & Risk Management Committee.

^ Mr. Abhinav Anand had resigned from the post of Independent Director w.e.f. 19.11.2020 and simultaneously resigned as a member of Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Risk Management Committee and as a Chairman of Corporate & Social Responsibility Committee.

@ Mr. Sudatta Subhankar had resigned from the post of Independent Director w.e.f. 24.11.2020 and simultaneously resigned as a member of Audit Committee, Stakeholders Relationship Committee, Corporate & Social Responsibility Committee and as a Chairman of Nomination & Remuneration Committee and Risk Management Committee.

## 28. Risk Management

Risks are events, situations or circumstances which may lead to negative consequences on the Company's businesses. Risk management is a structured approach to manage uncertainty. As a formal roll-out, all business divisions and corporate functions will embrace Risk Management Policy and Guidelines, and make use of these in their decision making. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews. The risk management process in our multi-business, multi-site operations, over the period of time will become embedded into the Company's business systems and processes, such that our responses to risks remain current and dynamic.

The Risk Management is overseen by the Audit Committee of the Company on a continuous basis. The Committee oversees Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis. For details, please refer to the Management Discussion and Analysis report which form part of the Board Report.

## 29. Vigil Mechanism

Your Company has established a mechanism called 'Vigil Mechanism' for directors and employees to report the unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy and provides safeguards against victimization of employees who avail the mechanism. The Vigil Mechanism Policy has been uploaded on the website of the Company at [www.duconinfra.co.in](http://www.duconinfra.co.in).

## 30. Corporate Social Responsibility

The Company has constituted a Corporate Social Responsibility Committee as per Section 135(1) of the Companies Act, 2013. The composition of CSR Committee and terms of reference are provided in Corporate Governance Report. The CSR policy is uploaded on the Company's website at [www.duconinfra.co.in](http://www.duconinfra.co.in). The CSR Report for the Financial Year 2020-2021 is annexed to this report as Annexure-V.

The Company had spent an amount of Rs. 0.21 lacs/- towards Corporate Social Responsibility contribution against total obligation to spent Rs. 8.54 lacs and thus the Company has an unspent amount of Rs. 8.33 lacs towards CSR as per the provisions of Companies Act, 2013. Due to Covid-19 pandemic, the Company could not achieve the desired profit/result/could not carry out its business activities at the desired level during the Financial 2020-21 and due to which the Company could not make adequate contribution towards Corporate Social Responsibility.

## 31. Credit Rating

Acuite Ratings had done the rating of the Company and had assigned D; Stable rating to the Company for Long Term Bank facilities for a total amount of Rs 57.00 Crore. Currently, the company is in the process of obtaining new rating for all the Bank facilities.

### 32. Particulars of Remuneration

The information required under Section 197 of the Act and the Rules made there-under, in respect of employees of the Company, is given under Annexure IV.

### 33. Internal Audit & Controls

The Company has in place proper and adequate internal control systems commensurate with the nature of its business, and size and complexity of its operations. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas.

### 34. Extract of Annual Return

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT-9 as a part of this Annual Report as Annexure-I. The same is also available on the website of the company at the web link <http://duconinfra.co.in/investors/>

### 35. Secretarial Audit Report

Pursuant to Section 204 of the Companies Act, 2013, the Company had appointed, Mr. Gaurang Shah, Practicing Company Secretary as its Secretarial Auditor to conduct the Secretarial Audit of the Company for the F.Y 2020-2021. The Company provides all the assistance and facilities to the Secretarial Auditor for conducting their audit. Report of Secretarial Auditors for the F.Y 2020-2021 in Form MR-3 is annexed to this report as Annexure-II.

### 36. Particulars of Loans, Guarantees or Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

### 37. Particulars of contracts or arrangements with related parties

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto have been disclosed in Form No. AOC-2 as Annexure-III.

### 38. Obligation of Company under the Sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013

In order to prevent sexual harassment of women at work place, a new act The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified. Your Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. During the year, the Company has not received any complaint of harassment.

### 39. Conservation of Energy, Technology Absorption, Research & Development and Foreign Exchange Earnings and Outgo

Information pursuant to Section 134(3)(m) of the Companies Act 2013 read with Rule 8(3) the Companies (Accounts) Rules, 2014 forming part of Directors' Report for the year ended 31st March, 2021 is as under:

**Conservation of Energy:** The Company's operations involve low energy consumption. However efforts to conserve and optimize the use of energy through improved operational methods and other means will continue.

**Technology Absorption:** The Technology available and utilized is continuously being upgraded to improve overall performance and productivity.

**Research & Development:** Your Company believes that research & development is a continuous process for sustained corporate excellence. Our research & development activities help us in product and service improvement, effective time management and are focused to provide unique benefits to our customers. Such methods do not involve any specific cost burden to the Company.

**Foreign Exchange Earnings** :Rs. Nil (previous year Nil)

**Foreign Exchange Outgo** :Rs. Nil (previous year Nil)

#### **40. Maintenance of cost records**

The Company was not required to maintain cost records under section 148 of the companies Act, 2013.

#### **41. Compliance with Secretarial standards**

The Company has complied with Secretarial Standard – 1 and Secretarial Standard – 2 issued by the Company Secretaries of India.

#### **42. Report on frauds reported by Auditors under Section 143(12) of the Companies Act, 2013:**

The Auditors have not reported any frauds as required to be mentioned under Section 143 (12) of the Companies Act, 2013.

#### **43. Acknowledgements**

Your Directors thank the Company's Investors, Clients, Vendors, Bankers, Business and various governmental as well as regulatory agencies for their continued support and confidence in the management.

Your Directors wish to place on record their deep sense of appreciation of the dedicated and sincere services rendered by employees at all levels during the year. Your Company's consistent growth was made possible by their hard work, solidarity, cooperation and support.

**For and on behalf of the Board of Directors  
Ducon Infratechnologies Limited**

**Arun Govil  
Managing Director  
DIN: 01914619**

**Harish Shetty  
Executive Director & CFO  
DIN: 07144684**

**Date: 14th August, 2021  
Place: Thane**

## Annexure I to the Directors Report

**FORM NO. MGT 9**

### EXTRACT OF ANNUAL RETURN

**As on financial year ended on 31.03.2021**

**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014.**

#### I. REGISTRATION & OTHER DETAILS:

1.	CIN	L72900MH2009PLC191412
2.	Registration Date	02/04/2009
3.	Name of the Company	DUCON INFRA TECHNOLOGIES LIMITED
4.	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES/ INDIAN NON-GOVERNMENT COMPANY
5.	Address of the Registered office & contact details	DUCON HOUSE, PLOT NO. A/4, ROAD NO. 1, MIDC, WAGLE INDUSTRIAL ESTATE, THANE 400604.
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	BIGSHARE SERVICES PRIVATE LIMITED, 1 ST FLOOR, BHARATTIN WORKS BUILDING, OPP. VASANT OASIS, MAKWANA ROAD, ANDHERI - EAST, MUMBAI - 400059 Email Id: rajeshm@bigshareonline.com Tel No.: 022-62638200/206
8.	E-mail Id	cs@duconinfra.co.in
9.	Telephone number	022-41122115

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Installation of industrial machinery and equipment	3320	100

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES [No. of Companies for which information is being filled]

Sr. No.	Name and Description of main products / services	CIN/GLN	Holding / Subsidiary / Associate
1	Ducon Combustion Equipment Inc.	5244185	Subsidiary Company

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2020]				No. of Shares held at the end of the year[As on 31-March-2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual / HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
<b>Sub Total (A)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
(2) Foreign									
a) NRI Individuals*	58442569	0	58442569	55.83	115442569	0	115442569	65.34	9.51
b) Other Individuals)	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Banks /FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub Total (A)(2)</b>	<b>58442569</b>	<b>0</b>	<b>58442569</b>	<b>0</b>	<b>115442569</b>	<b>0</b>	<b>115442569</b>	<b>65.34</b>	<b>9.51</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>58442569</b>	<b>0</b>	<b>58442569</b>	<b>55.83</b>	<b>115442569</b>	<b>0</b>	<b>115442569</b>	<b>65.34</b>	<b>9.51</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	8280	0	8280	0.01	0	0	0	0	(0.01)
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
j) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B) (1):-</b>	<b>8280</b>	<b>0</b>	<b>8280</b>	<b>0.01</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(0.01)</b>

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2020]				No. of Shares held at the end of the year[As on 31-March-2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	686828	0	686828	0.66	673006	0	673006	0.38	(0.28)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
I) Individual shareholders holding nominal share capital up to Rs. 1 lakh	31864694	296390	32161084	30.72	30953434	295190	31248624	17.69	(13.03)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	10067145	0	10067145	9.62	26167328	0	26167328	14.81	5.19
c) Others (specify)									
Foreign National	0	0	0	0	0	0	0	0	0
Clearing Members	440826	0	440826	0.42	212255	0	212255	0.12	(0.30)
NRI	0	0	0	0	17293	0	17293	0.01	0.01
Non-Resident Indians (REPAT)	1276059	0	1276059	1.22	1169057	0	1169057	0.66	(0.56)
Non-Resident Indians (NON REPAT)	351189	0	351189	0.34	376199	0	376199	0.21	(0.12)
Independent Directors and their Relatives	0	0	0	0	0	0	0	0	0
OCB	0	0	0	0	0	0	0	0	0
Foreign Bodies DR	0	0	0	0	0	0	0	0	0
Trust	500	0	500	0	500	0	500	0	0
Partnership Firm	200	0	200	0	200	0	200	0	0
Corporate Body NBFC	3840	0	3840	0	3840	0	3840	0	0
HUF	1236597	0	1236597	1.18	1364246	0	1364246	0.77	(0.41)
Employees Welfare Trust	0	0	0	0	0	0	0	0	0
<b>Sub-Total (B)(2)</b>	<b>45927878</b>	<b>296390</b>	<b>46224268</b>	<b>44.16</b>	<b>60937358</b>	<b>295190</b>	<b>61232548</b>	<b>34.66</b>	<b>(9.50)</b>
<b>Total Public Shareholding (B) = (B)(1)+ (B)(2)</b>	<b>45936158</b>	<b>296390</b>	<b>46232548</b>	<b>44.17</b>	<b>60937358</b>	<b>295190</b>	<b>61232548</b>	<b>34.66</b>	<b>(9.51)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>104378727</b>	<b>296390</b>	<b>104675117</b>	<b>100</b>	<b>176379927</b>	<b>295190</b>	<b>176675117</b>	<b>100</b>	<b>0</b>

Note: Percentage in bracket represents negative percentage.

\* The Company had allotted 57000000 Equity Shares and 59634400 Warrants convertible into Equity Shares to Mr. Arun Govil, Managing Director and Promoter of the Company, on preferential basis on conversion of his outstanding unsecured loan on 1st February, 2021. The above shareholding pattern does not include the details of 59634400 Warrants convertible into Equity Shares allotted to Mr. Arun Govil.

\$ The Company had allotted 15000000 Equity Shares to Mr. Atul Kumar, falling under Public category on preferential basis on conversion of his outstanding unsecured loan on 1st February, 2021.

## ii. Shareholding of Promoter -

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2020			Shareholding at the end of the year 31.03.2021			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	* Mr. Arun Govil	58442569	55.83	Nil	115442569	65.34	Nil	9.51
	<b>TOTAL</b>	<b>58442569</b>	<b>55.83</b>	<b>Nil</b>	<b>115442569</b>	<b>65.34</b>	<b>Nil</b>	<b>9.51</b>

\*\* The Company had allotted 57000000 Equity Shares and 59634400 Warrants convertible into Equity Shares to Mr. Arun Govil, Managing Director and Promoter of the Company, on preferential basis on conversion of his outstanding unsecured loan on 1st February, 2021. The above shareholding pattern does not include the details of 59634400 Warrants convertible into Equity Shares allotted to Mr. Arun Govil.

## iii. Change in Promoters' Shareholding: (please specify, if there is no change)

Sr. No.	Name of Promoter	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	*Mr. Arun Govil	At the beginning of the year	58442569	55.83	58442569	55.83
		Date wise increase / decrease in promoters share holding during the year specifying the reasons for increase / decrease (e.g. Allotment / transfer / bonus / sweat equity etc)- Preferential Allotment on conversion of unsecured loan on 1st February, 2021	57000000	9.51	57000000	9.51
		At the End of the year	115442569	65.34	115442569	65.34

\* The Company had allotted 57000000 Equity Shares and 59634400 Warrants convertible into Equity Shares to Mr. Arun Govil, Managing Director and Promoter of the Company, on preferential basis on conversion of his outstanding unsecured loan on 1st February, 2021. The above shareholding pattern does not include the details of 59634400 Warrants convertible into Equity Shares allotted to Mr. Arun Govil.

**iv. Shareholding Pattern of top ten Shareholders: -**

**(Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	Name of top ten shareholder	Shareholding at the beginning of the year		Change in share-Holding during the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Atul Kumar	0	0	15000000	8.49	15000000	8.49
2	Sandeep Padmakant Parikh	22901	0.01	1500000	0.86	1522901	0.86
3	Sharad Ramanlal Desai	860000	0.49	290000	0.16	1150000	0.65
4	Tejal Sandeep Parikh	0	0	1000000	0.57	1000000	0.57
5	Vasudeo Gobindram Chabria	0	0	500000	0.28	500000	0.28
6	Kamal Visaria	435899	0.25	0	0	435899	0.25
7	Poonam Vasudeo Chabria	0	0	400000	0.23	400000	0.23
8	Meghana M Jain	50074	0.03	322074	0.18	372148	0.21
9	Prafulchandra Jamnadas Thakrar	292223	0.17	0	0	292223	0.17
10	Arvind Yashwant Desai	281870	0.16	1630	0	283500	0.16

**v. Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Name of the shareholder	Shareholding at the beginning of the year as on 01.04.2019		Change in share-Holding during the year		Shareholding at the end of the year as on 31.03.2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	*Mr. Arun Govil – Managing Director	58442569	55.83	115442569	65.34	115442569	65.34
2.	Mr. Harish Shetty – Director & Chief Financial Officer	0	0	0	0	0	0
3.	Mr. Chandrasekhar Ganesan – Director	0	0	0	0	0	0
4.	Ms. Ratna Vikram Jhaveri – Director	0	0	0	0	0	0
5.	# Mr. Prakash Vaghela – Director	0	0	0	0	0	0
6.	\$ Mr. Jinesh Shah – Director	0	0	0	0	0	0
7.	^ Mr. Abhinav Anand	0	0	0	0	0	0
8.	@ Mr. Sudatta Subhankar	0	0	0	0	0	0
9.	Mr. Darshit Parikh – Company Secretary	0	0	0	0	0	0



\*The Company had allotted 57000000 Equity Shares and 59634400 Warrants convertible into Equity Shares to Mr. Arun Govil, Managing Director and Promoter of the Company, on preferential basis on conversion of his outstanding unsecured loan on 1st February, 2021. The above shareholding pattern does not include the details of 59634400 Warrants convertible into Equity Shares allotted to Mr. Arun Govil.

# Mr. Prakash Vaghela (DIN: 07768595), was appointed as an Additional Director (Non – Executive, Independent) of the Company w.e.f. 12.02.2021 and simultaneously as a member of Audit committee, Stakeholders Relationship committee & Risk Management Committee and as a Chairman of Nomination & Remuneration committee and Corporate Social Responsibility committee.

\$Mr. Jinesh Shah (DIN:08847375), was appointed as an Additional Director (Non – Executive, Independent) of the Company w.e.f. 12.02.2021 and simultaneously as a member of Audit committee, Nomination & Remuneration committee, Stakeholders Relationship committee, Corporate Social Responsibility & Risk Management Committee.

^Mr. Abhinav Anand had resigned from the post of Independent Director w.e.f. 19.11.2020 and simultaneously resigned as a member of Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Risk Management Committee and as a Chairman of Corporate & Social Responsibility Committee.

@ Mr. Sudatta Subhankar had resigned from the post of Independent Director w.e.f. 24.11.2020 and simultaneously resigned as a member of Audit Committee, Stakeholders Relationship Committee, Corporate & Social Responsibility Committee and as a Chairman of Nomination & Remuneration Committee and Risk Management Committee.

