



**DUNCAN ENGINEERING LIMITED**

"Formerly Known as Schrader Duncan Limited"

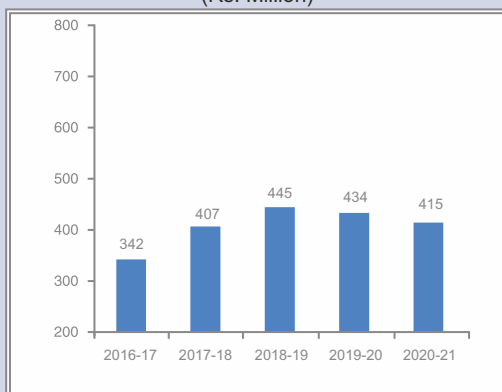
AN ISO 9001:2008 Company

# Duncan Engineering Limited

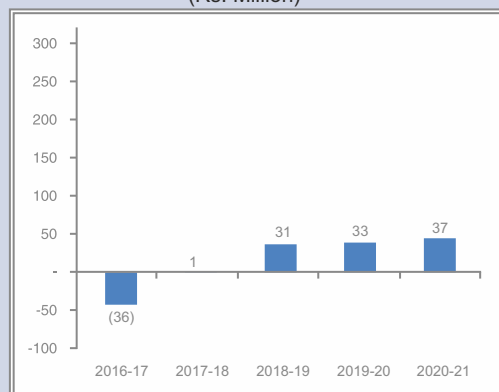
(formerly known as Schrader Duncan Limited)

## Key Financial Indicators Five Years

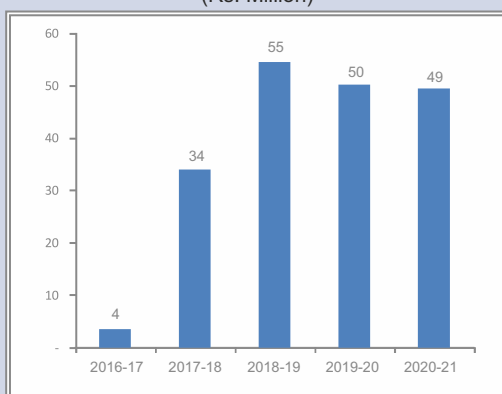
**Total Revenue**  
(Rs. Million)



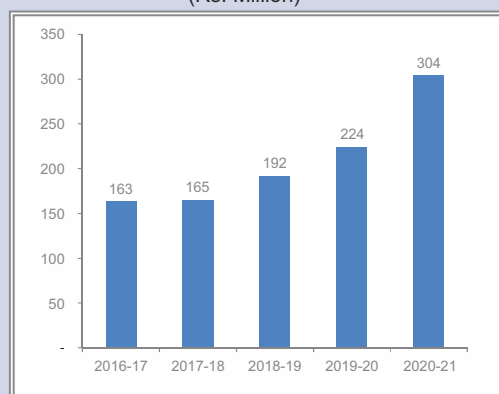
**Profit Before Tax**  
(Rs. Million)



**EBITDA**  
(Rs. Million)



**Net Worth**  
(Rs. Million)



## Ten Year Review

	Rs. Million									
Accounting Year	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Total Revenue	549.78	630.95	707.99	641.44	635.13	342.13	407.21	444.56	433.80	414.82
Profit/(Loss) from continuing operations before tax	302.94	(22.06)	0.10	(78.79)	(60.74)	(36.11)	1.03	31.01	33.03	37.49
	**	***								
Profit/(Loss) from discontinuing operations before tax	-	-	-	-	-	(22.79)	0.44	-	-	-
Profit/(Loss) from continuing operations after tax	204.63	5.09	0.97	(60.48)	(69.29)	(36.09)	1.03	27.79	32.63	79.87
Profit/(Loss) from discontinuing operations after tax	-	-	-	-	-	(22.79)	0.44	-	-	-
“EBITDA (excl. exceptional item and Loss from discontinuing operations)”	(51.62)	0.69	23.45	(0.56)	11.99	3.58	34.00	54.54	50.22	49.30
Net Worth*	307.62	350.92	351.89	291.41	222.11	163.23	164.80	191.85	223.65	303.81
Earning per share* Rs.	55.37	1.38	0.26	(16.36)	(18.75)	(15.93)	0.40	7.52	8.83	21.61
Return on Investment %	99.67	1.54	0.28	(18.80)	(26.99)	(18.73)	0.63	15.59	15.71	30.28

\* Earning per share and net worth for FY 2016-17 is inclusive of discontinuing operations

\*\* Includes profit on sale of portion of surplus land

\*\*\* Includes exceptional expenses on VRS to employees

FY 2012-13 Figures reported after taking effect of 100% wholly subsidiary Associated Polymers Limited w.e.f. 01/04/2012

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Mr. J P Goenka  
Mr. Arvind Goenka  
Mr. Akshat Goenka  
Mr. B B Tandon  
Mr. O P Dubey  
Mr. Nitin Kaul  
Mrs. Arti Kant