**V Indebtedness** - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
<b>i) Principal Amount</b>	5695.11	6581.72	0	12276.83
<b>ii) Interest due but not paid</b>	0	0	0	0
<b>iii) Interest accrued but not due</b>	0	0	0	0
<b>Total (i+ii+iii)</b>	5695.11	6581.72	0	12276.83
<b>Change in Indebtedness during the financial year</b>				
<b>Addition</b>	805.62	0	0	805.62
<b>Reduction</b>	0	(6550.51)	0	(6550.51)
<b>Net Change</b>	805.62	(6550.51)	0	(5744.89)
<b>Indebtedness at the end of the financial year</b>				
<b>i) Principal Amount</b>	6500.73	31.21	0	6531.94
<b>ii) Interest due but not paid</b>	0	0	0	0
<b>iii) Interest accrued but not due</b>	0	0	0	0
<b>Total (i+ii+iii)</b>	6500.73	31.21	0	6531.94

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

### A. Remuneration to Managing Director, Whole-time Directors:

(Rs. in Lakhs)

Sr. No.	Particulars of Remuneration	Mr. Arun Govil Managing Director	Mr. Chandrasekhar Ganesan Executive Director	Total
1	<b>Gross salary</b>	<b>2.40</b>	<b>26.89</b>	<b>29.29</b>
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil
2	<b>Stock Option</b>	Nil	Nil	Nil
3	<b>Sweat Equity</b>	Nil	Nil	Nil
4	<b>Commission</b>			
	- as % of profit	Nil	Nil	Nil
	- others, specify...	Nil	Nil	Nil
5	<b>Others, please specify</b>	Nil	Nil	Nil
	<b>Total (A)</b>	<b>2.40</b>	<b>26.89</b>	<b>29.29</b>
	<b>Ceiling as per the Act</b>	Nil	Nil	Nil

### B. Remuneration to other directors-

(Rs. in Lakhs)

Sr. No.	Name of the Director	Sitting Fees for attending Meeting	Salary & Perquisites	Commission	Total
1	# Mr. Prakash Vaghela	0	0	0	0
2	\$ Mr. Jinesh Shah	0	0	0	0
3	Ms. Ratna Jhaveri	0.60	0	0	0.60
4	^ Mr. Abhinav Anand	0.60	0	0	0.60
5	@ Mr. Sudatta Subhankar	0.65	0	0	0.65

# Mr. Prakash Vaghela (DIN: 07768595), was appointed as an Additional Director (Non – Executive, Independent) of the Company w.e.f. 12.02.2021 and simultaneously as a member of Audit committee, Stakeholders Relationship committee & Risk Management Committee and as a Chairman of Nomination & Remuneration committee and Corporate Social Responsibility committee.

\$ Mr. Jinesh Shah (DIN:08847375), was appointed as an Additional Director (Non – Executive, Independent) of the Company w.e.f. 12.02.2021 and simultaneously as a member of Audit committee, Nomination & Remuneration committee, Stakeholders Relationship committee, Corporate Social Responsibility & Risk Management Committee.

^ Mr. Abhinav Anand had resigned from the post of Independent Director w.e.f. 19.11.2020 and simultaneously resigned as a member of Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Risk Management Committee and as a Chairman of Corporate & Social Responsibility Committee.

@ Mr. Sudatta Subhankar had resigned from the post of Independent Director w.e.f. 24.11.2020 and simultaneously resigned as a member of Audit Committee, Stakeholders Relationship Committee, Corporate & Social Responsibility Committee and as a Chairman of Nomination & Remuneration Committee and Risk Management Committee.

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTB (Rs. in Lakhs)**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Mr. Darshit Parikh CS	Mr. Harish Shetty CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	9.00	28.80	37.80
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission - as % of profit others, specify...	0	0	0	0
5	Others, please specify	0	0	0	0
	<b>Total</b>	<b>0</b>	<b>9.00</b>	<b>28.80</b>	<b>37.80</b>

**VII. Penalties / Punishment / Compounding of Offences under Companies Act, 1956/2013:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [ RD / NCLT / Court ]	Appeal made, if any (give details)
COMPANY					
Penalty	None				
Punishment					
Compounding					
DIRECTORS					
Penalty	None				
Punishment					
Compounding					
OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishment					
Compounding					

For and on behalf of the Board of Directors  
Ducon Infratechnologies Limited

Arun Govil  
Managing Director  
DIN: 01914619

Harish Shetty  
Executive Director & CFO  
DIN: 07144684

Date: 14th August, 2021

Place: Thane

**Annexure II to the Directors' Report**

**Form No. MR-3**

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2021**

To,  
The Members,  
**DUCON INFRATECHNOLOGIES LIMITED**  
CIN: L72900MH2009PLC191412  
Ducon House, Plot No. A/4,  
Road No. 1, MIDC,  
Wagle Industrial Estate,  
Thane-400604.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by DUCON INFRATECHNOLOGIES LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information and representation pertaining to compliance provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 generally complied with the statutory provisions listed hereunder and based on the management representation, that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minutes book, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999, and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; wherever applicable
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act1):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999- Not applicable as the Company has not issued any ESOP shares during the financial year under review;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- Not applicable as the Company has not issued any debt securities;

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client- Not applicable as the Company is not registered as Registrar to Issue and Share Transfer Agents during the financial year under review;
- (g) The Securities and exchange Board of India (Delisting of Equity shares) Regulations, 2009 – Not Applicable as the company has not delisted or propose to delist its equity shares from any stock exchange/s during the financial year under review;
- (h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018- Not applicable as the Company has not bought back/propose to buy back any of its securities during the financial year under review;

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards (SS - 1 & SS - 2) issued by the Institute of Company Secretaries of India and as amended from time to time.
- ii. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

(vi) As informed by the Company, no industry specific Acts, Rules are applicable to the Company.

We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

During the period under review and as per the explanations and representations made by the management and subject to clarifications given to me, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc., mentioned above subject to the following observation:

1. Non-Compliance under Regulation 17(2A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 w.r.t. requirement pertaining to quorum of one of the Board meeting held during the quarter ended 31st December, 2020. The Company had received fine notice of Rs. 10,000/- plus GST on 15th February, 2021 from National Stock Exchange of India Limited and BSE Limited in respect of the same. The Company made payment thereof on 18th February, 2021 and 24th February, 2021 respectively. The Company took adequate steps by appointing Mr. Prakash Vaghela and Mr. Jinesh Shah, as Non-Executive, Independent Director of the Company with effect from 12th February, 2021 in order to meet quorum requirement at Board Meeting in future and has also given confirmation to the stock exchange that such type of non-compliance will not occur in future.
2. The Company had spent an amount of Rs. 0.21 lacs/- towards Corporate Social Responsibility out of total obligation to spent Rs. 8.54 lacs and thus the Company has an unspent. amount of Rs. 8.33 lacs towards CSR as per the provisions of Companies Act, 2013. Due to Covid-19 pandemic, the Company could not achieve the desired profit/result/could not carry out its business activities at the desired level during the Financial 2020-21 and due to which the Company could not make adequate contribution towards Corporate Social Responsibility.

A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance. Decisions at the Board Meetings, as represented by the management were taken unanimously.

I further report that as represented by the Company and relied upon by me, there are reasonably adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

As informed, the Company has reasonably responded to notices for demands, claims, penalties etc. levied by various statutory regulatory authorities and initiated actions for corrective measures, wherever necessary. There was no prosecution initiated and no fines paid except fine amount paid as mentioned above.

I further report that during the audit period, there are no specific events/actions having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc, referred to above except the following:

The Company had allotted 5,70,00,000 Equity shares of face value Re. 1/- each at an issue price of Rs. 5/- each (including a premium of Rs. 4/- each) and 5,96,34,400 Warrants convertible into Equity Shares of face value Re. 1/- each at an issue price of Rs. 5/- each (including a premium of Rs. 4/- each), to Mr. Arun Govil (DIN: 01914619), Managing Director and Promoter of the Company, on preferential basis, on 1st February, 2021, by way of conversion of outstanding unsecured loan.

The Company had also allotted 1,50,00,000 Equity Shares of face value Re. 1/- each at an issue price of Rs. 5/- each (including a premium of Rs. 4/- each), to Mr. Atul Kumar, falling under public category, on preferential basis, on 1st February, 2021, by way of conversion of outstanding unsecured loan.

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

**Gaurang Shah**  
**Practicing Company Secretary**  
**ACS No: 32581**  
**C P No.: 11953**  
**UDIN: A032581C000778645**

**Date: 13<sup>th</sup> August, 2021**

**Place: Thane**

**Annexure A**

To,

The Members,

**DUCON INFRATECHNOLOGIES LIMITED**

CIN: L72900MH2009PLC191412

Ducon House, Plot No. A/4,

Road No. 1, MIDC,

Wagle Industrial Estate,

Thane-400604.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Whenever required, we have obtained Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on the test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Gaurang Shah**

**Practicing Company Secretary**

**ACS No: 32581**

**C P No.: 11953**

**UDIN: A032581C000778645**

**Date: 13<sup>th</sup> August, 2021**

**Place: Thane**

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**Annexure III to the Directors' Report**

**FORM NO. AOC -2**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis:

There were no contracts or arrangements or transactions entered in to during the year ended 31st March, 2021, which were not at arm's length basis.

2. Details of contracts or arrangements or transactions at Arm's length basis:

There were no material contracts or arrangements or transactions at arm's length basis for the year ended 31st March, 2021.

**For and on behalf of the Board of Directors  
Ducon Infratechnologies Limited**

**Arun Govil  
Managing Director  
DIN: 01914619**

**Harish Shetty  
Executive Director & CFO  
DIN: 07144684**

**Date: 14<sup>th</sup> August, 2021**

**Place: Thane**



**ANNEXURE IV to the Directors' Report****PARTICULARS OF REMUNERATION**

(1) The information required under Section 197 of the Act and the Rules made there-under, in respect of employees of the Company, is follows:-

- (a) **The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year;**

Executive Directors	Ratio to Median Remuneration
Arun Govil	49.00
Harish Shetty	535.00
Chandrasekhar Ganesan	500.00

- (b) **The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year;**

Name of Person	% Increase in remuneration
Arun Govil	Nil
Harish Shetty	Nil
Chandrasekhar Ganesan	Nil

- (c) **The percentage increase in the median remuneration of employees in the financial year: NIL**

Note: Percentage in bracket represents negative percentage.

- (d) **The number of permanent employees on the rolls of company: 45**

- (e) **The explanation on the relationship between average increase in remuneration and company performance;**

There is no increase in the remuneration during the year. This is due to contraction in the business and implementation of cost control measures. In order to ensure that remuneration reflects company performance, the performance pay is linked to organization performance.

- (f) **Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:**

Particulars	(` in Lakhs)
Remuneration of Key Managerial Personnel (KMP) during financial year 2020-2021 (aggregated)	67.09
Revenue from operations	34195.38
Remuneration (as % of revenue)	0.20%
Profit before tax (PBT)	53.72
Remuneration (as % of PBT)	124.89%

- (g) **variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year;**

		As at	As at	
Particulars	Unit	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	Variation %
Closing rate of share at BSE	₹	6.05	2.42	150%
Closing rate of share at NSE	₹	6.00	2.45	144.90%
EPS( consolidated)	₹	0.02	0.08	(75)%
Market capitalization	₹/Lakhs			
BSE		10688.84	2533.14	321%
NSE		10600.51	2564.54	313.35%
Price Earnings Ratio	Ratio			
BSE		302.5	30.25	900%
NSE		300	30.63	879.43%

- (h) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**

The was not an average increase in salaries of employees other than managerial personnel in 2019-20. Percentage increase in the managerial remuneration for the year was NIL.

- (i) **Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company**

Particulars	Chief Executive Officer	Chief Financial Officer	Company Secretary
	Rs. /Lac	Rs./Lac	Rs./Lac
<b>Remuneration</b>	NIL	28.80	9.00
<b>Revenue from operations</b>	NIL	34,195.38	34195.38
<b>Remuneration (as % of revenue)</b>	NIL	0.084%	0.026%
<b>Profit before Tax (PBT)</b>	NIL	53.72	53.72
<b>Remuneration (as % of PBT)</b>	NIL	53.61%	16.75%

- (j) **The key parameters for any variable component of remuneration availed by the directors;**

No Variable Component in the Remuneration availed by Directors

- (k) **The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;**

**Not applicable.**

- (l) **Affirmation that the remuneration is as per the remuneration policy of the Company**

The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Through its compensation package, the Company endeavours to attract, retain, develop and motivate a high performance staff. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process. The Company affirms remuneration is as per the

remuneration policy of the company.

- (2) The statement to the board's report shall include a statement showing the name of every employee of the Company-

who-

- (i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees;- **Not Applicable to the Company**
- (ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month;- **Not Applicable to the Company**
- (iii) if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company- **Not Applicable to the Company.**

**For and on behalf of the Board of Directors  
Ducon Infratechnologies Limited**

**Arun Govil  
Managing Director  
DIN: 01914619**

**Harish Shetty  
Executive Director & CFO  
DIN: 07144684**

**Date: 14<sup>th</sup> August, 2021**

**Place: Thane**

## Annexure V to the Directors' Report

### REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2020-21

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy or projects or programs:

The object of CSR Policy of the Company is to continue to contribute towards social welfare projects focusing on providing education, vocational training, promoting health care facilities to economically weaker and underprivileged section of the Society and to do such other activities as may be permissible under Section 135 of the Companies Act, 2013 ('the Act') and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ('the Rules'). The Company's CSR policy is available on website of the company [www.duconinfra.co.in](http://www.duconinfra.co.in)

2. The Composition of the CSR Committee:

The Corporate Social Responsibility Committee (CSR Committee) consist of Non-Executive Director with chairman being an Independent Director. The Committee is chaired by # Mr Prakash Vaghela. The following are the members of the Committee:

Name of the Director	Category
Mr. Harish Shetty	Executive Director
Mr. Chandrasekhar Ganesan	Executive Director
# Mr. Prakash Vaghela	Non-Executive & Independent Director
^ Mr. Abhinav Anand	Non-Executive & Independent Director

# Mr. Prakash Vaghela (DIN: 07768595), was appointed as an Additional Independent Non – Executive Director w.e.f. 12.02.2021 and simultaneously as a member of Audit Committee, Stakeholders Relationship Committee & Risk Management Committee and as a Chairman of Nomination & Remuneration Committee and Corporate Social Responsibility Committee.

^ Mr. Abhinav Anand had resigned from the post of Independent Director w.e.f. 19.11.2020 and simultaneously resigned as a member of Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Risk Management Committee and as a Chairman of Corporate & Social Responsibility Committee.

3. Average net profit of the company for last three financial years: Rs. 427.00 lacs
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Rs. 8.54 lacs
5. Details of CSR spent during the financial year 2020-21.
  - (a) Total amount spent in the financial year: Rs. 0.21 lacs
  - (b) Amount unspent, if any: Rs. 8.33 lacs
  - (c) Manner in which the amount spent during the financial year is detailed below:- An amount of Rs. 0.21 lacs was spent for covid expenses i.e. Distribution of mask and sanitizer to other people
6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report:  
 The Company had spent an amount of Rs. 0.21 lacs/- towards Corporate Social Responsibility against total obligation to spent Rs. 8.54 lacs and thus the Company has an unspent amount of Rs. 8.33 lacs towards CSR as per the provisions of Companies Act, 2013. Due to Covid-19 pandemic, the Company could not achieve the desired profit/result/could not carry out its business activities at the desired level during the Financial 2020-21 and due to which the Company could not make adequate contribution towards Corporate Social Responsibility.
7. A responsibility statement of the CSR committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:  
 The CSR Committee hereby confirms that the implementation and monitoring of CSR Policy will be in compliance with CSR objectives and policy of the Company.

**For and on behalf of the Board of Directors**  
**Ducon Infratechnologies Limited**

**Arun Govil**  
**Managing Director**  
**DIN: 01914619**

**Harish Shetty**  
**Executive Director & CFO**  
**DIN: 07144684**

**Date: 14th August, 2021**  
**Place: Thane**

## CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2021.

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes in adopting the 'best practices' that are followed in the area of Corporate Governance and has consistently endeavored to practice good Corporate Governance. The Company's philosophy on corporate governance is to conduct its business in a manner, which is ethical and transparent with all stakeholders in the Company, including shareholders, vendors, creditors and employees. The Company emphasizes the need for full transparency and accountability in all its transactions, in order to protect the interests of its stakeholders.

Ducon firmly believes that all its operations and actions must serve the underlying goal of long term value creation for its shareholders and its investors. Our corporate governance framework ensures that we make timely disclosures and share accurate information regarding our financials and performance, as well as disclosures related to the leadership and governance of Ducon Infrotechnologies Limited ('the Company'/'DIL'/'Ducon').

The Company in its approach to adopt the best possible practices of Corporate Governance and keeping adherence to the latest rules and regulations prescribed by various regulatory authorities, has taken all the necessary steps to stay in line with the continuously progressing governance demands. During the financial year under review, adequate monitoring systems were followed to safeguard against major risk and to ensure implementation of policies and procedures in order to fulfill the Company's social, legal and ethical responsibilities.

### 2. BOARD OF DIRECTORS

Ducon Governance structure broadly comprises the Board of Directors and the Committees of the Board at the apex level and the Management structure at the operational level. This layered structure brings about a harmonious blend in governance as the Board sets the overall corporate objectives and gives direction and freedom to the Management to achieve these corporate objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable profitable growth.

#### BOARD MEETING AND PROCEDURES

The detailed Agenda, setting out the business to be transacted at the Meeting(s), is sent to each Director at least seven days before the date of the Board Meeting(s) and of the Committee Meeting(s) and in case of Board Meeting convened at shorter notice, where Independent Director was absent, decisions taken at such Board Meeting was circulated to all the Directors and the same was ratified by Independent Director.

In some instances, documents are tabled at the meetings and the presentations are also made by the respective executives on the matters related to them at the Board or Committee Meetings. The information as mentioned in Part A of Schedule II of the Listing Regulations, has been placed before the Board for its consideration. The Directors are also provided the facility of video /tele conferencing to enable them to participate effectively in the Meeting(s), as and when required.

Nine Board Meetings were held during the year 2020-2021. The Few Board Meetings were held at the Registered Office of the Company and the others were held through Video Conferencing mode or other audio/visual mode, due to Covid-19 pandemic

The dates on which the Board Meetings were held are as follows:

May 20, 2020, July 31, 2020, September 3, 2020, September 15, 2020, September 25, 2020, November 12, 2020, November 14, 2020, November 25, 2020, February 12, 2021.

The maximum gap between any two meetings was not more than one hundred and twenty days. As mandated by proviso under Regulation 17A (1) of the Listing Regulations as of March 31, 2021, none of the Independent Directors of the Company served as an Independent Director in more than seven listed entities and as per Regulation 26 of Listing Regulations none of Directors is a member of more than ten Committees or acting as Chairperson of more than five Committees across all listed companies in which he/she is a Director. None of the Directors on the Board holds directorships in more than ten public companies. The necessary disclosures regarding Committee positions have been made by the Directors. None of the Directors are related to each other.

## Role of Board of Directors

The primary role of the Board is that of trusteeship to protect and enhance shareholder value through strategic direction of the Company. As trustees, the Board has fiduciary responsibility to ensure that the Company has clear goals aligned to shareholder value and its growth. The Board exercises its duties with care, skill and diligence and exercises independent judgment. It sets strategic goals and seeks accountability for their fulfillment. It also directs and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholders' aspirations and societal expectations.

The Independent Directors have made disclosures confirming that there are no material, financial and/or commercial transactions between Independent Directors and the Company which could have potential conflict of interest with the Company at large.

The Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

The Non-Executive Directors with their diverse knowledge, experience and expertise bring in their independent judgment in the deliberations and decisions of the Board.

The Directors of the Company are provided with well-structured and comprehensive agenda papers in advance. All material information is incorporated in the Agenda for facilitating meaningful and focused discussion in the meeting. Minutes of the Board Meetings/Committee Meetings are circulated to the Directors well in advance and confirmed at the subsequent meeting.

The Company has an Executive Chairman and the number of Independent Directors are half of the total number of Directors. The Company, therefore meets with the requirements of Regulation 17 (1) (a) & (b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As required under the Companies Act, 2013, Mr. Prakash Vaghela and Mr. Jinesh Shah, had been appointed as the Independent Director w.e.f. 12th February, 2021 on the Board of the Company. Mr. Abhinav Anand and Mr. Sudatta Subhankar have resigned as Independent Directors on 19.11.2020 and 24.11.2020 respectively before the expiry of period of 5 years due to their other prior commitment and there were no other material reason for resigning from the Company.

## Composition and category

The present strength of Board of Directors is Six. The Board of Directors of your Company presently comprise of an Executive Chairman, Two Executive Directors, Three Non-Executive and Independent Directors. The Independent Directors with their diverse knowledge, experience and expertise bring in their independent judgment in the deliberations and decisions of the Board.

The following table gives details of composition of the Board of Directors and also the number of other Board of Directors of which they are a member/Chairman are as under:

Name of Director	Category of Directorship	Attendance at last AGM	No. of Board Meetings Attended	No. of other Directorships in other listed Companies	Membership of other board Committees in Audit / Stakeholders Relationship Committee	Chairmanships in Audit / Stakeholders Relationship Committee	Category of directorship and Names of other listed entities where person is a director
Mr. Arun Govil DIN: 01914619	Managing Director	No	9	0	0	0	Nil
Mr. Harish Shetty DIN: 07144684	Executive Director	Yes	9	0	0	0	Nil
Mr. Chandrasekhar Ganesan DIN: 07144708	Executive Director	Yes	9	0	0	0	Nil
Ms. Ratna Jhaveri DIN: 07732263	Non- Executive & Independent Director	No	9	0	0	0	Nil

Name of Director	Category of Directorship	Attendance at last AGM	No. of Board Meetings Attended	No. of other Directorships in other listed Companies	Membership of other board Committees in Audit / Stakeholders Relationship Committee	Chairmanships in Audit / Stakeholders Relationship Committee	Category of directorship and Names of other listed entities where person is a director
#Mr. Prakash Vaghela DIN: 07768595	Non- Executive & Independent Director	Not Applicable	1	3	5	1	Non-Executive Independent Director 1. SVP Global Ventures Limited 2. National Standard (India) Limited 3. Roselabs Finance Limited
\$Mr. Jinesh Shah DIN: 08847375	Non- Executive & Independent Director	Not Applicable	1	1	0	0	Non-Executive Independent Director 1. SVP Global Ventures Limited
^Abhinav Anand DIN-07732241	Non- Executive & Independent Director	Yes	7	1	1	0	Non-Executive Independent Director Aryaman Financial Services Limited
@ Mr. Sudatta Subhankar DIN-08706538	Non- Executive & Independent Director	Yes	7	0	0	0	Nil

# Mr. Prakash Vaghela (DIN: 07768595), was appointed as an Additional Director (Non – Executive, Independent) of the Company w.e.f. 12.02.2021 and simultaneously as a member of Audit committee, Stakeholders Relationship committee & Risk Management Committee and as a Chairman of Nomination & Remuneration committee and Corporate Social Responsibility committee.

\$ Mr. Jinesh Shah (DIN:08847375), was appointed as an Additional Director (Non – Executive, Independent) of the Company w.e.f. 12.02.2021 and simultaneously as a member of Audit committee, Nomination & Remuneration committee, Stakeholders Relationship committee, Corporate Social Responsibility & Risk Management Committee.

^ Mr. Abhinav Anand had resigned from the post of Independent Director w.e.f. 19.11.2020 and simultaneously resigned as a member of Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Risk Management Committee and as a Chairman of Corporate & Social Responsibility Committee.

@ Mr. Sudatta Subhankar had resigned from the post of Independent Director w.e.f. 24.11.2020 and simultaneously resigned as a member of Audit Committee, Stakeholders Relationship Committee, Corporate & Social Responsibility Committee and as a Chairman of Nomination & Remuneration Committee and Risk Management Committee.

Notes-

- The above details of Directorship and Membership includes the details of this Company and other Listed Companies.
- The details of Membership/Chairmanship includes the details of only Audit and Stakeholder Committee
- The number of Directorships, Committee Membership(s)/Chairmanship(s) of all Directors is within the respective limits prescribed under the Act and the Listing Regulations.
- The above details excludes the details of Foreign Companies and Section 8 Companies
- All the Non-Executive Directors are Independent Directors
- None of the Directors of the Company have any inter-se relationship amongst them.
- Non-Executive Directors of the Company do not hold any shares and convertible instruments in the Company.
- None of the Directors of the Company have any pecuniary relationship with the Company, except to the extent of receipt of remuneration/sitting fees paid and Equity shares held by any Directors of the Company.

Particulars of Director seeking appointment/re-appointment at the Annual general meeting have been given in the annexure to the Notice.

The Board evaluates its composition to ensure that the Board has the appropriate mix of skills, expertise, experience and knowledge for its continued effectiveness and serving the Company's governance and strategic needs. The Directors possess necessary experience, skills and ability relevant to the Company's business and affairs.

Pursuant to Regulation 34(3) read with Schedule V Part (C) (2) (h) of Listing Regulations the Board of Directors has identified the following requisite skills/expertise and competencies for the effective functioning of the Company which are currently available with the Board.

Name of Director	Skills/Expertise/Competence of Directors						
	Leadership knowledge of Engineering Company	Strategic & Business Planing	Goveranance, Ethics & Business Planing	Audit & Risk Management	Sustainability	Human Resources	Information Technology Knowledge
Mr. Arun Govil	✓	✓	✓	✓	✓	✓	✓
Mr. Harish Shetty	✓	✓	✓	✓	✓	✓	✓
Mr. Chandrasekhar Ganesan	✓	✓	✓	✓	✓	✓	✓
Mr. Prakash Vaghela	✓	✓	✓	✓	✓	✓	✓
Mr. Jinesh Shah	✓	✓	✓	✓	✓	✓	✓
Ms. Ratna Jhaveri	-	-	✓	✓	✓	-	✓

# Mr. Prakash Vaghela (DIN: 07768595), was appointed as an Additional Director (Non – Executive, Independent) of the Company w.e.f. 12.02.2021 and simultaneously as a member of Audit committee, Stakeholders Relationship committee & Risk Management Committee and as a Chairman of Nomination & Remuneration committee and Corporate Social Responsibility committee.

§ Mr. Jinesh Shah (DIN:08847375), was appointed as an Additional Director (Non – Executive, Independent) of the Company w.e.f. 12.02.2021 and simultaneously as a member of Audit committee, Nomination & Remuneration committee, Stakeholders Relationship committee, Corporate Social Responsibility & Risk Management Committee.

^ Mr. Abhinav Anand had resigned from the post of Independent Director w.e.f. 19.11.2020 and simultaneously resigned as a member of Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Risk Management Committee and as a Chairman of Corporate & Social Responsibility Committee.

@ Mr. Sudatta Subhankar had resigned from the post of Independent Director w.e.f. 24.11.2020 and simultaneously resigned as a member of Audit Committee, Stakeholders Relationship Committee, Corporate & Social Responsibility Committee and as a Chairman of Nomination & Remuneration Committee and Risk Management Committee.

The brief profiles of Directors are also available on the website of the Company-www.duconinfra.co.in.

Pursuant to Clause C(2)(i) of Schedule V read with Regulation 34(3) of Listing Regulations, in the opinion of the Board all the independent directors fulfill the conditions as specified in the Listing Regulations and are independent of the management.

### 3. AUDIT COMMITTEE

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities.

The Company complies with the provisions of Section 177 of the Companies Act, 2013, as well as with the provisions of Regulation 18 read with Part C of the Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, pertaining to the Audit Committee and its functioning. The Audit Committee is chaired by Ms. Ratna Jhaveri and the other Members as on date are



Mr. Harish Shetty, Mr. Prakash Vaghela & Mr. Jinesh Shah. Mr. Darshit Parikh, Company Secretary acted as a Secretary to the Audit Committee.

The Audit Committee met Eight times during the financial year 2020-2021 on the following date:

May 20, 2020, July 31, 2020, September 3, 2020, September 15, 2020, September 25, 2020, November 12, 2020, November 14, 2020, February 12, 2021.

The maximum gap between any two meetings was not more than one hundred and twenty days. The necessary quorum was present for all the meetings.

The details of attendance of members of the Audit Committee are given as under:

Name of the Director	Category of the Directors	No of Meetings Held	No. of Meetings attended
Ms. Ratna Vikram Jhaveri	Non-Executive & Independent Director	8	6
Mr. Harish Shetty	Executive Director	8	8
# Mr. Prakash Vaghela	Non-Executive & Independent Director	8	1
\$ Mr. Jinesh Shah	Non-Executive & Independent Director	8	1
^ Mr. Abhinav Anand	Non-Executive & Independent Director	8	7
@ Mr. Sudatta Subhankar	Non-Executive & Independent Director	8	7

# Mr. Prakash Vaghela (DIN: 07768595), was appointed as an Additional Director (Non – Executive, Independent) of the Company w.e.f. 12.02.2021 and simultaneously as a member of Audit committee, Stakeholders Relationship committee & Risk Management Committee and as a Chairman of Nomination & Remuneration committee and Corporate Social Responsibility committee.

\$ Mr. Jinesh Shah (DIN:08847375), was appointed as an Additional Director (Non – Executive, Independent) of the Company w.e.f. 12.02.2021 and simultaneously as a member of Audit committee, Nomination & Remuneration committee, Stakeholders Relationship committee, Corporate Social Responsibility & Risk Management Committee.

^ Mr. Abhinav Anand had resigned from the post of Independent Director w.e.f. 19.11.2020 and simultaneously resigned as a member of Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Risk Management Committee and as a Chairman of Corporate & Social Responsibility Committee.

@ Mr. Sudatta Subhankar had resigned from the post of Independent Director w.e.f. 24.11.2020 and simultaneously resigned as a member of Audit Committee, Stakeholders Relationship Committee, Corporate & Social Responsibility Committee and as a Chairman of Nomination & Remuneration Committee and Risk Management Committee.

The Company has an Internal Audit Department which is headed by a qualified Chartered Accountant, who is responsible for conducting independent Internal Audit. The Internal Auditor reports directly to the Audit Committee of the Board.

**The terms of reference of the Audit Committee are as follows:**

- Recommending the appointment and removal of statutory auditor, fixation of terms of appointment, audit fees and also approval for payment for any other services.
- Reviewing with management the quarterly / annual financial statements before submission to the Board focusing primarily on the following:
  - Any change in accounting policies and practices.
  - Compliance with accounting standards.

- Major accounting entries based on exercise of judgement by management
- Matters required to be included in the Director's Responsibility Statement.
- Significant adjustment arising out of audit.
- Qualification in draft audit report.
- Reviewing the finding of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity of a failure of internal control systems of a material nature and reporting the matter to the Board.
- To ensure proper disclosure in the Quarterly, Half yearly and Annual Financial Statements and Auditors Report thereon.
- To review the functioning of the Whistle Blower Mechanism
- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Scrutiny of inter-corporate loans and investments.
- Discussion with statutory auditors before the audit commences, nature and scope of audit as well as have post audit discussion to ascertain any area of concern.
- Any related party transaction, i.e., transaction of the management, their subsidiaries or relatives, etc., that may have potential conflict with the interest of Company at large.
- Approval or any subsequent modification of transactions of the Company with related parties and granting omnibus approval to related party transactions which are in the ordinary course of business and on an arm's length basis and to review and approve such transactions.
- Reviewing with the management, statutory and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors any significant findings and follow up thereon.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems. Reviewing the Company's financial and risk management policies.
- Approval of appointment of CFO (i.e., the Whole Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experiences background etc. of the candidate.
- Review and monitor the Auditor's independence, performance and effectiveness of audit process.

#### 4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration committee consists of Non-Executive Directors with the Chairman being Mr. Prakash Vaghela, an Independent Director. The other members of Committee are Mr. Jinesh Shah and Ms. Ratna Jhaveri. The Nomination and Remuneration committee met twice during the year.

The details of attendance of Members of Nomination and Remuneration in respect of Nomination and Remuneration Committee meetings are as under:

Name of the Director	Category	No. of Meetings attended
# Mr. Prakash Vaghela	Non-Executive & Independent Director	1
Ms. Ratna Jhaveri	Non-Executive & Independent Director	2
\$ Mr. Jinesh Shah	Non-Executive & Independent Director	1
^ Mr. Abhinav Anand	Non-Executive & Independent Director	1
@ Mr. Sudatta Subhankar	Non-Executive & Independent Director	1

- # Mr. Prakash Vaghela (DIN: 07768595), was appointed as an Additional Director (Non – Executive, Independent) of the Company w.e.f. 12.02.2021 and simultaneously as a member of Audit committee, Stakeholders Relationship committee & Risk Management Committee and as a Chairman of Nomination & Remuneration committee and Corporate Social Responsibility committee.
- \$ Mr. Jinesh Shah (DIN:08847375), was appointed as an Additional Director (Non – Executive, Independent) of the Company w.e.f. 12.02.2021 and simultaneously as a member of Audit committee, Nomination & Remuneration committee, Stakeholders Relationship committee, Corporate Social Responsibility & Risk Management Committee.
- ^ Mr. Abhinav Anand had resigned from the post of Independent Director w.e.f. 19.11.2020 and simultaneously resigned as a member of Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Risk Management Committee and as a Chairman of Corporate & Social Responsibility Committee.
- @ Mr. Sudatta Subhankar had resigned from the post of Independent Director w.e.f. 24.11.2020 and simultaneously resigned as a member of Audit Committee, Stakeholders Relationship Committee, Corporate & Social Responsibility Committee and as a Chairman of Nomination & Remuneration Committee and Risk Management Committee.

**The terms of reference of Nomination & Remuneration Committee are as follows:**

The Nomination and Remuneration committee of the Company is constituted in line with the provisions of Regulation 19 with Part D of the Schedule II of SEBI Listing Regulations, read with Section 178 of the Act.