Chairman  
Director  
Managing Director  
Director  
Director  
Director  
Director

### REGISTERED OFFICE & PLANT

F-33, Ranjangaon MIDC  
Karegaon, Tal. Shirur  
Pune 412 209

### AUDITORS

M/s. S S Kothari Mehta & Co.  
Chartered Accountants

### CHIEF FINANCIAL OFFICER

Mr. K Raghu Raman

### BANKER

State Bank of India  
Kotak Mahindra Bank

### COMPANY SECRETARY

Mr. Rajib Kumar Gope

### BRANCH OFFICE

14<sup>th</sup> Floor, Tower-B, World Trade Tower  
Plot no. C-1, Sector-16, Noida-201301

### REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited  
Block No. 202, 2<sup>nd</sup> Floor  
Akshay Complex, Near Ganesh Temple  
Off Dhole Patil Road, Pune- 411001

### WEBSITE

<https://www.duncanengg.com>

Email (Investor Relations):  
[complianceofficer@duncanengg.com](mailto:complianceofficer@duncanengg.com)

CIN:L28991PN1961PLC139151

### LISTED AT

BSE Limited (Bombay Stock Exchange)

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# DUNCAN ENGINEERING LIMITED

Registered Office: F-33, Ranjangaon MIDC, Karegaon, Tal- Shirur, Pune-412209

**CIN: L28991PN1961PLC139151**

Email: [complianceofficer@duncanengg.com](mailto:complianceofficer@duncanengg.com)

Website: [www.duncanengg.com](http://www.duncanengg.com)

Phone: +91 2138 660-066 Fax: +91 2138 660-067

## NOTICE

**NOTICE** is hereby given that the Sixtieth Annual General Meeting of the Shareholders of Duncan Engineering Limited will be held on Friday, July 23, 2021 at 10:00 A.M. IST through Video Conferencing ("VC") / other Audio Visual Means ("OAVM") to transact the following businesses:

### Ordinary Business:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March, 2021 comprising audited Balance Sheet as at 31st March, 2021 and Statement of Profit and Loss for the year ended on that date, together with Notes forming part thereof and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Jagdish Prasad Goenka (holding DIN 00136782), liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013 and who, being eligible, offers himself for re-appointment.

### Special Business:

3. To consider and, if thought fit to pass, with or without modifications, the following resolution as a **Special Resolution**:

#### Re-appointment of Mr. Akshat Goenka as Managing Director

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 203 and other applicable provisions, if any of the Companies Act, 2013 ("the Act") (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, consent of the Company be and is hereby accorded for the appointment of Mr. Akshat Goenka (DIN 07131982) as the Managing Director of the Company, for a period of 5 (five) years with effect from 9th February 2022 upto 9th February, 2027 upon the terms & conditions of appointment including the payment of remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (including its Committee thereof) to alter and vary the terms & conditions of the said Appointment in such manner as may be agreed to between the Board of Directors and Mr. Akshat Goenka."

**RESOLVED FURTHER THAT** Mr. Akshat Goenka shall be entitled to a Salary of Rs. 1000 per month plus commission up to maximum of 5% of Net Profits to be paid out based on the audited Financial Statements of each year subject to overall limit fixed under Section 197 of the Companies Act, 2013;

**RESOLVED FURTHER THAT** pursuant to the limit prescribed under Section V of Part II of Schedule V of the Companies Act, 2013, Mr. Akshat Goenka shall be entitled to draw remuneration from the Company as well as from Oriental Carbon & Chemicals Limited (Holding Company) provided it does not exceed the higher maximum limit admissible from any one of the companies of which he is a Managerial Person;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as in its absolute discretion, it may consider necessary, expedient or desirable, in order to give effect to the foregoing resolution or otherwise considered by it to be in the best interests of the Company."

### NOTES:

- 1) In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its Circular No. 20 dated May 5, 2020 read with Circular No. 14 dated April 8, 2020 and Circular No. 17 dated April 13, 2020, General circular No.02/2021 dated January 13, 2021 (hereinafter collectively referred to as "MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFDCMD2/CIR/P/2021/11 dated January 15, 2021 issued by the Securities and Exchange Board of India ("SEBI Circular") permitted the holding of Annual General Meeting through VC or OAVM without the physical presence of Members at a common venue. In compliance with these MCA Circulars and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015, the Annual General Meeting of the Members of the Company is being held through VC/OAVM.

2. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to the Notice.
3. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorization etc., authorizing its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e- voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to [shaswati.vishnav@gmail.com](mailto:shaswati.vishnav@gmail.com) with copies marked to the Company at [complianceofficer@duncanengg.com](mailto:complianceofficer@duncanengg.com) and to its RTA at [pune@linkintime.co.in](mailto:pune@linkintime.co.in).
4. Registration of email ID and Bank Account details:

In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/Depositories, log in details for e-voting are being sent on the registered email address.