- To review the performance of the Chairman and Managing Director and the Directors after considering the Company's performance and to review overall compensation policy, service agreements, performance incentive and other employment conditions of Executive Director(s).
- To approve the annual Remuneration of the Directors and Employees of the Company.
- Recommend to the Board the setup and composition of the Board and its committees.
- To review overall compensation policy, service agreements, performance incentive and other employment conditions of Executive Director(s).
- Recommend to the Board the appointment/re-appointment of Directors and Key Managerial Personnel.
- Support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and individual Directors.
- Oversee familiarization programs for Directors.

The terms of reference of the NRC, is uploaded on the Company's web site at <http://duconinfra.co.in/wp-content/uploads/2016/08/Nomination-Remuneration-Policy.pdf>

**Remuneration Policy**

The Remuneration of the Executive Director is decided by the Remuneration Committee based on criteria such as industry benchmarks, the company's performance vis-a-vis the industry performance, track record of the Executive Directors.

Remuneration of employees largely consists of basic remuneration and performance incentives. The Company while deciding the remuneration package takes into consideration the employment scenario, remuneration package of the industry and the remuneration package of other Industries. The annual variable pay of Senior Managers is linked to the performance of the Company and their individual performance for the relevant year measured against specific Key Result Areas, which are aligned to the Company's objectives. The details of Remuneration paid to Executive Directors are as follows:

Sr. No.	Name of the Director	Remuneration (Rs. in Lacs)	Total (Rs. in Lacs)
1	Mr. Arun Govil	2.40	2.40
2	Mr. Harish Shetty	28.80	28.80
3	Mr. Chandrasekhar Ganesan	26.89	26.89

The Company has not issued any Stock options to the Directors (Executive Directors and Non-Executive Directors which includes Independent Directors). Independent Directors of the Company have disclosed that they do not hold any Equity Shares or convertible instruments of the Company. There has been no pecuniary relationship or transactions of the Non-Executive Directors vis-a-vis the Company during the year under review.

#### **CRITERIA FOR PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS**

The criteria and manner for evaluation of performance of Independent Directors provide certain parameters like board composition & quality, commitment to the Company's vision, level of participation at Board/Committee Meeting, level of engagement and contribution, Independence of judgment, understanding duties, responsibilities, qualifications, disqualifications and liabilities as an independent director, up-to-date knowledge / information pertaining to business of the Company in which the Company is engaged in, implementation of good corporate governance practices. enhancing long term shareholders' value, professional approach, openness to ideas, providing guidance and counsel to senior management in strategic matters and rendering independent and unbiased opinion at the meetings etc., monitoring the company's internal controls & review compliance Reports on applicable laws, regulations and guidelines.

The Board completed the performance evaluation of directors as per requirement of law. The Independent directors fulfilled the requirement of independence as laid down in the Act and Listing Regulations and are independent of management.

#### **5. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The stakeholders relationship committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with Section 178(5) of the Companies Act, 2013.

The Stakeholders Relationship Committee chaired by Ms. Ratna Vikram Jhaveri. The other Members of the Committee are Mr. Chandrasekhar Ganesan, Mr. Prakash Vaghela and Mr. Jinesh Shah. Mr. Darshit Parikh, Company Secretary of the company is the Compliance Officer of the Company. The Stakeholders Relationship Committee met twice during the year. The details of the meetings attended by the Directors are given below:

<b>Name of the Director</b>	<b>Category</b>	<b>No. of Meetings attended</b>
Ms. Ratna Jhaveri	Non-Executive & Independent Director	2
Mr. Chandrasekhar Ganesan	Executive Director	2
# Mr. Prakash Vaghela	Non-Executive & Independent Director	1
\$ Mr. Jinesh Shah	Non-Executive & Independent Director	1
^ Mr. Abhinav Anand	Non-Executive & Independent Director	1
@ Mr. Sudatta Subhankar	Non-Executive & Independent Director	1

# Mr. Prakash Vaghela (DIN: 07768595), was appointed as an Additional Director (Non – Executive, Independent) of the Company w.e.f. 12.02.2021 and simultaneously as a member of Audit committee, Stakeholders Relationship committee & Risk Management Committee and as a Chairman of Nomination & Remuneration committee and Corporate Social Responsibility committee.

\$ Mr. Jinesh Shah (DIN:08847375), was appointed as an Additional Director (Non – Executive, Independent) of the Company w.e.f. 12.02.2021 and simultaneously as a member of Audit committee, Nomination & Remuneration committee, Stakeholders Relationship committee, Corporate Social Responsibility & Risk Management Committee.

^ Mr. Abhinav Anand had resigned from the post of Independent Director w.e.f. 19.11.2020 and simultaneously resigned as a member of Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Risk Management Committee and as a Chairman of Corporate & Social Responsibility Committee.

@ Mr. Sudatta Subhankar had resigned from the post of Independent Director w.e.f. 24.11.2020 and simultaneously resigned as a member of Audit Committee, Stakeholders Relationship Committee, Corporate & Social Responsibility Committee and as a Chairman of Nomination & Remuneration Committee and Risk Management Committee.

The committee meets at frequent intervals, to approve inter-alia, transfer/transmission of Equity shares, non-receipt of annual Report, attending to complaints of investors routed by SEBI/Stock Exchanges and reviews the status of investors' grievances and

redressed mechanism and recommend measures to improve the level of investor services. Details of share transfer/transmission approved by the committee are placed at the Board meetings from time to time.

**The Terms of Reference of Stakeholders Relationship Committee are as follows:**

1. To oversee and review redressal of shareholder and investor grievances, on matters relating to issue, transfer/transmission of securities, non-receipt of annual report, non-receipt of dividends/interests.
2. To review the measures taken for effective exercise of voting rights by shareholders.
3. To review the adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar Share Transfer Agent.
4. To review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
5. To issue duplicate share/debenture certificate(s) reported lost, defaced or destroyed as per the laid down procedure and to resolve the grievances of security holders of the Company, if any.
6. Attending to complaints of security holders routed by SEBI (SCORES)/Stock Exchanges/RBI or any other Regulatory Authorities.
7. Taking decision on waiver of requirement of obtaining the Succession Certificate/Probate of Will on case to case basis within the parameters set out by the Board of Directors.
8. To monitor transfer of the amounts/shares transferable to Investor Education and Protection Fund.
9. To list the securities of the Company on Stock Exchanges.
10. Any other matters that can facilitate better investor services and relations.

During the year under review, no complaints were received from shareholders/investors and hence no chances of complaints remained unresolved as on 31.03.2021. The numbers of pending share transfers as on March 31, 2021 were Nil.

## 6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) Committee has been constituted in line with the provisions of Section 135 of the Act

The Corporate Social Responsibility (CSR) committee consists of Non-Executive Directors and being chaired by Mr. Prakash Vaghela. The members of Committee are #Mr. Prakash Vaghela, Mr. Harish Shetty, Mr. Chandrasekhar Ganesan and ^Mr. Abhinav Anand. The committee met twice during the year.

Name of the Director	Category	No. of Meetings attended
# Mr. Prakash Vaghela	Non-Executive & Independent Director	1
Mr. Harish Shetty	Executive Director	2
Mr. Chandrasekhar Ganesan	Executive Director	2
^ Mr. Abhinav Anand	Non-Executive & Independent Director	1

# Mr. Prakash Vaghela (DIN: 07768595), was appointed as an Additional Director (Non – Executive, Independent) of the Company w.e.f. 12.02.2021 and simultaneously as a member of Audit committee, Stakeholders Relationship committee & Risk Management Committee and as a Chairman of Nomination & Remuneration committee and Corporate Social Responsibility committee.

\$ Mr. Jinesh Shah (DIN:08847375), was appointed as an Additional Director (Non – Executive, Independent) of the Company w.e.f. 12.02.2021 and simultaneously as a member of Audit committee, Nomination & Remuneration committee, Stakeholders Relationship committee, Corporate Social Responsibility & Risk Management Committee.

^ Mr. Abhinav Anand had resigned from the post of Independent Director w.e.f. 19.11.2020 and simultaneously resigned as a member of Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Risk Management Committee and as a Chairman of Corporate & Social Responsibility Committee.

**The terms of reference of the CSR Committee are as follows:**

1. Formulating and recommending to the Board of Directors the CSR Policy and monitoring the same from time to time.
2. The Committee will review and evaluate the sustainability agenda, suggest modifications, discuss and recommend action plan to take the CSR activities forward.
3. CSR Committee will monitor the spend on CSR activities by the Company as well as ensure that the Company spends atleast the minimum sum as may be prescribed from time to time pursuant to the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014 or such higher sum as may be decided by the Board of Directors of the Company..
4. Any other matter as may be necessary for implementation of CSR Policy.

**7. RISK MANAGEMENT COMMITTEE**

The risk management committee of the Company is constituted in line with the provisions of Regulation 21 of SEBI Listing Regulations. Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The Risk Management committee consists of Non-Executive Directors with the Chairman being an Independent Director. The members of Committee were Ms. Ratna Jhaveri, #Mr. Prakash Vaghela, \$Mr. Jinesh Shah, ^Mr. Abhinav Anand, @ Mr. Sudatta Subhankar. The committee is chaired by Ms. Ratna Jhaveri.

**The Terms of Reference of Risk Management Committee are as follows:**

- Oversight of risk management performed by the executive management;
- Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle;
- Defining framework for identification, assessment, monitoring, mitigation and reporting of risks.
- Such other matters as may be delegated by Board from time to time.

Within its overall scope as aforesaid, the Committee shall review risks trends, exposure, potential impact analysis and mitigation plan.

# Mr. Prakash Vaghela (DIN: 07768595), was appointed as an Additional Director (Non – Executive, Independent) of the Company w.e.f. 12.02.2021 and simultaneously as a member of Audit committee, Stakeholders Relationship committee & Risk Management Committee and as a Chairman of Nomination & Remuneration committee and Corporate Social Responsibility committee.

\$ Mr. Jinesh Shah (DIN:08847375), was appointed as an Additional Director (Non – Executive, Independent) of the Company w.e.f. 12.02.2021 and simultaneously as a member of Audit committee, Nomination & Remuneration committee, Stakeholders Relationship committee, Corporate Social Responsibility & Risk Management Committee.

^ Mr. Abhinav Anand had resigned from the post of Independent Director w.e.f. 19.11.2020 and simultaneously resigned as a member of Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Risk Management Committee and as a Chairman of Corporate & Social Responsibility Committee.

@ Mr. Sudatta Subhankar had resigned from the post of Independent Director w.e.f. 24.11.2020 and simultaneously resigned as a member of Audit Committee, Stakeholders Relationship Committee, Corporate & Social Responsibility Committee and as a Chairman of Nomination & Remuneration Committee and Risk Management Committee.

**8. INDEPENDENT DIRECTORS' MEETING**

During the year under review, as required under Schedule IV to the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Independent Directors met on 10th March, 2021, inter alia to discuss:

- Evaluation of performance of Non Independent Directors and the Board of Directors as a whole;
- Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

## 9. FAMILIARIZATION PROGRAMME OF INDEPENDENT DIRECTORS

The Independent directors of DIL are eminent personalities having wide experience in the field of business, finance, education, industry, commerce and administration. Their presence on the Board has been advantageous and fruitful in taking business decisions.

Independent Directors are appointed as per policy of the Company, with management expertise and wide range of experience. The Directors appointed by the Board are given induction and orientation with respect to the Company's vision, strategic direction, core values, including ethics, corporate governance practices, financial matters and business operations by having one-to-one meetings.

The new Board members are also requested to access the necessary documents/brochures, Annual Reports and internal policies available at our website [www.duconinfra.co.in](http://www.duconinfra.co.in) to enable them to familiarize with the Company's procedures and practices.

Updates on relevant statutory changes encompassing important laws are regularly intimated to the Independent Directors. Their presence on the Board has been advantageous and fruitful in taking Business decisions.

Pursuant to Regulation 25(7) of the Listing Regulations, the Company has put in place a system to familiarize its Independent Directors about the Company, its financial products, the industry and business model of the Company and its subsidiary. Pursuant to Regulation 46 of Listing Regulations the details of Familiarization Programme is uploaded on the Company's website i.e. [www.duconinfra.co.in](http://www.duconinfra.co.in)

## 10. POLICY FOR REMUNERATION OF NON-EXECUTIVE DIRECTORS

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees as detailed hereunder:

- A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;
- All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration if the following conditions are satisfied:
  - i) The Services are rendered by such Director in his capacity as the professional; and
  - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

### Sitting fees

For the year 2020-2021, the Company paid sitting fees of Rs. 1.85 lacs to its Non-Executive Directors for attending meetings of the Board and Meeting of Committees of the Board.

The details of sitting fees and any other payment (if any) made to Non-Executive Directors for the year 2020-2021 are as under:

(₹ in lakhs)					
Sr. No.	Name of the Director	Sitting Fees for attending Meeting	Salary & Perquisites	Commission	Total
1	Ms. Ratna Jhaveri	0.60	0	0	0.60
2	# Mr. Prakash Vaghela	0	0	0	0
3	\$ Mr. Jinesh Shah	0	0	0	0
4	^ Mr. Abhinav Anand	0.60	0	0	0.60
5	@Mr. Sudatta Shubhankar	0.65	0	0	0.65
	<b>Total</b>	<b>1.85</b>	<b>0</b>	<b>0</b>	<b>1.85</b>

- # Mr. Prakash Vaghela (DIN: 07768595), was appointed as an Additional Director (Non – Executive, Independent) of the Company w.e.f. 12.02.2021 and simultaneously as a member of Audit committee, Stakeholders Relationship committee & Risk Management Committee and as a Chairman of Nomination & Remuneration committee and Corporate Social Responsibility Committee.
- \$ Mr. Jinesh Shah (DIN:08847375), was appointed as an Additional Director (Non – Executive, Independent) of the Company w.e.f. 12.02.2021 and simultaneously as a member of Audit committee, Nomination & Remuneration committee, Stakeholders Relationship committee, Corporate Social Responsibility & Risk Management Committee.
- ^ Mr. Abhinav Anand had resigned from the post of Independent Director w.e.f. 19.11.2020 and simultaneously resigned as a member of Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Risk Management Committee and as a Chairman of Corporate & Social Responsibility Committee.
- @ Mr. Sudatta Subhankar had resigned from the post of Independent Director w.e.f. 24.11.2020 and simultaneously resigned as a member of Audit Committee, Stakeholders Relationship Committee, Corporate & Social Responsibility Committee and as a Chairman of Nomination & Remuneration Committee and Risk Management Committee.

## 11. REPORT ON CORPORATE GOVERNANCE

The quarterly compliance report has been submitted to the Stock Exchanges where the Companies equity shares are listed in the requisite format duly signed by the Compliance Officer.

## 12. GENERAL BODY MEETINGS

The last Three Annual General Meetings of the Company were held as under:-

**\*11<sup>th</sup> AGM:** September 30, 2020 through Video Conferencing and other Audio Visual Mode

Number of Special Resolutions: 5

1. Alteration of Main object Clause of the Company
2. Alteration of Articles of Association of the company
3. Issuance of Equity shares to Mr. Arun Govil, Promoter and Director, on preferential basis
4. Issuance of Warrants Convertible into Equity Shares to Mr. Arun Govil, Promoter and Director on preferential basis
5. Conversion of Loan into Equity Shares

\*Note- As per the direction of BSE Limited and National Stock Exchange of India Limited, the Company had obtained shareholders approval again in respect of item no. 3 to 5 above through postal ballot on 26th December, 2020.

Details of special resolution passed through postal ballot (Remote E-voting) on 26th December, 2020:

1. Increase in Authorised Share Capital of the Company and consequent changes Memorandum of Association of the Company

Particulars	Total No. of Valid Votes	Votes Assenting the Resolution	% of Votes Cast	Votes Dissenting the Resolution	% of Votes Cast
Votes cast through Electronic Mode	63709287	63572401	99.79	136886	0.21
Votes cast through Physical Mode	0	0	0	0	0
Total	63709287	63572401	99.79	136886	0.21

Special Resolution passed with requisite majority



2. Issue of Equity Shares on Preferential basis to Mr. Arun Govil (DIN-01914619), Managing Director and Promoter of the Company, on conversion of existing unsecured loan, in supersession of Special Resolution passed at the Annual General Meeting held on 30th September, 2020

Particulars	Total No. of Valid Votes	Votes Assenting the Resolution	% of Votes Cast	Votes Dissenting the Resolution	% of Votes Cast
Votes cast through Electronic Mode	5266718	5122601	97.26	144117	2.74
Votes cast through Physical Mode	0	0	0	0	0
Total	5266718	5122601	97.26	144117	2.74

Special Resolution passed with requisite majority

3. Issue of Warrants convertible into Equity Shares on Preferential basis to Mr. Arun Govil ((DIN-01914619), Managing Director and Promoter of the Company, on conversion of existing unsecured loan, in supersession of Special Resolution passed at the Annual General Meeting held on 30th September, 2020

Particulars	Total No. of Valid Votes	Votes Assenting the Resolution	% of Votes Cast	Votes Dissenting the Resolution	% of Votes Cast
Votes cast through Electronic Mode	5266718	5128451	97.37	138267	2.63
Votes cast through Physical Mode	0	0	0	0	0
Total	5266718	5128451	97.37	138267	2.63

Special Resolution passed with requisite majority

4. Issue of Equity Shares on Preferential basis to Mr. Atul Kumar, falling under public category, on conversion of existing unsecured loan, in supersession of Special Resolution passed at the Annual General Meeting held on 30th September, 2020

Particulars	Total No. of Valid Votes	Votes Assenting the Resolution	% of Votes Cast	Votes Dissenting the Resolution	% of Votes Cast
Votes cast through Electronic Mode	63709287	63565170	99.77	144117	0.23
Votes cast through Physical Mode	0	0	0	0	0
Total	63709287	63565170	99.77	144117	0.23

Special Resolution passed with requisite majority

The above Postal Ballot was conducted by Ms. Shruti Shah (FCS-8852), Practising Company Secretary, Mumbai.

- **10th AGM :** September 28, 2019 at 11.00 a.m. at Coral Hall (in basement) Hotel Satkar Grande Wifi Park, Opposite Aplaab Company, Wagle Estate, Thane (W) 400604

Number of Special Resolution passed: 1

1. Appointment of Mr. Arun Govil (Din: 01914619) as a Managing Director.

Details of special resolution passed through postal ballot:

None of the Resolutions were passed as special resolution through postal ballot.

- **9th AGM** : September 29, 2018 at 10.30 a.m. at Coral Hall (in basement) Hotel Satkar Grande Wifi Park, Opposite Aplaab Company, Wagle Estate, Thane (W) 400604

Number of Special Resolution passed: Nil

Details of special resolution passed through postal ballot:

None of the Resolutions were passed as special resolution through postal ballot.

### **13. CODE OF CONDUCT**

The Board of Directors has laid down Code of conduct for all Board Members and Senior Management of the Company. The copies of Code of Conduct as applicable to the Executive Directors (including Senior Management of the Company) and Non-Executive Directors are uploaded on the website of the Company - [www.duconinfra.co.in](http://www.duconinfra.co.in). The Annual Report of the Company contains a certificate by the Chief Executive Officer and Managing Director, on the compliance declarations received from the members of the Board and Senior Management.

### **14. SHARE CAPITAL AUDIT**

The Share Capital Audit as required under Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018 read with SEBI Circular No. D&CC/FITTC/Cir-I 6/2002 dated December 31, 2002, a Qualified Practicing Company Secretary carries out Capital Audit to reconcile the total admitted equity capital with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and to the Board of Directors.

### **15. VIGIL MECHANISM /WHISTLE BLOWER POLICY**

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

Pursuant to Section 177 of the Companies Act, 2013 and under Regulation 22 of SEBI Listing Regulations, the Company has adopted Vigil Mechanism (Whistle Blower Policy) for the directors and employees of the company to deal with instances of fraud and mismanagement, unethical behaviour, violation of code of conduct and personnel policies of the Company, if any and to ensure that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

The mechanism provides for adequate safeguards against victimization of Directors and employees to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. No person has been denied access to the Chairman of Audit Committee for the same. This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations about a personal situation.

### **16. DISCLOSURES**

#### **a) Related party Transactions:**

There are no material related party transactions during the year that have conflict with the interest of the Company. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arm's length basis and were approved by the Audit Committee. The Board's approved policy for related party transactions is uploaded on the website of the Company at <http://duconinfra.co.in/wp-content/uploads/2016/08/Policy-on-Related-Party-Transactions.pdf>.

None of the Directors have any pecuniary relationships or transactions vis-a-vis the Company save and except the payment of sitting fees to Independent Directors. The details of the transactions with Related Party are provided in the notes to the Financial Statements.

#### **b) Disclosure of Accounting Treatment:**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act,

2013. The financial statements have been prepared on accrual basis under the historic cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year. Disclosures on transactions with related parties, as required under the Indian Accounting Standard 24, have been incorporated in the Notes to the Accounts. The statement of RPTs is placed before the Audit Committee and the Board on quarterly basis. Omnibus approval was obtained for the transactions of repetitive nature.

c) Management Discussion and Analysis Report:

The Management Discussion and Analysis Report have been provided in the Directors' Report to the Shareholders.

d) Details of non-compliance by the Company, penalties, restrictions imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during the last three years

(i) The Company had received fine notice from National Stock Exchange of India Limited (NSE) and BSE Limited on 15th February, 2021, for non-compliance with the provisions of Regulation 17(2A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to Non Compliance of Board Meeting quorum requirement for the quarter ended December 2020. The Company had paid Fine of Rs. 10,000/- plus GST each at NSE and BSE on 18th February, 2021 and 24th February, 2021 respectively.

(ii) The Company had received fine notice from National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) dated February 03, 2020, for non-compliance with the provisions of Regulation 17(1), 18(1), 19(1)/19(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, pertaining to composition of Board, Audit Committee and Nomination and Remuneration Committee. The Company had paid fine of Rs. 5,20,380/- each at NSE and BSE on February 18, 2020, and had taken adequate steps by appointing Mr. Sudatta Subhankar, as Non-Executive, Independent Director of the Company w.e.f. 20.02.2020 and simultaneously as Chairman of Nomination & Remuneration Committee, and member of Stakeholders Relationship Committee and Audit Committee and complied with Regulation 17(1), 18(1), 19(1)/19(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

e) A qualified Practicing Company Secretary carried out a Reconciliation of Share Capital Audit, the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

f) The Company has established a mechanism called "Whistle Blower Policy" for employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. No person has been denied access to the Chairman of the Audit Committee. The Vigil Mechanism as per Regulation 22 of Listing Regulations ensures standards of professionalism, honesty, integrity and ethical behaviour.

g) The Company has adopted Code of Conduct ('Code') for the Members of the Board and Senior Management Personnel as required under Regulation 17(5) of the Listing Regulations. All the Board Members and the Senior Management Personnel have affirmed compliance of the Code. The Annual Report of the Company contains a declaration to this effect signed by the Managing Director & CFO. Further, the Code of Conduct of the Company applicable to the Board and Senior Management Personnel is also uploaded on the Company's website at the web link [http://duconinfra.co.in/wp-content/uploads/2016/08/Code-of-conduct-2015\\_DTL.pdf](http://duconinfra.co.in/wp-content/uploads/2016/08/Code-of-conduct-2015_DTL.pdf)

h) Terms of Appointment of Independent Directors

Terms and conditions of appointment of Independent Directors are available on the Company's website at the web link <http://duconinfra.co.in/wp-content/uploads/2016/08/Independent-Directors-TC.pdf>

i) Shareholders

(1) The Company has sent Annual Report through email to those Shareholders who have registered their email ids with Depository Participant/Company/RTA.

(2) The Company does not have any material listed/ unlisted subsidiary companies as defined in Regulation 24 (1) of Listing Regulations. However, the Company has framed the Policy on Material Subsidiaries and the same is uploaded on the

Company's website at the web link: <http://duconinfra.co.in/wp-content/uploads/2016/08/POLICY-ON-MATERIAL-SUBSIDIARIES.pdf>

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

j) Auditors' certificate on corporate governance

As required by Schedule V of the Listing Regulations, the Auditors' certificate on corporate governance is enclosed as an Annexure to the Board's Report.

k) Details of compliance with Mandatory requirements and adoption of non-mandatory requirements

1. The Company has complied with all the applicable mandatory requirements of the Listing Regulations.
2. The Company has not adopted the non-mandatory requirement as specified in the Listing Regulations.

l) The Company had raised funds through Preferential Allotment during the year by way of converting outstanding unsecured loans into securities with the approval of members obtained through postal ballot on 26th December, 2020. Following are the preferential allotment entries and details:

- i. On 1st February, 2021, 5,70,00,000 Equity shares of face value of Re. 1/- each at an issue price of Rs. 5/- each (including premium of Rs. 4/- each) and 5,96,34,400 Warrants convertible into Equity Shares of the face value of Re. 1/- each at an issue price of Rs. 5/- each (including premium of Rs. 4/- each), were allotted to Mr. Arun Govil (DIN: 01914619), Managing Director and Promoter of the Company, on preferential basis, on conversion of outstanding unsecured loan.
- ii. On 1st February, 2021, 1,50,00,000 Equity shares of face value of Re. 1/- each at an issue price of Rs. 5/- each (including premium of Rs. 4/- each), were allotted to Mr. Atul Kumar, falling under Public category, on preferential basis, on conversion of outstanding unsecured loan.

The object of Preferential issue was to convert the unsecured loan into Equity Shares and Warrants convertible into Equity Shares and thereby to reduce the amount of outstanding liabilities of the Company and to increase the Equity amount of the Company. There is no deviation/variation in utilization of funds for which it was raised.

m) No equity shares were suspended from trading during the Financial Year 2020-21.

n) The Company has not issued any outstanding Global Depository Receipts or American Depository Receipts, Warrants or any convertible instruments during the Financial Year 2020-2021.

o) The certificate dated 13th August, 2021, received from Mr. Gaurang Shah, Practicing Company Secretary, confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company as on 31st March, 2021 by the Board/Ministry of Corporate Affairs or any such Statutory Authority.

p) In the financial year 2020-21, the board has accepted all recommendations of its Committees.

q) The details of total fees for all services paid by the Company to M/s. Hitesh Shah & Associates (Firm Registration No. 103716W) the statutory auditor and all entities in the network firm/ network entity of which the statutory auditors is a part, are as follows:

Sr. No.	Particulars	Amount (Rs. In lakhs)
1	Statutory Audit Fees	22.00
2	Tax Audit Fees	3.00
3	Others	-
	Total	25.00

r) The disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 forms part of the Directors' Report.

s) The Company has complied with all the requirement of Corporate Governance report as contained in Clause C(2) to (10) of Schedule V read with Regulation 34(3) of Listing Regulations.

- t) The Company has adopted Policy on Determination of Materiality under Regulation 30 of SEBI Listing Regulations, which is disclosed on the Company's website.
- u) Discretionary Requirements
  1. The auditors' report on financial statements of the Company are unqualified.
  2. The Company has adopted policy on Archival and Preservation and Documents which is disclosed on Company's website.

## 17. POLICY FOR PROHIBITION OF INSIDER TRADING

Pursuant to SEBI (Prohibition of Insider Trading) Regulations 2015, as amended, the Company has adopted Prohibition of Insider Trading Code and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The Board of Directors are complying with the disclosure provisions in true letter and spirit and have duly complied with requirements of the Regulation in the Financial year 2020-2021

## 18. CEO & CFO CERTIFICATION

In terms of Listing Regulations, the certification by the Managing Director and the Chief Financial Officer is annexed to this Annual Report.

## 19. COMPLIANCE ON CORPORATE GOVERNANCE

The quarterly compliance report had been submitted to the Stock Exchanges where the Company's equity shares are listed in the requisite format duly signed by the Compliance Officer. Pursuant to Regulation 17 to 27 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 of the Listing Agreement, the Auditor's Certificate in compliance on conditions of Corporate Governance is published in the Annual Report.

## 20. MEANS OF COMMUNICATION:

The Board recognizes the importance of two-way communication with shareholders and giving a balanced report of results and progress and responding to questions and issues raised in a timely and consistent manner. The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after they were approved by the Board. These are widely published in English newspapers and local language newspapers. After adoptions by the Board of Directors in their Board Meeting the financial results, official news releases were posted on the company's website: [www.duconinfra.co.in](http://www.duconinfra.co.in). The Management Discussion and Analysis Report is a part of the Annual Report for the year. The annual report will be dispatched in electronic form to shareholders, who have provided their email id.

Our Company does online filing with National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) through web based application: NEAPS (NSE Electronic Application Processing System) and BSE Listing Centre.

The Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Part A of Schedule III of the Listing Regulations including material information having a bearing on the performance / operations of the Company or other price sensitive information.

The Board of Directors has approved a policy for determining materiality of events and making disclosures to Stock Exchanges.

## 21. GENERAL SHAREHOLDER INFORMATION

### 21.1 Annual General Meeting:-

- Date and Time                      September 17, 2021 at 5.30 P.M. IST
- Venue                                The Company is conducting the meeting through VC / OAVM pursuant to the MCA

Circular No 02/2021 dated January 13, 2021 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM

As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2, particulars of Directors seeking appointment at this AGM are given in the Annexure to the Notice of this AGM.

## 21.2 Financial Calendar:-

**April'20-March'21**

## 21.3 Book Closure Date

As mentioned in the Notice of this AGM

## 21.4 Dividend Payment Date

N.A.

## 21.5 (a) Listing of Equity Shares on Stock Exchanges at:

Name Code Nos.

The BSE Ltd., Mumbai 534674

25th Floor, P. J. Towers,

Dalai Street, Mumbai 400 001

National Stock Exchange of India Ltd. DUCON

Exchange Plaza, C-1, Block G,

Bandra Kurla Complex

Bandra (East), Mumbai 400 051

(b) Listing of Global Depository Receipts N.A.

(c) Demat ISIN numbers in NSDL&CDSL INE741L01018

(d) Annual listing fees for the year 2020-2021 have been duly paid to all the above Stock Exchanges.

Corporate Identification Number (CIN) L72900MH2009PLC191412

## 22.6 Stock Market Data

	Bombay Stock Exchange (BSE)			National Stock Exchange (NSE)		
	(in Rs.)			(in Rs.)		
	Month's high price	Month's low price	Volume (No. of shares)	Month's high price	Month's low price	Volume (No. of shares)
April-2020	3.16	2.30	497924	3.15	2.35	1362135
May-2020	3.78	2.55	264963	3.65	2.60	658298
June-2020	5.26	3.90	780565	5.00	3.80	1359967
July-2020	4.88	3.46	370628	5.00	3.45	1263462
Aug-2020	4.51	3.70	380361	4.60	3.70	1273599
Sep-2020	4.11	3.60	302879	4.25	3.55	1013956
Oct-2020	4.22	3.55	162649	4.20	3.50	636001
Nov-2020	5.01	3.55	938236	5.00	3.55	1857533
Dec-2020	7.81	4.25	1136189	7.90	4.10	2205223
Jan-2021	8.48	5.91	619477	8.10	5.90	1328904
Feb-2021	7.80	5.45	582782	7.80	5.40	1869112
Mar-2021	7.35	5.42	689774	7.40	5.45	2762337

## 22.7 Registrar and transfer Agents:

**Bigshare Services Pvt. Ltd.**

SEBI Regn. No. INR 00001385

1st Floor Bharat Tin Works Building, Opp. Vasant Oasis,

Makwana Road, Marol, Andheri East, Mumbai- 400059

Tel : 022 – 62638200/206, Fax: 022 – 62638299

Email id- info@bigshareonline.com

Website- bigshareonline.com

**22.8 Share Transfer System**

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

**22.9 Distribution of Shareholding as on March 31, 2021**

No. of Equity Shares	No. of Folios	% of Total	Total Holding in Rupees	% of Total
1-5000	18058	92.9435	13643490	7.7224
5001-10000	747	3.8448	5655245	3.2009
10001-20000	309	1.5904	4463670	2.5265
20001-30000	132	0.6794	3333866	1.8870
30001-40000	55	0.2831	1942309	1.0994
40001-50000	32	0.1647	1450219	0.8208
50001-100000	57	0.2934	3758015	2.1271
100001-999999999	39	0.2007	142428303	80.6159
<b>Total</b>	<b>19429</b>	<b>100.00</b>	<b>176675117</b>	<b>100.00</b>

**22.10 Shareholding of Directors**

Sr. No.	Name of Directors	No. of Shares	Percentage (%)
1.	*Mr. Arun Govil	115442569	65.34
2.	Mr. Harish Shetty	Nil	Nil
3.	Mr. Chandrasekhar Ganesan	Nil	Nil
4.	Ms. Ratna Jhaveri	Nil	Nil
5.	#Mr. Prakash Vaghela	Nil	Nil
6.	\$Mr. Jinesh Shah	Nil	Nil
7.	\$Mr. Abhinav Anand	Nil	Nil
8.	@Mr. Sudatta Subhankar	Nil	Nil

\*On 1st February, 2021, 5,70,00,000 Equity shares of face value of Re. 1/- each at an issue price of Rs. 5/- each (including premium of Rs. 4/- each) and 5,96,34,400 Warrants convertible into Equity Shares of the face value of Re. 1/- each at an issue price of Rs. 5/- each (including premium of Rs. 4/- each), were allotted to Mr. Arun Govil (DIN: 01914619), Managing Director and Promoter of the Company, on preferential basis, on conversion of outstanding unsecured loan.