In case the shareholder has not registered his/her/their email address with the Company/its RTA/Depositories and or not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:

- (i) Kindly log in to the website of our RTA, Link Intime India Private Ltd., [www.linkintime.co.in](http://www.linkintime.co.in) under Investor Services > Email/Bank detail Registration - fill in the details and upload the required documents and submit. OR
- (ii) In the case of Shares held in Demat mode:

The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

5. The Notice of the Annual General Meeting along with the Annual Report for the financial year 2020-21 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories in accordance with the aforesaid MCA Circulars and circular issued by SEBI dated May 12, 2020. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2020-21 will also be available on the Company's website [www.duncanengg.com](http://www.duncanengg.com); websites of the Stock Exchange [www.bseindia.com](http://www.bseindia.com). Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.
6. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. **Remote e-Voting Instructions for shareholders post change in the Login mechanism for Individual shareholders holding securities in demat mode, pursuant to SEBI circular dated December 9, 2020:**

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post 9th June, 2021.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

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

Type of shareholders	Login Method
<b>Individual Shareholders holding securities in demat mode with NSDL</b>	<ul style="list-style-type: none"> <li>If you are already registered for NSDL IDeAS facility, 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 "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password.</li> <li>After successful authentication, you will be able to see e-Voting services. Click on</li> </ul>

	<p>“Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <ul style="list-style-type: none"> <li>• 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 “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>• 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 digit demat account number hold 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 company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul>
<b>Individual Shareholders holding securities in demat mode with CDSL</b>	<ul style="list-style-type: none"> <li>• Existing user of 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.</li> <li>• 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, KARVY, LINKINTIME, CDSL. Click on e-Voting service provider name to cast your vote.</li> <li>• 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></li> <li>• 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 where the E Voting is in progress.</li> </ul>
<b>Individual Shareholders (holding securities in demat mode) &amp; login through their depository participants</b>	<ul style="list-style-type: none"> <li>• You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>• 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 company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul>
<b>Individual Shareholders holding securities in Physical mode &amp; evoting service Provider is LINKINTIME.</b>	<ol style="list-style-type: none"> <li>1 Open the internet browser and launch the URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a> Click on “<b>Sign Up</b>” under ‘<b>SHARE HOLDER</b>’ tab and register with your following details: - <ul style="list-style-type: none"> <li><b>A. User ID:</b> Shareholders/ members holding shares in <b>physical form shall provide</b> Event No + Folio Number registered with the Company.</li> <li><b>B. PAN:</b> Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.</li> <li><b>C. DOB/DOI:</b> Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)</li> </ul> </li> </ol>



	<p><b>D. Bank Account Number:</b> Enter your Bank Account Number (last four digits), as recorded with your DP/Company.</p> <ul style="list-style-type: none"> <li>Shareholders/ members holding shares in <b>physical form</b> but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above</li> </ul> <p>Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&amp;*), at least one numeral, at least one alphabet and at least one capital letter).</p> <p>Click "confirm" (Your password is now generated).</p> <ol style="list-style-type: none"> <li>Click on 'Login' under '<b>SHARE HOLDER</b>' tab.</li> <li>Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '<b>Submit</b>'.</li> <li>After successful login, you will be able to see the notification for e-voting. Select '<b>View</b>' icon.</li> <li>E-voting page will appear.</li> <li>Refer the Resolution description and cast your vote by selecting your desired option '<b>Favour / Against</b>' (If you wish to view the entire Resolution details, click on the '<b>View Resolution</b>' file link).</li> <li>After selecting the desired option i.e. Favour / Against, click on '<b>Submit</b>'. A confirmation box will be displayed. If you wish to confirm your vote, click on '<b>Yes</b>', else to change your vote, click on '<b>No</b>' and accordingly modify your vote.</li> </ol>
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#### **Institutional shareholders:**

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution / authority letter / power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

#### **Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:**

- o Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- o Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on '**Submit**'.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.

#### **Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:**

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.
  - It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
  - During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

**Helpdesk for Individual Shareholders holding securities in demat mode:**

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	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
Individual Shareholders holding securities in demat mode with CDSL	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 22-23058542-43.

**Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME.**

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022-4918 6000.

**Insta Vote Support Desk**  
**Link Intime India Pvt. Ltd.**

**8. INSTRUCTIONS FOR SHAREHOLDERS/MEMBERS TO ATTEND THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:**

Instructions for Shareholders/Members to attend the Annual General Meeting through InstaMeet (VC/OAVM) are as under:

- 1) Shareholders/Members are entitled to attend the Annual General Meeting through VC/OAVM provided by Link Intime by following the below mentioned process. Facility for joining the Annual General Meeting through VC/OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and will be available to the Members on first come first serve basis.

Shareholders/Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited and will be closed on expiry of 15 (fifteen) minutes from the scheduled time of the Annual General Meeting. Shareholders/Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chair Persons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first-come-first serve basis. Members can log in and join 15 (fifteen) minutes prior to the schedule time of the meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time.

Shareholders/ Members will be provided with InstaMeet facility wherein Shareholders/ Member shall register their details and attend the Annual General Meeting as under:

1. Open the internet browser and launch the URL for InstaMeet<<<https://instameet.linkintime.co.in>>> and register with your following details:
  - a. DP ID / Client ID or Beneficiary ID or Folio No.: Enter your 16 digit DP ID / Client ID or Beneficiary ID or Folio Number registered with the Company
  - b. PAN: Enter your 10 digit Permanent Account Number (PAN)
  - c. Mobile No.
  - d. Email ID
2. Click "Go to Meeting"

**Note:**

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or Call us: - Tel : ( 022-49186175 )



**9. INSTRUCTIONS FOR SHAREHOLDERS/MEMBERS TO REGISTER THEMSELVES AS SPEAKERS DURING ANNUAL GENERAL MEETING:**

Shareholders/Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number at [complianceofficer@duncanengg.com](mailto:complianceofficer@duncanengg.com) from July 19, 2021, (9:00 AM IST) to July 21, 2021, (5:00 PM IST).

The Speakers will only be allowed to express their views/ask questions during the meeting on first come basis.

Shareholders/ Members, who would like to ask questions, may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at ([complianceofficer@duncanengg.com](mailto:complianceofficer@duncanengg.com)). The same will be replied by the company suitably.

**Note:**

Those shareholders/members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Annual General Meeting.

Shareholders/ Members should allow to use camera and are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

**10. INSTRUCTIONS FOR SHAREHOLDERS/MEMBERS TO VOTE DURING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:**

Once the electronic voting is activated by the scrutiniser during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote".
2. Enter Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired.  
Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

**Note:** Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet 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 facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or Call us: - Tel : ( 022-49186175 )

- 11 The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, July 17, 2021 to Friday, July 23, 2021 (both days inclusive) in terms Section 91 of the Companies Act, 2013 and of Regulation 42 of SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015.
- 12 No unpaid/ unclaimed dividend is due for transfer to Investor Education & Protection Fund (IEPF) in the year 2020-21. The Company has last declared dividend in FY 2009-10. The unpaid/unclaimed dividend for 2009-10 was transferred to IEPF in 2017-18.
- 13 Members are requested to intimate their queries, if any, relating to the accounts or any other matter at least seven days in advance so that the explanation can be made available and furnished readily at the meeting.
- 14 The Company's Registered Office is at F-33, Ranjangaon MIDC, Karegaon, Tal- Shirur, Pune- 412209. Shareholders are requested to address all correspondence to the Company Secretary at the Registered Office or to the Registrar and Share Transfer Agents, Link Intime India Pvt Limited.
- 15 The Company's Registrar and Share Transfer Agents, Link Intime India Pvt Ltd undertake the transfer of shares, both in physical and electronic form. Their address is as follows:

**Link Intime India Pvt Ltd, Block No 202, 2<sup>nd</sup> Floor, Akshay Complex, Near Ganesh Temple, Off-Dhole Patil Road, Pune – 411001**

***(Members may send their transfer requests and other share related queries either to the Company at the Registered Office or to Link Intime India Pvt Ltd at the above address.)***

- 16 Members are requested to notify immediately any change in their address/bank mandate to their Depository Participants (DPs) in respect of their electronic share accounts and to the Registrar and Share Transfer Agents of the Company, Link Intime India Pvt Ltd, in respect of their physical share folios.
- 17 The e-voting period commences on Tuesday, July 20, 2021 (10:00 A.M. IST) and ends on Thursday, July 22, 2021 (5:00 P.M. IST). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, July 16, 2021 may cast their vote electronically. The e-voting module shall be disabled by LINK INTIME for voting thereafter and reopened during AGM for the members who are present through "VC" or "OAVM" and have not cast their vote. Only those members, who will be present in the AGM through "VC" or "OAVM" facility and have not cast their vote on the resolution through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- 18 The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) Friday, July 16, 2021.
- 19 Ms. Shaswati Vaishnav, Practicing Company Secretary (C P No.: 11392 Membership No. ACS 8675) has been appointed as the Scrutinizer by the Board to scrutinize the e-voting process before the AGM as well as remote e-voting during the AGM in a fair and transparent manner.
- 20 The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- 21 The Results shall be declared within 48 hours after the conclusion AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.duncanengg.com](http://www.duncanengg.com) and on the website of Link Intime [www.linkintime.co.in](http://www.linkintime.co.in) within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited, where the shares of the Company are listed.
- 22 The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market, Members holding shares in electronic form are, therefore, requested to submit the PAN to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
- 23 Members may also note that the Notice of the 60<sup>th</sup> Annual General Meeting and the Annual Report for 2020-21 will also be available on the Company's website [www.duncanengg.com](http://www.duncanengg.com) for their download.
- 24 All documents referred to in the accompanying Notice and the Explanatory Statement and the Register of Directors and key managerial personnel and their shareholding will be available electronically for inspection by the members during the AGM upon log in to Link Intime evoting system at <http://instavote.linkintime.co.in>.
- 25 Subject to receipt of requisite number of votes, the resolution shall be deemed to be passed on the date of the AGM i.e. Friday, July 23, 2021.
26. Since the AGM will be held through "VC" or "OAVM" the Route Map is not annexed in this Notice.