# Mr. Prakash Vaghela (DIN: 07768595), was appointed as an Additional Director (Non – Executive, Independent) of the Company w.e.f. 12.02.2021 and simultaneously as a member of Audit committee, Stakeholders Relationship committee & Risk Management Committee and as a Chairman of Nomination & Remuneration committee and Corporate Social Responsibility committee.

\$Mr. Jinesh Shah (DIN:08847375), was appointed as an Additional Director (Non – Executive, Independent) of the Company w.e.f. 12.02.2021 and simultaneously as a member of Audit committee, Nomination & Remuneration committee, Stakeholders Relationship committee, Corporate Social Responsibility & Risk Management Committee.

^Mr. Abhinav Anand had resigned from the post of Independent Director w.e.f. 19.11.2020 and simultaneously resigned as a member of Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Risk Management Committee and as a Chairman of Corporate & Social Responsibility Committee.

@ Mr. Sudatta Subhankar had resigned from the post of Independent Director w.e.f. 24.11.2020 and simultaneously resigned as a member of Audit Committee, Stakeholders Relationship Committee, Corporate & Social Responsibility Committee and as a Chairman of Nomination & Remuneration Committee and Risk Management Committee.

## 22.11 Dematerialization of Shares as on March 31, 2021

Total No. of shares	Shares in physical form	Percentage %	Share in demat form	Percentage %
17,66,75,117	2,95,190	0.17%	17,63,79,927	99.83%

## 22.12 Categories of Shareholders as on March 31, 2021

Category	No of Shares held	Percentage of Shareholding
Clearing Members	212255	0.12%
Corporate Bodies	673006	0.38%
Foreign Promoters	115442569	65.34%
Corporate Bodies NBFC	3840	0.01%
NRIs	1562549	0.88%
Partnership Firms	200	0.00%
Trusts	500	0.00%
Public	58780198	33.27%

**22.13 Capital of the Company as on 31st March, 2021** : The authorised capital of the company and paid up capital of the company are Rs. 25,00,000,000 and Rs. 17,66,75,117 respectively

**22.14 Outstanding GDRs /ADRs** : N.A

**22.15 Company Secretary & Compliance Officer** : Mr. Darshit Parikh

**22.16 Address for Investor Correspondence** : **Bigshare Services Pvt. Ltd.**  
SEBI Regn. No. INR 00001385  
1st Floor, Bharat Tin Works Bldg,  
Opp. Vasant Oasis, Makwana Road  
Marol, Andheri East  
Mumbai-400059  
Tel: 022-62638200/206  
Fax: 022- 62638299

**Ducon Infratechnologies Ltd.**  
**CIN:** L72900MH2009PLC191412  
Ducon House, Plot No. A/4,  
Road No. 1, MIDC,  
Wagle Industrial Estate,  
Thane-400604  
Email: cs@duconinfra.co.in  
Cont No. 022- 41122114

**22.17 List of all credit ratings obtained by the entity alongwith any revisions during the relevant financial year for all debt instruments or any fixed deposit programme or any scheme or proposal involving any mobilisation of funds in India or abroad** – NIL

**22.18 Plant Location:** Not Applicable

**22.19 Corporate Ethics:**

The consistent endeavor of Ducon Infratechnologies Limited is to enhance the reputation of the Company and irrespective of the goals to be achieved, the means are as important as the end. The Company has adopted "the Code of Conduct for prevention of Insider Trading" which contains policies prohibiting insider trading. As per SEBI / Stock Exchanges Guidelines, the Company has also promulgated Code of Conduct to be followed by Directors and Management.



**CFO/CEO CERTIFICATION**

**The Board of Directors**  
**Ducon Infratechnologies Ltd.**  
**Thane**

We, hereby to the best of our knowledge and belief certify that:

- a. We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March, 2021 and that to the best of our knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material factor contain statements that might be misleading;
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which is fraudulent, illegal or violates the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of Internal Control Systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have disclosed, based on our evaluation wherever applicable to the Auditors and the Audit Committee that;
  - i) There has not been any significant change in internal control over financial reporting;
  - ii) All the significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statement; and
  - iii) There were no instances of significant fraud of which we are become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For and on behalf of the Board of Directors**  
**Ducon Infratechnologies Limited**

**Arun Govil**  
**Managing Director**  
**DIN: 01914619**

**Harish Shetty**  
**Executive Director & CFO**  
**DIN: 07144684**

**Date: 14th August, 2021**  
**Place: Thane**

## COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

The Members

**Ducon Infratechnologies Ltd.**

Thane.

We have examined the compliance of the conditions of Corporate Governance by Ducon Infratechnologies Limited for the year ended 31st March, 2021 as per Regulations 17-27, clauses (b) to (i) of Regulations 46(2) and paragraphs C, D and E of Schedule V of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Management, and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2021.

We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For M/s. Hitesh Shah & Associates**  
**Firm Regn. No. : 103716W**  
**Chartered Accountants**

**Hitesh Shah**  
**Partner**  
**Membership No: 040999**  
**UDIN: 21040999AAAAFE2299**

**Place: Mumbai**

**Dated: 14<sup>th</sup> August' 2021**

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL  
WITH THE COMPANY'S CODE OF CONDUCT**

This is to certify that the Company has laid down Code of Conduct for all Board Members and Senior Management of the Company and the copies of the same are uploaded on the website of the Company- [www.duconinfra.co.in](http://www.duconinfra.co.in)

As per Regulation 17(5) and Regulation 26(3) of Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed Compliance with the Code of Conduct for the financial year ended 31st March, 2021.

**For Ducon Infratechnologies Ltd.**

**Harish Shetty**  
**Executive Director & CFO**  
**DIN: 07144684**

**Place: Thane**

**Dated: 14th August 2021**

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members

**Ducon Infratechnologies Limited**

Ducon House, Plot No. A/4, Road No. 1, MIDC,  
Wagle Industrial Estate, Thane-400604.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Ducon Infratechnologies Limited having CIN L72900MH2009PLC191412 and having registered office at Ducon House, Plot No. A/4, Road No. 1, MIDC, Wagle Industrial Estate, Thane-400604 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status on MCA Portal i.e. [www.mca.gov.in](http://www.mca.gov.in)] as considered necessary and explanations furnished to us by the Company & its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic. We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended 31st March, 2021, have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority/ies.

Sr. No.	NAME OF DIRECTOR	DIN	DATE OF INITIAL APPOINTMENT IN COMPANY##
1	Arun Govil	01914619	29.09.2015
2	Harish Shetty	07144684	20.01.2016
3	Chandrasekhar Ganesan	07144708	20.01.2016
4	Ratna Jhaveri	07732263	14.02.2017
5	# Prakash Vaghela	07768595	12.02.2021
6	\$Jinesh Shah	08847375	12.02.2021
7	^Abhinav Anand	07732241	14.02.2017
8	@ Mr. Sudatta Subhankar	08706538	20.02.2020

**Note - The date of appointment is as per the MCA Portal.**

# & \$ Mr. Prakash Vaghela (DIN-07768595) and Mr. Jinesh Shah (DIN-08847375), were appointed as an Additional, Non-Executive & Independent Director w.e.f 12.02.2021

^ & @ Mr. Abhinav Anand (DIN-07732241) and Mr. Sudatta Subhankar (DIN-08706538), had resigned as Director, Non-Executive & Independent Director w.e.f. 19.11.2020 and 24.11.2020 respectively.

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on this, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For GMS & Co.  
Practising Company Secretary**

**Gaurang Shah  
ACS No: 32581  
CP No : 11953  
UDIN: A032581C000778755**

**Place: Thane  
Dated: 13<sup>th</sup> August, 2021**

## INDEPENDENT AUDITOR'S REPORT

To,

**The Members of Ducon Infratechnologies Limited**

**Report on the Audit of the Standalone Financial Statements**

### Opinion

We have audited the standalone financial statements of Ducon Infratechnologies Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the statement of Profit and Loss, statement of Changes in Equity and the statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Companies Act, 2013 in the manner so required, and give a true and fair view, in conformity with accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit, changes in equity and its cash flows for the year ended on that date.

### Basis of Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements as per the ICAI's Code of Ethics and the provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matters

- i) The Company has made investments in equity shares of a private limited company aggregating to Rs. 500.00 lakhs as on March 31, 2021 reported under Investments in Non-Current Assets. The investments are to be measured at fair value in the statement of financial position as per requirements of Indian Accounting Standard 109. However, the management is of the opinion keeping in view their long term business synergy and potential, it has been decided to value such investments at cost as on the year ended March 31, 2021.
- ii) The overseas sales and purchases of the Company for F.Y. 2020-21 and in previous financial years are subject to reconciliation with the GST returns and other applicable statutory regulations. Further, the balances outstanding of all debtors of the Company are subject to confirmation as on March 31, 2021.
- iii) The Opinion expressed in the present report is based on the information, facts and inputs made available to us through electronic means by the Company. We wish to highlight that due to the COVID-19 induced restrictions on physical movement and strict timelines, the entire audit team could not visit the office of the Company for undertaking the required audit procedures as prescribed under ICAI issued Standards on Auditing, including but not limited to:
  - Inspection, Observation, examination and verification of the original documents of invoices, legal agreements, bank accounts statements / loan accounts statements and files.
  - Physical verification of Cash, including adequate internal controls thereof.
  - Physical Verification of Property, Plant and Equipment as on March 31, 2021.
  - Any other processes which required physical presence of the audit team.

Our opinion is not modified in respect of these matters.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and

in forming our opinion thereon, and we do not provide a separate opinion on these matters.

- 1) Evaluation of uncertain tax liabilities (Contingent Liabilities). Refer Note No.22.1 forming part of financial statements. Considering its probable impact on profit / loss, we have considered this as Key Audit Matter.

We have performed following substantive audit procedures:-

- a) Obtained details of completed tax assessments and demands up to the year ended March 31, 2021 from management.
- b) We performed our internal procedures to analyse the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes.
- c) We also legal precedence, referred to various case laws and other rulings in evaluating management's position on these uncertain tax litigations.
- d) Additionally, we considered the impact of latest information in respect of uncertain tax positions as on March 31, 2021 to evaluate whether any change was required to management's position on these uncertainties.

### **Information other than the Standalone Financials Statements and Auditors' Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report including Annexures to Directors' Report and Secretarial Audit Report, but does not include the financial statements and our auditor's report thereon. The Directors Report and Secretarial Audit Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Directors Report and Secretarial Audit Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### **Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility for the Audit of Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

- e) On the basis of written representations received from the directors as on March 31, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”; and
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 22.1 to the Standalone Financial Statements.
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Hitesh Shah & Associates.**  
**Chartered Accountants**  
**Firm Registration No:- 103716W**

**Hitesh Shah, Partner**  
**Membership No: 040999**  
**Mumbai**  
**June 30, 2021**  
**UDIN : 21040999AAAAEM2376**



**"Annexure A" forming part of Independent Auditor's Report**

The Annexure referred to in our Independent Auditor's Report of even date to the members of the Company on the financial statements for the year ended March 31, 2021, we report that:

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanation given to us, the fixed assets have been physically verified by the management at the end of the year and the discrepancies noticed on such verification have been properly dealt with in the books of accounts.
- (c) There are no immovable properties held in the name of the Company, therefore this clause of the Order is not applicable to the Company.
- ii) The Company is not having any inventory of material amount at any time during the year; hence this clause is not applicable to the Company.
- iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained u/s 189 of the Act; hence the Clause (iii) of paragraph 3 of the Order are not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, the provisions of section 186 of the Act in respect of loans and guarantees given and investments made have been complied by the Company. In our opinion and according to the information and explanations given to us, the Company has not advanced any loans to persons covered under the provisions of Section 185 or granted securities or made any investments under Section 186 of the Act.
- v) The company has not accepted any deposit and hence directive issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other provisions of Companies Act, 2013 and Rules framed thereunder will not be applicable to the Company.
- vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the Company; hence the Clause (vi) of paragraph 3 of the Order are not applicable to the Company.
- vii) a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has been irregular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, GST and other statutory dues with the appropriate authorities.

According to the information and explanations given to us, there were outstanding statutory dues as on March 31, 2021 for a period of more than six months from the date they became payable, the details of which are as follows:

Nature of Statutory Dues	Assessment Year	Amount In Rs
Income Tax	2016-2017	8.81 Lakhs (excluding interest and penalty thereon)
Income Tax	2017-2018	65.50 Lakhs (excluding interest and penalty thereon)
Income Tax	2018-2019	88.95 Lakhs (excluding interest and penalty thereon)
Income Tax	2019-2020	250 Lakhs (excluding interest and penalty thereon)
Income Tax	2020-2021	35.40 Lakhs (excluding interest and penalty thereon)
Income Tax ( of the demerged Company )	2017-2018	213.17 Lakhs (excluding interest and penalty thereon)
Income Tax ( of the demerged Company )	2016-2017	118.09 Lakhs (excluding interest and penalty thereon)

- b) According to information and explanation given to us, there are no disputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, GST and other statutory dues which have not been deposited on account of dispute except as stated below :-

(₹ in lakhs)

Particulars	Period to which the amount relates	Forum where the dispute is pending	Amount
Income Tax	F.Y. 2017-18	Assessing Officer	59.06
Income Tax	F.Y. 2016-17	Assessing Officer	3.21
Income Tax	F.Y. 2013-14	Assessing Officer	0.56
Income Tax	F.Y. 2011-12	Assessing Officer	0.0661
Income Tax	F.Y. 2010-11	Assessing Officer	81.39
Income Tax of Ducon Technologies (I) Pvt Ltd (Demerged Company)	F.Y. 2016-17	Assessing Officer	29.74
Income Tax of Ducon Technologies (I) Pvt Ltd (Demerged Company)	F.Y. 2012-13	Assessing Officer	24.12
Income Tax of Ducon Technologies (I) Pvt Ltd (Demerged Company)	F.Y. 2011-12	Assessing Officer	0.36
Income Tax of Ducon Technologies (I) Pvt Ltd (Demerged Company)	F.Y. 2010-11	Assessing Officer	75.24
Income Tax of Ducon Technologies (I) Pvt Ltd (Demerged Company)	F.Y. 2009-10	Assessing Officer	2.35
Income Tax of Ducon Technologies (I) Pvt Ltd (Demerged Company)	F.Y. 2008-09	Assessing Officer	32.89
Income Tax of Ducon Technologies (I) Pvt Ltd (Demerged Company)	F.Y. 2005-06	Assessing Officer	0.04
CST	F.Y. 2010-11	Tribunal	5.72
VAT	F.Y. 2012-13	Tribunal	20.84
CST	F.Y. 2012-13	Tribunal	35.95
VAT	F.Y. 2013-14	JCT Appeals	23.18
CST	F.Y. 2014-15	JCT Appeals	2.20

- viii) Based upon the audit procedures performed and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to financial institutions, banks. The company does not have debentures outstanding as on the balance sheet date.
- ix) Based upon the audit procedures performed and according to the information and explanations given to us, the company has not raised money by way of initial public offer or further public offer (including debt instruments) and the money raised by way of term loans were applied for the purposes for which those are raised during the financial year.
- x) To the best of our knowledge and belief, and according to the information and explanations given to us, and considering the size and nature of the Company's operations, no fraud of material significance on or by the Company have been noticed or reported during the year and nor have we been informed of such case by the management.
- xi) According to the information and explanation given to us and based on our examination of the records, the Company has paid for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.

- xii) In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company; hence Clause (xii) of paragraph 3 of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) Based upon the audit procedures performed and according to the information and explanations given by the management, the company has made preferential allotment / private placement of shares during the year and the requirement of section 42 of the Companies Act, 2013 have been complied and the amount raised have been used for the purposes for which the funds are raised.
- xv) According to the information and explanations given to us and based on our examination of records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him; hence the clause (xv) of paragraph 3 of the Order is not applicable.
- xvi) In our opinion and according to the information and explanations given to us, the company is not required to be registered under section 45 – IA of Reserve Bank of India Act, 1934.