**Registered Office:**

F- 33, Ranjangaon MIDC  
Tal. Shirur, Pune 412209

Date: 07.05.2021

Place: Pune

**By Order of the Board**

**Rajib Kumar Gope**  
**Company Secretary**  
**(Membership No. FCS 8417)**

## ANNEXURE TO ITEM 2 and 3 OF THE NOTICE

Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting [Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2 on General Meetings]

Name of the Director	Mr. J P Goenka	Mr. Akshat Goenka
DIN	00136782	07131982
Date of Birth	07.07.1937	27.09.1987
Nationality	Indian	Indian
Date of appointment on the Board	02.08.1982	09.02.2017
Expertise in specific functional area	Strategy and Planning, Risk and compliance oversight and Critical and Innovative thoughts	Company Management, Global Marketing, Strategy and Planning, Risk and compliance oversight, Critical and Innovative thoughts, spearheading new projects and Finance & Accounts
Number of shares held in the Company	Nil	Nil
List of Directorship held in other Companies*	Oriental Carbon & Chemicals Limited	Oriental Carbon & Chemicals Ltd. Discipline Investments Limited Haldia Investment Co. Limited Cosmopolitan Investments Ltd.
Number of Board Meeting attended during the year 2020-21	01 out of 04	04 out of 04
Chairman/ Member in the Committees of the Boards of companies in which he/she is a Director*	Nil	Member: Audit Committee: Oriental Carbon & Chemicals Ltd. Stakeholder's Relationship Committee: Oriental Carbon & Chemicals Ltd. Stakeholder's Relationship Committee: Duncan Engineering Limited
Relationships between Directors inter-se	Mr. Arvind Goenka (son) Mr. Akshat Goenka (Grandson)	Mr. Arvind Goenka (father) Mr. J P Goenka (Grandfather)
Terms and Conditions of Appointment	Non- Executive Director; liable to retire by Rotation	Managing Director
Remuneration details (Including Sitting Fees & Commission)	Refer Corporate Governance report	Refer Corporate Governance report

\* Directorship includes Directorship of Public Companies & Committee membership includes only Audit Committee and Stakeholders' Relationship Committee of Public Limited Company (whether Listed or not).

**EXPLANATORY STATEMENT**  
(Pursuant to Section 102 of the Companies Act, 2013)

**Item No. 3**

the Board of Directors of the Company at its meeting held on May 7, 2021, re-appointed Mr. Akshat Goenka as the Managing Director of the Company with effect from February 9, 2022 for a period of five years, subject to the approval of the Members.

The requisite information stipulated under Schedule V is furnished hereunder:

<b>I</b>	<b>GENERAL INFORMATION</b>	
(1)	Nature of industry	Pneumatic Valves, Cylinders & Actuators
(2)	Date or expected date of commencement of commercial production	Not applicable
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
(4)	Financial performance based on given indicators	Net Sales (INR) Rs. 4149 Lacs Profit/(loss) before Tax Rs. 378 Lacs
(5)	Foreign investments or collaborations, if any	None
<b>II</b>	<b>INFORMATION ABOUT THE APPOINTEE</b>	
(1)	Background details	Mr. Akshat Goenka, Joint Managing Director of Oriental Carbon & Chemicals Limited, the holding company, aged about 34 years is a Graduate in Economics and International Relations from University of Pennsylvania, USA, an Ivy League Institution. He played a key role in setting up Phase -I, Phase -II and Phase -III of the Plant at SEZ Mundra of Oriental Carbon & Chemicals Limited for manufacturing Insoluble Sulphur.
(2)	Past remuneration	Salary of Rs. 1000 per month plus commission up to maximum of 5% of Net Profits to be paid out based on the audited Financial Statements of each year subject to overall limit fixed under Section 197 of the Companies Act, 2013;
(3)	Recognition or awards	Nil
(4)	Job profile and his suitability	He has strong academic background and rich industry experience of more than 12 years.
(5)	Remuneration Proposed (Subject to review by Board at regular intervals within the prescribe limits of the Companies Act, 2013.	Salary of Rs. 1000 per month. He shall also be entitled to a commission of maximum of 5% of Net Profits to be paid out based on the audited Financial Statements of each year subject to overall limit fixed under Section 197 of the Companies Act, 2013;
(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	His remuneration of Rs.1000 per month is negligible. Additional remuneration is linked to the profitability of the Company.
(7)	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	He draws a salary of Rs. 1000 per month plus commission up to maximum of 5% of Net Profits to be paid out based on the audited Financial Statements of each year subject to overall limit fixed under Section 197 of the Companies Act, 2013;  Mr. Akshat Goenka is son of Mr. Arvind Goenka & grandson of Mr. J P Goenka.
<b>III</b>	<b>OTHER INFORMATION</b>	
(1)	Reasons of loss or inadequate profits	• NA