**For Hitesh Shah & Associates.**  
**Chartered Accountants**  
**Firm Registration No:- 103716W**

**Hitesh Shah, Partner**  
**Membership No: 040999**  
**Mumbai**  
**June 30, 2021**  
**UDIN : 21040999AAAAEM2376**

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## **"Annexure B" forming part of Independent Auditor's Report**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").**

We have audited the internal financial controls over financial reporting of Ducon Infratechnologies Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also,

projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Hitesh Shah & Associates.**  
**Chartered Accountants**  
**Firm Registration No:- 103716W**

**Hitesh Shah, Partner**  
**Membership No: 040999**  
**Mumbai**  
**June 30, 2021**  
**UDIN : 21040999AAAAEM2376**

## Ducon Infratechnologies Limited

### Balance Sheet as at March 31, 2021

(₹ in lakhs)

Particulars	Note No.	As at 31 Mar 2021	As at 31 Mar 2020
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, Plant and Equipment	2	38.19	64.09
Investments	3	505.40	503.08
<b>Financial Assets</b>			
Loans and Advances	4	871.21	871.21
Deferred Tax Asset	5	4.25	0.42
<b>Total Non Current Assets</b>		<b>1,419.05</b>	<b>1,438.80</b>
<b>Financial Assets</b>			
Trade Receivables	6	25,249.19	25,018.76
Cash & Cash Equivalents		6.51	10.04
Bank balances other than Cash and Cash equivalents above	7	701.03	631.50
Loans and Advances	8	27.98	23.85
Other Current Assets	9	431.73	481.26
<b>Total Current Assets</b>		<b>26,416.45</b>	<b>26,165.41</b>
<b>TOTAL ASSETS</b>		<b>27,835.49</b>	<b>27,604.21</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	10	1,766.75	1,046.75
Other equity		12,800.62	6,895.18
<b>Total Equity</b>		<b>14,567.37</b>	<b>7,941.92</b>
<b>Liabilities</b>			
<b>Non current liabilities</b>			
<b>Financial Liabilities</b>			
Trade payables	11	727.75	858.05
Provisions	12	58.44	44.61
<b>Total Non Current Liabilities</b>		<b>786.19</b>	<b>902.66</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	13	6,531.94	12,276.83
Trade payables	14	5,090.93	5,143.40
Other current liabilities	15	859.06	1,339.39
<b>Total Current Liabilities</b>		<b>12,481.92</b>	<b>18,759.62</b>
<b>Total Liabilities</b>		<b>13,268.12</b>	<b>19,662.28</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>27,835.49</b>	<b>27,604.21</b>

*Refer Significant Accounting policies and notes to the financial statements*

As per our report of even date

For and on behalf of

**HITESH SHAH & ASSOCIATES**

CHARTERED ACCOUNTANTS

Firm Regn No. 103716W

CA Hitesh Shah

Partner

Membership No. 040999

Mumbai, June 30, 2021

For and on behalf of Board of Directors of

**Ducon Infratechnologies Limited**

Arun Govil

Managing Director

DIN: 01914619

Harish Shetty

Executive Director & CFO

DIN: 07144684

Chandrasekhar Ganesan

Executive Director

DIN: 07144708

**Ducon Infratechnologies Limited****Statement of Profit and Loss Account for the Year Ended March 31, 2021**

(₹ in lakhs)

<b>Particulars</b>	<b>Note No.</b>	<b>For the year ended 31 Mar 2021</b>	<b>For the year ended 31 Mar 2020</b>
<b>Income from operations</b>			
Revenue from operations	16	34,195.38	38,093.46
Other Income	17	54.32	62.40
<b>Total Income from operations</b>		<b>34,249.70</b>	<b>38,155.87</b>
<b>Expenses</b>			
Change in Inventories of Stock in Trade		-	504.39
Cost of materials consumed	18	32,344.98	35,769.26
Employee benefits expenses	19	315.57	409.32
Finance Cost	20	1,233.38	1,078.07
Depreciation and amortization expense	2	26.12	50.40
Other expenses	21	275.93	234.22
<b>Total expenses</b>		<b>34,195.98</b>	<b>38,045.66</b>
<b>Profit / ( Loss ) before tax</b>		<b>53.72</b>	<b>110.21</b>
<b>Tax expenses</b>			
Less:- Current Tax		16.00	36.79
Add/(Less):- Deferred Tax Asset / (Liability)		3.83	12.34
<b>Total Tax expenses</b>		<b>12.17</b>	<b>24.45</b>
<b>Profit / ( Loss ) after tax</b>		<b>41.55</b>	<b>85.76</b>
<b>Other Comprehensive Income net of taxes (OCI)</b>			
i) Items that will not be reclassified to Profit and Loss (net of tax)		2.17	1.27
<b>Total comprehensive income after tax</b>		<b>43.72</b>	<b>84.49</b>
<b>Earnings Per Share</b>			
Basic		0.02	0.08
Diluted		0.01	0.08

Refer Significant Accounting policies and notes to the financial statements

As per our report of even date

For and on behalf of

**HITESH SHAH & ASSOCIATES**

CHARTERED ACCOUNTANTS

Firm Regn No. 103716W

**CA Hitesh Shah**

Partner

Membership No. 040999

Mumbai, June 30, 2021

For and on behalf of Board of Directors of

**Ducon Infratechnologies Limited**

**Arun Govil**

Managing Director

DIN: 01914619

**Harish Shetty**

Executive Director & CFO

DIN: 07144684

**Chandrasekhar Ganesan**

Executive Director

DIN: 07144708

**Ducon Infratechnologies Limited**  
**Cash Flow Statement for the year ended March 31, 2021**

(₹ in lakhs)

Particulars	Note No.	For the year ended 31 Mar 2021	For the year ended 31 Mar 2020
<b>Cash Flow From Operating Activities</b>			
Profit before tax		53.72	110.21
<b>Non-cash adjustment to reconcile profit before tax to net cash flows:</b>			
- Depreciation/amortisation/other expenses/OCI		28.29	49.13
<b>Non-operating adjustment to reconcile profit before tax to net cash flows:</b>			
Interest Expenses		1,171.56	940.19
<b>Operating profit before working capital changes</b>		<b>1,253.57</b>	<b>1,099.53</b>
Movements in working capital:			
Increase/(decrease) in trade payables		(182.77)	(1,053.48)
Increase/(decrease) in long term provisions		13.83	(3.24)
Increase/(decrease) in inventories		-	504.39
Increase/(decrease) in other current liabilities		(482.66)	66.55
Increase/(decrease) in short term borrowings		(5,744.89)	1,329.59
Increase/(decrease) in trade receivables		(230.43)	(1,618.10)
Decrease/(increase) in loans and other current assets		45.39	83.36
<b>Cash generated from/(used in) operating activities</b>		<b>(5,327.96)</b>	408.59
Direct taxes paid		(13.68)	(23.23)
<b>Net cash flow from/(used in) operating activities (A)</b>		<b>(5,341.64)</b>	<b>385.36</b>
<b>Cash flow from investing activities</b>			
Purchase of fixed assets including intangible assets, CWIP and fair valuation of Investments		(2.53)	(4.65)
<b>Net cash flow from/(used in) investing activities (B)</b>		<b>(2.53)</b>	<b>(4.65)</b>
<b>Cash flow from financing activities</b>			
Increase/(decrease) in Share Capital and Share Warrants		3,701.72	-
Increase/(decrease) in Securities Premium		2,880.00	-
Interest paid		(1,171.56)	(940.19)
<b>Net cash flow from/(used in) financing activities (C)</b>		<b>5,410.16</b>	<b>(940.19)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A)+(B)+(C)</b>		<b>65.99</b>	<b>(559.48)</b>
Cash and cash equivalents at the beginning of the year		641.54	1,201.02
<b>Cash and cash equivalents (including bank balances) at the end of the year</b>		<b>707.53</b>	<b>641.54</b>

*Refer Significant Accounting policies and notes to the financial statements*

As per our report of even date

For and on behalf of

**HITESH SHAH & ASSOCIATES**

CHARTERED ACCOUNTANTS

Firm Regn No. 103716W

CA Hitesh Shah

Partner

Membership No. 040999

Mumbai, June 30, 2021

For and on behalf of Board of Directors of

**Ducon Infratechnologies Limited**

Arun Govil

Managing Director

DIN: 01914619

Harish Shetty

Executive Director & CFO

DIN: 07144684

Chandrasekhar Ganesan

Executive Director

DIN: 07144708



**Notes to Financial Statements for the year ended 31st March 2021****Note 1: Significant Accounting Policies****1.1 Basis of preparation**

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India and comply with Indian Accounting Standards (Ind AS). The company has prepared these financial statements to comply in all material respects in accordance with the Accounting Standards notified under the Companies Act, 2013 ("the Act") and in accordance with the accounting principles generally accepted in India. These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies stated out below.

**2. Summary of significant accounting policies****a. Use of estimates**

The preparation of financial statements in conformity with Ind-AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**b. Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Gains or losses arising from sale of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is sold.

**c. Depreciation on tangible fixed assets**

Depreciation on Fixed Assets is being provided on Straight Line Method on "Useful Life" in the manner prescribed under the Schedule II of the Companies Act, 2013.

**d. Borrowing costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange difference arising from currency borrowings to the extent they are regarded as an adjustment to the interest cost.

**e. Impairment of tangible and intangible assets**

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**f. Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investment.

Current investments are carried in the financial statement at lower of cost and fair value determined on an individual investment basis. Long-term investment is carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investment.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**g. Financial Assets:****i. Financial Assets****A. Initial recognition and measurement**

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

**B. Subsequent measurement**

**a) Financial assets carried at amortised cost (AC)**

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**b) Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**c) Financial assets at fair value through profit or loss (FVTPL)**

A financial asset which is not classified in any of the above categories are measured at FVTPL.

**C. Other Equity Investments**

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

**D. Impairment of financial assets**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

The Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

**ii. Financial liabilities**

**A. Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

There is no significant impact on valuation of Financial Assets at fair value through comprehensive income and hence not profit or loss on such valuation booked.

**B. Subsequent measurement**

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

There is no significant impact on valuation of Financial Assets at fair value through comprehensive income and hence not profit or loss on such valuation booked.

**Revenue recognition**

Revenue is recognized to the extent that is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

**Sale of goods**

Revenue from sale of goods is recognized when all the risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods and performance of services to customers. If company collects GST on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

**Interest**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

**Dividends**

Dividend income is recognized with the company's right to receive dividend is established by the reporting date.

**h. Foreign currency translation****Foreign currency transaction and balances****Initial recognition**

Foreign currency transaction are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

**Exchange differences**

The company accounts for exchange difference arising on translation/settlement of foreign currency monetary items as below:

Exchange difference arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.

All other exchange differences are recognized as income or as expenses in the period in which they arise.

**i. Retirement and other employee benefits**

Retirement benefit in the form of provident fund, Employee State Insurance Contribution and Labour Welfare Fund are defined contribution scheme. The contribution to the above is charged to the statement of profit and loss for the year when the contributions are due.

The company operates defined benefit plan for its employee, viz., gratuity. The costs of providing benefits under this plan are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Contribution towards gratuity fund for eligible employees is made by way of premium to Life Insurance Corporation of India and charged to the statement of profit and loss. Actuarial gains and losses, (if any) for the defined plan are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short – term employee benefit. The company measures the expected cost of such absences as the additional amount that is except to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave excepted to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Expenses incurred towards voluntary retirement scheme are charged to the statement of profit and loss immediately.

#### j. Income taxes

Tax expenses comprise current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted by the reporting date. Deferred income tax relating to items recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situation where the company has unabsorbed or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognized unrecognized deferred asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

#### l. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

#### m. Provisions

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

#### n. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statement.

### Notes to Financial Statements for the year ended 31st March 2021

#### Note 2: Property, Plant and Equipment

(₹ in lakhs)

Particulars	Gross Block				Depreciation				Net Block	
	As on 01.04.2020	Additions	Deletions	As on 31.03.2021	Upto 01.04.2020	For the Year	For the assets sold	Upto 31.03.2021	Net Block 31.03.2021	Net Block 31.03.2020
<b>Owened Assets</b>										
Furniture & Fixtures	36.15	-	-	36.15	28.89	1.56	-	30.45	5.70	7.26
Vehicles	5.81	-	-	5.81	5.05	0.09	-	5.14	0.67	0.76
Office Equipment	72.71	0.15	-	72.86	69.14	0.74	-	69.88	2.98	3.57
Computer	766.49	-	-	766.49	716.58	23.46	-	740.04	26.45	49.91
Plant and Machinery & Electrical Equipments	29.95	0.06	-	30.01	27.35	0.27	-	27.62	2.39	2.60
<b>Total Current Year</b>	<b>911.10</b>	<b>0.21</b>	<b>-</b>	<b>911.31</b>	<b>847.01</b>	<b>26.12</b>	<b>-</b>	<b>873.13</b>	<b>38.19</b>	<b>64.09</b>

## Notes to Financial Statements for the year ended 31st March 2021

(₹ in lakhs)

Particulars	As at 31 Mar 2021	As at 31 Mar 2020
<b>Note 3: Investments</b>		
<b>In Equity Shares - Unquoted, fully paid up</b>		
Investment in Ganpati Intradex Private Limited	500.00	500.00
(50,00,000 (Previous year 50,00,000) Equity Shares of Rs. 10 each, fully paid up)		
<b>Investment in Mutual Funds</b>		
12,861.968 (PY 12,861.968) Units of J M Basic Fund- Growth Plan*	5.40	3.08
<b>Total</b>	<b>505.40</b>	<b>503.08</b>
*Note:- The above shares have been pledged as security for repayment of the cash / credit facilities availed from the bank.		
<b>Note 4: Non-Current Loans and Advances</b>		
<b>(Unsecured and Considered Good)</b>		
Other Loans and Advances	871.21	871.21
<b>Total</b>	<b>871.21</b>	<b>871.21</b>
<b>Note 5: Deferred Tax Asset</b>		
<b>Fixed Assets :</b>		
Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting.	4.25	0.42
<b>Net Deferred Tax Asset</b>	<b>4.25</b>	<b>0.42</b>
<b>Note 6: Trade Receivables</b>		
<b>Unsecured</b>		
Considered Good	25,249.19	25,018.76
<b>Total</b>	<b>25,249.19</b>	<b>25,018.76</b>
<b>Note 7: Cash and Cash Equivalents</b>		
Cash on hand	6.22	8.41
<b>Balances with banks :</b>		
In current accounts	0.29	1.63
In deposit accounts	701.03	631.50
<b>Total</b>	<b>707.54</b>	<b>641.54</b>
<b>Note: The Fixed Deposits have been kept as margin money with banks</b>		
<b>Note 8: Current Loans</b>		
<b>Unsecured and Considered Good</b>		
Other Loans and Advances	27.98	23.85
<b>Total</b>	<b>27.98</b>	<b>23.85</b>
<b>Note 9: Other Current Assets</b>		
Interest accrued on Deposits	-	31.62
Other assets	431.73	449.64
<b>Total</b>	<b>431.73</b>	<b>481.26</b>

## Notes to Financial Statements for the year ended 31st March 2021

(₹ in lakhs)

Particulars	As at 31 Mar 2021	As at 31 Mar 2020
<b>Note 10: Equity Share Capital</b>		
<b>Authorised Share Capital</b>		
250,000,000 Equity shares of Re. 1/- each	2,500	1,500
(Previous Year 150,000,000 Equity shares of Re. 1/- each)		
<b>Issued, Subscribed and Paid up :</b>		
17,66,75,117 Equity shares of Re. 1/- each	1,766.75	1,046.75
(Previous Year 10,46,75,117 Equity shares of Re. 1/- each)	<b>1,766.75</b>	<b>1,046.75</b>

The reconciliation of the number of shares outstanding is set out below:

Particulars	As at March 31, 2021 (No. of Shares)	As at March 31, 2020 (No. of Shares)
Equity Shares at the beginning of the year	10,46,75,117	10,46,75,117
Additions during the year	7,20,00,000	-
<b>Equity Shares at the end of the year</b>	<b>17,66,75,117</b>	<b>10,46,75,117</b>

The details of Shareholders holding more than 5% shares:

Name of the Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares Held	% holding	No. of Shares Held	% holding
Mr. Arun Govil	11,54,42,569	65.34%	5,84,42,569	55.83%
Mr. Atul Kumar	1,50,00,000	8.49%	-	-

## Note 11: Trade Payables

Particulars	As at March 31, 2021	As at March 31, 2020
Dues of micro and small enterprises	-	-
Other trade payables	727.75	858.05
<b>TOTAL</b>	<b>727.75</b>	<b>858.05</b>

(i) The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information collected by the Management.

Particulars	As at March 31, 2021	As at March 31, 2020
(ii) The disclosures relating to Micro and Small Enterprises are as under:		
(a) The principal amount remaining unpaid to supplier as at the end of the accounting year	-	-
(b) The interest due thereon remaining unpaid to supplier as at the end of the accounting year	-	-
(c) The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
(d) The amount of interest due and payable for the year	-	-
(e) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

**Notes to Financial Statements for the year ended 31st March 2020**

(₹ in lakhs)

<b>Particulars</b>	<b>As at 31 Mar 2021</b>	<b>As at 31 Mar 2020</b>
<b>Note 12: Provisions</b>		
Other Provisions	58.44	44.61
<b>Total</b>	<b>58.44</b>	<b>44.61</b>
<b>Note 13: Current Borrowings</b>		
<b>Secured</b>		
Cash credit from bank	5,783.37	5,695.11
Funded Interest Term Loan from Banks	717.35	-
<b>Unsecured</b>		
Loan from Directors	-	6,581.72
Book overdraft with banks	31.21	-
<b>Total</b>	<b>6,531.94</b>	<b>12,276.83</b>

**Prime Security:**

The Cash Credit and Funded Interest Term loans from bank is secured against hypothecation of book debts.