(2)	Steps taken or proposed to be taken for improvement	<ul style="list-style-type: none"> <li>• New product development &amp; introduction</li> <li>• Cost optimisation and re-engineering initiatives.</li> </ul>
(3)	Expected increase in productivity and profits in measurable terms	12-15% operating margin in next 2 Years.
<b>IV</b>	<b>DISCLOSURES</b>	All details are covered in the Corporate Governance Report which forms part of the Annual Report 2020-21

The Board recommends the resolution for approval by the Members.

Mr. J P Goenka & Mr. Arvind Goenka being grandfather and father respectively of Mr. Akshat Goenka are interested in the resolution.

The above may be treated as sufficient disclosure under Section 190 with respect to remuneration payable w.e.f. 9th February 2022.

This Explanatory Statement may also be regarded as a disclosure under Regulation 17 to 27 of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.

**Registered Office:**

F- 33, Ranjangaon MIDC  
Tal. Shirur, Pune 412209

**By Order of the Board**

**Rajib Kumar Gope**  
**Company Secretary**  
**(Membership No. FCS 8417)**

Date: May 7, 2021  
Place: Pune

## BOARD'S REPORT

To  
The Members,  
Duncan Engineering Limited

Your Directors have pleasure in presenting the Sixtieth Annual Report of the Company on the business and operations of the Company, together with the Audited Financial Statements for the year ended March 31, 2021.

### Financial Results

The Company's performance during the financial year ended March 31, 2021 as compared to the previous financial year is summarized below:

(Rupees in Lacs)

Particulars	2020-21	2019-20
Total Revenue	4199.78	4438.98
Total Expenses (incl. Exceptional item of Rs.175.58 Lacs in 2019-20)	-3822.01	-4116.94
Profit/(Loss) before Tax	377.77	322.04
Profit/(Loss) from continuing operations before Tax	377.77	322.04
Tax Expenses (Current Tax)	-	
Tax Expenses (earlier year)- Deferred Tax	-423.80	4.01
Profit/(Loss) from continuing operations after Tax	801.57	318.03
Profit/(Loss) from discontinuing operations before Tax		-
Tax Expenses (Current Tax)		-
Profit/(Loss) from discontinuing operations after Tax	-	
Profit/(loss) for the year	801.57	318.03

### Dividend

The Board of Directors have not recommended to declare any dividend in order to conserve the fund for the growth of the Company.

### Operations

Financial year 2020-21 was one of the most challenging years your company has witnessed in recent times. Most part of first quarter was lost as the plant was shut down for 44 days due to nationwide lockdown declared by the Government. Even after resuming the operations the Company faced many challenges such as scarcity of raw material, high absenteeism, delay in despatch the finished products due to lack of transport, local lock downs etc.

However, things started to improve from second quarter onwards as lock down restrictions became less stringent and industrial operations slowly limped back to normal. The sales orders started to pour in as our customers/ dealers resumed their operations. Similarly, our vendors also started working resulting in better inflow of raw materials. Manpower issues also started to subside as inter-state/district/city transport movements became operational and travel restrictions reduced substantially.

The overall performance of your Company during the year under review is satisfactory considering that it was marred by the pandemic. In spite of the pandemic and other challenges, your company managed to achieve an annual turnover of Rs.4199.78 Lacs. with major contribution from Power and Cement sector. The revenue for the year have not improved much as we got only three quarters. However, things are looking positive for the next fiscal year as India is slowly recovering from the economic slowdown. Having said that the second wave of COVID is seem to be alarming and may affect the growth prospect of the Company.



## **Annual Return**

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Companies (Amendment) Act, 2017, a copy of Annual Return (eForm MGT-7) is available on the website of the company [www.duncanengg.com](http://www.duncanengg.com) under investor dropdown.

## **Internal Financial Controls**

Your Company has an internal control system, commensurate with the size, scale and complexity of its operations. Internal Audit is conducted throughout the organization by qualified outside Internal Auditors. Findings of the internal Audit Report are reviewed by the top Management and by the Audit Committee of the Board and proper follow up actions are ensured wherever required. M/s Pipalia Singhal & Associates are the Internal Auditor of the Company.

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Statutory Auditors and the Internal Auditors of the Company on the inefficiency or inadequacy of such controls.

## **Public Deposits**

The Company has not accepted any fixed deposits from the public or shareholders falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

## **Particulars of loans/advances/investments outstanding during the financial year**

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

The details of the Investments made and loan given/taken by company is mentioned in the Notes to the financial statements.

## **Report on performance and financial position of subsidiaries, associates and joint venture companies**

During the year under review, your Company did not have any subsidiary, associate and joint venture.