**Collateral Security:**

Immovable properties in the name of promoters, group companies and Fixed Deposits held in the name of the company and guarantee provided by the promoters.

**Note 14: Trade Payables**

<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
Dues of micro and small enterprises	226.70	258.13
Other trade payables	4,864.22	4,885.27
<b>Total</b>	<b>5,090.93</b>	<b>5,143.40</b>

- (i) The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information collected by the Management.
- (ii) The disclosures relating to Micro and Small Enterprises are as under:
- |  |        |        |
|--|--------|--------|
| (a) The principal amount remaining unpaid to supplier as at the end of the accounting year   | 226.70 | 258.13 |
| (b) The interest due thereon remaining unpaid to supplier as at the end of the accounting year   | -      | -      |
| (c) The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year | -      | -      |
| (d) The amount of interest due and payable for the year  | -      | -      |
| (e) The amount of interest accrued and remaining unpaid at the end of the accounting year  | -      | -      |
| (f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid      | -      | -      |

## Notes to Financial Statements for the year ended 31st March 2020

(₹ in lakhs)

Particulars	As at 31 Mar 2021	As at 31 Mar 2020
<b>Note 15: Other Current Liabilities</b>		
Advance from customers	199.43	612.15
Staff related liabilities	45.42	114.92
Statutory liabilities	20.58	18.63
Other Payables	47.28	47.28
Provision for income tax (Net of Advance Tax)	546.35	546.40
<b>Total</b>	<b>859.06</b>	<b>1,339.39</b>
<b>Note 16: Revenue from Operations</b>		
Sale of products	34,195.38	38,093.46
<b>Total</b>	<b>34,195.38</b>	<b>38,093.46</b>
<b>Note 17: Other Income</b>		
Interest income	50.81	55.76
Foreign Exchange Fluctuation	3.21	-
Other Income	0.30	6.64
<b>Total</b>	<b>54.32</b>	<b>62.40</b>
<b>Note 18: Cost of materials consumed</b>		
Consumption of materials	32,344.98	35,769.26
<b>Total</b>	<b>32,344.98</b>	<b>35,769.26</b>
<b>Note 19: Employee benefits expenses</b>		
Salaries, wages and bonus	299.60	386.78
Contribution to Provident Fund and other Funds	14.50	20.73
Staff welfare Expenses	1.47	1.81
<b>Total</b>	<b>315.57</b>	<b>409.32</b>
<b>Note 20: Finance Cost</b>		
Interest Expenses	1,171.56	940.19
Other Borrowing costs	61.82	137.88
<b>Total</b>	<b>1,233.38</b>	<b>1,078.07</b>



**Notes to Financial Statements for the year ended 31st March 2021**

(₹ in lakhs)

<b>Particulars</b>	<b>As at 31 Mar 2021</b>	<b>As at 31 Mar 2020</b>
<b>Note 21: Other Expenses</b>		
Power and fuel	8.30	16.42
Rates and taxes	2.19	11.92
Insurance	9.31	5.42
Filing fees	10.08	1.55
Rent expenses	2.09	9.60
Repairs and maintenance	1.98	2.72
Others	5.39	6.46
Office Maintenance Expenses	0.28	0.03
Advertising and sales promotion	2.71	1.13
Membership & subscription Expenses	0.67	0.03
Recruitment charges	4.22	-
Local Conveyance	1.82	2.35
Travelling and Marketing Expenses	9.51	10.64
Postage And Telephone Expenses	5.12	6.32
Site office expenses	22.00	28.02
Donation	0.02	0.20
Printing & Stationery Expenses	0.18	1.98
Security Charges	5.04	5.25
Legal and Professional Fees	121.15	71.26
Auditor's Remuneration	25.00	25.00
Miscellaneous Expenses	36.49	26.40
Computer Expenses	2.39	1.52
<b>Total</b>	<b>275.93</b>	<b>234.22</b>

**Statement of Changes in Equity**  
**For the year ended 31st March, 2021**

**A. Equity Share Capital**

(₹ in lakhs)

Particulars	Equity Share Capital
<b>As at 31st March 2019</b>	<b>1,046.75</b>
Changes in Equity Share Capital	0.00
<b>As at 31st March 2020</b>	<b>1,046.75</b>
Changes in Equity Share Capital	720.00
<b>As at 31st March 2021</b>	<b>1766.75</b>

**B. Other Equity**

(₹ in lakhs)

	Share warrants pending allotment	Reserves and Surplus			Total
		General Reserve	Securities Premium Reserve	Retained Earnings	
<b>Balance as at 1st April 2019</b>		4,194.18	756.82	1,859.69	<b>6,810.69</b>
<b>Total other Comprehensive Income for the year</b>	-	-	-	84.49	84.49
<b>Balance as at 31st March 2020</b>	-	<b>4,194.18</b>	<b>756.82</b>	<b>1,944.18</b>	<b>6,895.18</b>
<b>Additions during the year ( Refer Note* )</b>	2,981.72	-	2,880.00	-	5,861.72
<b>Total other Comprehensive Income for the year</b>	-	-		43.72	43.72
<b>Balance as at 31st March 2021</b>	<b>2,981.72</b>	<b>4,194.18</b>	<b>3,636.82</b>	<b>1,987.91</b>	<b>12,800.62</b>

**Note\*:- 5,96,34,400 Warrants which are convertible into Equity Shares have been allotted to Mr. Arun Govil on 01.02.2021.**

Securities premium account represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Act.

General reserve represents an appropriation of profits by the Company, which can be utilised for purposes such as dividend payout etc.

Surplus in Retained Earnings comprises of prior years' undistributed earnings after taxes, which can be utilised for purposes such as dividend payout etc..

*Refer Significant Accounting policies and notes to the financial statements*

As per our report of even date  
For and on behalf of  
**HITESH SHAH & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
Firm Regn No. 103716W  
**CA Hitesh Shah**  
Partner  
Membership No. 040999  
Mumbai, June 30, 2021

For and on behalf of Board of Directors of  
**Ducon Infratechnologies Limited**

**Arun Govil**  
Managing Director  
DIN: 01914619

**Harish Shetty**  
Executive Director & CFO  
DIN: 07144684

**Chandrasekhar Ganesan**  
Executive Director  
DIN: 07144708

**Notes forming part of the Financial Statements as at 31st March, 2021****22. Additional Information to the financial statements****22.1 Contingent Liabilities**

a. Claims against company not acknowledged as debts:

(₹ in lakhs)

Particulars	Period to which the amount relates	Forum where the dispute is pending	Amount
Income Tax	F.Y. 2017-18	Assessing Officer	59.06
Income Tax	F.Y. 2016-17	Assessing Officer	3.21
Income Tax	F.Y. 2013-14	Assessing Officer	0.56
Income Tax	F.Y. 2011-12	Assessing Officer	0.0661
Income Tax	F.Y. 2010-11	Assessing Officer	81.39
Income Tax of Ducon Technologies (I) Pvt Ltd (Demerged Company)	F.Y. 2016-17	Assessing Officer	29.74
Income Tax of Ducon Technologies (I) Pvt Ltd (Demerged Company)	F.Y. 2012-13	Assessing Officer	24.12
Income Tax of Ducon Technologies (I) Pvt Ltd (Demerged Company)	F.Y. 2011-12	Assessing Officer	0.36
Income Tax of Ducon Technologies (I) Pvt Ltd (Demerged Company)	F.Y. 2010-11	Assessing Officer	75.24
Income Tax of Ducon Technologies (I) Pvt Ltd (Demerged Company)	F.Y. 2009-10	Assessing Officer	2.35
Income Tax of Ducon Technologies (I) Pvt Ltd (Demerged Company)	F.Y. 2008-09	Assessing Officer	32.89
Income Tax of Ducon Technologies (I) Pvt Ltd (Demerged Company)	F.Y. 2005-06	Assessing Officer	0.04
CST	F.Y. 2010-11	Tribunal	5.72
VAT	F.Y. 2012-13	Tribunal	20.84
CST	F.Y. 2012-13	Tribunal	35.95
VAT	F.Y. 2013-14	JCT Appeals	23.18
CST	F.Y. 2014-15	JCT Appeals	2.20
Elecon	2011-12, 2012-13, 2013-14 & 2014-15	Arbitration	345.49
FL Smidth	2010-11	Mumbai High Court	USD 32.65

b. Guarantees given by the company's bankers: Rs. 1,130.41 lakhs ( P.Y.: Rs. 4,271.57 lakhs)

**22.2 Related Party Disclosures:**

a. The names of the related parties and the nature of relationship are as under:

Arun Govil	Director
Ducon Technologies (I) Private Limited	Enterprises over which the Key Managerial Personnel and their relatives are able to exercise significant influence.
Cemtrex (India) Private Limited	Enterprises over which the Key Managerial Personnel and their relatives are able to exercise significant influence.
Cemtrex Technologies Pvt Ltd	Enterprises over which the Key Managerial Personnel and their relatives are able to exercise significant influence.
Ducon Power Systems (I) Private Limited	Enterprises over which the Key Managerial Personnel and their relatives are able to exercise significant influence.

## Notes forming part of the Financial Statements as at 31st March, 2021

Arun Govil Productions Private Limited	Enterprises over which the Key Managerial Personnel and their relatives are able to exercise significant influence.
Arun Govil	Managing Director
Harish Shetty	Director
Chandrasekhar Ganesan	Director
Prakash Vaghela	Director Appointed w.e.f. 12.02.2021
Ratna Jhaveri	Director
Jinesh Shah	Director Appointed w.e.f. 12.02.2021
Sudatta Subhankar	Director Resigned w.e.f. 24.11.2020
Abhinav Anand	Director Resigned w.e.f. 19.11.2020

(₹ in lakhs)

b. The material transactions with the related parties are as under:

Name of the Party	Nature of Payment	For the FY 2020-2021	For the FY 2019-2020
Arun Govil	Loan Received (net of repayment)	-	1,370.60
Arun Govil	Remuneration	2.40	2.40
Ratna Jhaveri	Director Sitting Fees	0.60	0.30
Sudatta Subhankar	Director Sitting Fees	0.65	-
Abhinav Anand	Director Sitting Fees	0.60	0.30
Harish Shetty	Remuneration	28.80	28.80
Chandrasekhar Ganesan	Remuneration	26.89	28.80
Ducon Power Systems (India) Pvt Ltd	Advances paid for execution of contract	0.20	18.28
Cemtrex Technologies Pvt Ltd	Advances taken for execution of contract	88.88	437.57
Ducon Technologies (I) Private Limited	Rental expenses ( Net of expenses )	-	13.75

### 22.3 Earnings Per Share (Basic and Diluted):

Particulars	For the FY 2020-2021	For the FY 2019-2020
Profit after Tax (Rs. in Lacs)	41.55	85.76
No. of Equity Shares	17,66,75,117	10,46,75,117
Basic Earnings Per Share (of paid up value of Re. 1 each)	0.02	0.08
Diluted Earnings Per Share (of paid up value of Re. 1 each)	0.01	0.08

### 22.4 Segmental Reporting

The Company is operating in a single primary segment i.e. EPC business. Accordingly, no segment reporting as per Indian Accounting Standard 108 has been done.

### 22.5 Foreign Exchange Exposure:

The company has not entered in any forward contract for hedging during the year and there are no such contracts outstanding at the end of the year.

### 22.6 Auditor's Remuneration:

(₹ in lakhs)

Particulars	For the Financial year ending March 31, 2021	For the Financial year ending March 31, 2020
Statutory Audit Fees	22.00	22.00
Tax Audit Fees	3.00	3.00
<b>Total</b>	<b>25.00</b>	<b>25.00</b>

(excludes applicable taxes thereon)

## Notes forming part of the Financial Statements as at 31st March, 2021

## 22.7 Employee Benefits:

(₹ in lakhs)

Particulars	2020-21		2019-20	
	Gratuity	Leave Salary	Gratuity	Leave Salary
<b>A Reconciliation of Opening and Closing balances of Defined Benefit Obligation</b>				
Present Value of Defined Benefit Obligation as at beginning of the year:	35.31434	8.21616	33.24864	7.92994
Interest Cost	2.38372	0.55459	2.57677	0.61457
Current Service Cost	5.68603	0.29209	6.19290	2.07540
Liability Transfer from Ducon Technologies	0	0	0	0
Benefits paid during the year	(8.37415)	(2.28254)	(9.04378)	0
Actuarial (gain)/loss on Defined Benefit Obligation	(2.80316)	0.41775	2.33981	(2.40375)
Present Value of Defined Benefit Obligation as at end of the year:	32.20678	7.19805	35.31434	8.21616
<b>B Reconciliation of opening and closing balances fair value of plan assets</b>				
Fair value of Plan Assets as at beginning of the year	9.66771	-	0.61769	-
Expected Return on Plan Assets for the year	0.01971	-	0.81023	-
Contributions made by Employer	0	-	0	-
Benefits paid during the year	(8.37415)	-	(9.04378)	-
Actuarial gain / (loss) on Plan Assets	0	-	0	-
Fair value of Plan Assets as at end of the year	1.31327	-	9.66771	-
<b>C Reconciliation of fair value of assets and obligations</b>				
Present Value of the Defined	32.20678	7.19805	35.31434	8.21616
Benefit Obligation as at the end of the year	0		0	
Fair Value of Plan Assets as at the end of the year	(1.31327)	0	(9.66771)	0
Liability recognized in Balance Sheet as at the end of the year	30.89351	7.19805	25.64663	8.21616
<b>D Expenses recognized during the year</b>				
Current Service cost	5.68603	0.29209	6.19290	2.07540
Interest cost on obligation	1.73115	0.55459	2.57677	0.61457
Expected return on plan assets	0.01971	0	(0.81023)	0
Net Actuarial (gain)/loss recognized in the year end	(2.80316)	0.41775	2.33981	(2.40375)
Expenses recognized in the statement of Profit & Loss	5.24688	1.26443	10.29925	0.28622
<b>E Actual Return on plan assets at the year end</b>				
Expected return on Plan Assets	0.01971	-	0.81023	-
<b>F Investment Details</b>				
L.I.C Group Gratuity (Cash Accumulation) Policy	100% Invested with L.I.C.		100% Invested with L.I.C.	
<b>G Actuarial assumptions</b>				
Rate of Interest	6.75% p.a.		6.75% p.a.	
Salary Growth	7.5% p.a.		7.5% p.a.	
Withdrawal Rate	1% p.a.		1% p.a.	
Mortality Table (L.I.C.)	Indian Assured Live Mortality Rate (2012-14) (ILAM 2012-14)		Indian Assured Live Mortality Rate (2012-14) (ILAM 2012-14)	
Retirement Age	60 Years		60 Years	

The estimate of rate of escalation in salary considered in Actuarial valuation, take into account inflation, seniority, promotion, other relevant factors' including supply and Demand in the employment market.

## Notes to Financial Statements for the year ended 31st March 2020

### 22.8 Other Notes:

- a) In the opinion of the Board of Directors, Current Assets, Loans and Advance have the value which these are stated in the Balance Sheet, if realized in the ordinary course of business and the provisions for all known liabilities is adequate and not in excess of or less than the amount reasonably necessary.
- b) During the year, the Company's current borrowings (unsecured loans) amounting to Rs. 6,581.72 Lakhs has been converted into 7,20,00,000 equity shares of Rs. 5 each ( including securities premium of Rs. 4 each) and 5,96,34,400 Warrants of Rs. 5 each which are convertible into Equity Shares have been allotted to Mr. Arun Govil, which is disclosed in "Share Warrants pending allotment" head in "Other Equity" as on March 31, 2021.
- c) Balances of Trade Receivables / Trade Payables as per books of the Company is subject to confirmation / reconciliation with external third party balance confirmation as on March 31, 2021.
- d) Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

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### *Refer Significant Accounting policies and notes to the financial statements*

**As per our report of even date  
For and on behalf of  
HITESH SHAH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Regn No. 103716W**

**CA Hitesh Shah  
Partner  
Membership No. 040999  
Mumbai, June 30, 2021**

**For and on behalf of Board of Directors of  
Ducon Infratechnologies Limited**

**Arun Govil  
Managing Director  
DIN: 01914619**

**Harish Shetty  
Executive Director & CFO  
DIN: 07144684**

**Chandrasekhar Ganesan  
Executive Director  
DIN: 07144708**

**Thane, June 30, 2021**

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If undelivered return to:



*CONSISTENCY IN PERFORMANCE*

**Ducon Infratechnologies Ltd.**

Ducon House, Plot No. A/4, Road No. 1, MIDC,  
Wagle Industrial Estate, Thane - 400604.