## **AUDITORS AND THEIR REPORTS**

The matters related auditors and their reports are as under:

### **Statutory Auditor's appointment**

At the Annual General Meeting held on July 29, 2020, the members have approved the appointment of M/s SS Kothari Mehta & Co. Chartered Accountants, (Registration No.000756N) as a Statutory Auditor of the Company for a period of five consecutive years i.e. for a term up to the conclusion of 64th Annual General Meeting to be held in the calendar year 2025.

The Company has received a certificate from the said Auditors that they are eligible to hold office as the Auditors of the Company and are not disqualified for being so appointed.

### **Observations of Statutory Auditors on Financial Statements for the year ended March 31, 2021**

As regards the comments in the Auditors' Report, if any, the relevant notes in the Accounts are self-explanatory and may be treated as information/ explanation submitted by the Board as contemplated under provisions of the Companies Act, 2013.

### **Explanation & Comment by the Board on the qualifications or adverse remarks made by the auditors**

There were no qualifications, reservations or adverse remarks or claims made by the auditors.

## **Secretarial Audit**

As required under the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s Shaswati Vaishnav & Associates, Company Secretary in Practice has undertaken the Secretarial Audit of the Company for the year ended 31st March 2021. The Secretarial Audit Report is annexed herewith in Form No. MR-3. There are no qualifications, reservation or adverse remarks or disclaimer made by the auditor in the report save and except disclaimer made by them in discharge for their professional obligation.

## MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Board of Directors and Key Managerial Personnel (KMP)

The following three persons were formally appointed as Key Managerial Personnel of the Company as per the provisions of Sec 203 of the Companies Act, 2013.

- a) Mr. Akshat Goenka, Managing Director
- b) Mr. K Raghu Raman, Chief Financial Officer
- c) Mr. Rajib Kumar Gope, Company Secretary

In accordance with the provisions of the Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Mr Jagdish Prasad Goenka (holding DIN 00136782) is liable to retire by rotation and being eligible for re-appointment, offer himself for re-appointment. Your Directors have proposed his re-appointment as set out in the notice of AGM.

In accordance with the Sections 196, 197, 203 and other applicable provisions, if any of the Companies Act, 2013 ("the Act") (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your directors have proposed re-appointment of Mr. Akshat Goenka as Managing Director of the Company for a period of five years w.e.f. 9th February 2022.

### Compliance of Code of Conduct for Directors and Senior Management Personnel.

Declaration on compliance of Code of Conduct is received from Directors and Senior Management Personnel.

### Managing Director's Remuneration:

Mr. Akshat Goenka is the Managing Director of the Company. The remuneration detail of Mr. Akshat Goenka is disclosed in Corporate Governance Report. Mr. Akshat Goenka is also Jt. Managing Director in Oriental Carbon Chemicals Limited, Holding Company. He received a Salary of Rs. 12000 and Commission Rs. 19.50 Lacs from Duncan Engineering Limited in the year 2020-21. In addition to the remuneration from Duncan Engineering Limited, he also received a remuneration of Rs 2,51,64,690 P.A. from Oriental Carbon & Chemicals Limited in 2020-21.

The bifurcation of the remuneration drawn by Mr. Akshat Goenka from Oriental Carbon & Chemicals Limited as follows:  
(Amount in Rs.)

Name	Salary	Commission	Contribution to PF	Perq. And other allowances	Total
Mr. Akshat Goenka	70,56,000	1,02,44,000	8,23,200	70,41,490	2,51,64,690

### Declaration by Independent Directors

Pursuant to the provisions of sub-section (7) of Section 149 of the Companies Act, 2013, the Company has received individual declarations from all the Independent Directors confirming that they fulfil the criteria of independence as specified in Section 149(6) of the Companies Act, 2013 and have complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

### Annual Performance Evaluation

As per Section 134(3)(p) of the Companies Act, 2013 read with sub-rule (4) of Rule 8 of the Companies (Accounts) Rules 2014 and SEBI (LODR) Regulation 2015, 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 the other Committees.

The performance of the Board was evaluated by the Board of Directors after seeking inputs from all the Directors. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members. The Board focused on criteria like strategy effectiveness, Board Structure and Committees, Board Meetings and Procedures while evaluating its own performance and that its committees. The Policy on Performance Evaluation is also available on the website of the Company i.e. [www.duncanengg.com](http://www.duncanengg.com).

For the purpose of evaluation, the Directors have been classified into three categories: Independent Directors, Non-Executive Directors and Executive Directors. Independent & Non- Executive Directors were evaluated on the basis of Engagement, Adherence to Code of Conduct, Strategic Planning, Team Spirit, Consensus Building, leadership and domain knowledge. Whereas Executive Director is evaluated on Management qualities, Team work abilities, Result/Achievements, Domain Knowledge, Understanding & Awareness etc.

### **Director's Responsibility Statement**

To the best of your Director's knowledge and belief and according to the information and explanations obtained your Directors make the following statements in terms of section 134 (3) (c) of the Companies Act, 2013:

- i) that in the preparation of the annual financial statements for the year ended March 31, 2021, the applicable Accounting Standard (Ind AS) have been followed along with proper explanation relating to material departures, if any;
- ii) the directors had selected such accounting policies and applied them consistently and made judgements 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 the profit and loss of the Company for that period.
- iii) that proper and sufficient care has been taken 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 the detecting fraud and other irregularities;
- iv) that the annual financial statements have been prepared on a going concern basis;
- v) that proper financial controls were in place and that the financial controls were adequate and were operating effectively.
- vi) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### **DISCLOSURE RELATED TO BOARD, COMMITTEES AND POLICIES**

#### **Board and Committee Meetings**

The Company holds Meetings as per Companies Act, 2013 and the Listing Agreement signed with the Stock Exchange. During the year four Board Meetings and four Audit Committee meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations Disclosure Requirements) Amendment Regulations, 2018. Additionally, on January 27, 2021, the Independent Directors held a separate meeting in compliance with the requirements of Schedule IV of the Companies Act, 2013.

The Board of Directors met four times in FY 2020-21 on June 3, 2020; July 30, 2020; October 23, 2020 and January 27, 2021.

#### **Audit Committee**

The Audit Committee comprises four Non-Executive-Independent Directors namely, Mr. O P Dubey is the Chairman, and Mr. B B. Tandon Mr. Nitin Kaul and Mrs. Arti Kant are the Members of the Committee. All the recommendations made by the Audit Committee during the year were accepted by the Board. The Chief Financial Officer and Auditors are permanent invitees to the committee meetings. The detail of terms of reference of Audit Committee, number and dates of meetings held, attendance of the directors and remunerations paid to them are given separately in the Corporate Governance Report. The Audit Committee met four times in FY 2020-21 i.e. on June 3, 2020; July 30, 2020; October 23, 2020 and January 27, 2021.

#### **Nomination and Remuneration Committee**

The Company has a Nomination & Remuneration Committee as per the requirements prescribed under Section 178 (1) of the Companies Act, 2013. The Nomination and Remuneration Committee has Mr. O P Dubey as Chairman, Mr. B B Tandon, Mr. Arvind Goenka and Mr. Nitin Kaul as Members. The Company has a policy on Directors appointment & remuneration which is posted on the website of the Company. The details terms of reference of the committee has been given in the Corporate Governance Report. The Nomination & Remuneration Committee met only once in FY 2020-21 i.e. on June 3, 2020.

### **The Stakeholder's Relationship Committee:**

The Company has a Stakeholder's Relationship Committee for reviewing shareholder/investors complaints and grievances. Presently the Committee is led by Mr. O P Dubey (Chairman), Mr. Akshat Goenka and Mrs. Arti Kant are the other two members of the Committee. On 23rd October 2020, Mr. J P Goenka resigned as member and Chairman of the Committee. Mr. O P Dubey was appointed as Chairman in place of Mr. J P Goenka. Mr. Akshat Goenka joined as a member of the Committee on 23rd October 2020. The detail terms of reference of the committee has been given in the Corporate Governance Report. There were four meetings of Stakeholder's Relationship Committee were held in FY 2020-21 i.e. on June 3, 2020; July 30, 2020; October 23, 2020 and January 27, 2021.

### **Company's Policy on Directors' appointment and remuneration**

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy to ensure that Company's Directors, Key Managerial Personnel and other senior management employees are sufficiently incentivised for enhanced performance. Remuneration of executive directors are linked to increase in stakeholder's wealth, target achievement in term of sales, margin, new initiatives taken, optimum utilization of resources, people management, risk mitigation, qualification, experience and merits etc. Remuneration should be reasonable and sufficient to attract and retain employees. Independent Directors receive remuneration by way of sitting fees for attending meetings of Board and Committees (where they are members). The Remuneration Policy of the Company is also available on the website of the Company which is [www.duncanengg.com](http://www.duncanengg.com).

### **Vigil Mechanism/Whistle Blower Policy**

The Company has a vigil mechanism named Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. A vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the Management, concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or Policy. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Managing Director / Chairman of the Audit Committee in exceptional cases. The details of the Whistle Blower Policy are explained in the Corporate Governance Report and also posted on the Company's website i.e. [www.duncanengg.com](http://www.duncanengg.com).

### **Risk Management**

The Board of Directors of the Company look into the element of risk associated with the Company. At present the company has not identified any element of risk which in the opinion of the Board may threaten the existence of the Company. However, risks like uneven demand-supply, labour unrest, high employee turnover ratio, pandemic etc. may adversely affect the performance of the Company in the upcoming financial year.

### **Fraud Reporting**

During the year under review, no instances of fraud were reported by the Statutory Auditors of the Company.

### **Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013**

The Company has in place an Anti-Sexual Harassment Policy line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An internal committee has been set up to redress complaints received regarding sexual harassment. No complaint received during the year under review.

### **OTHER DISCLOSURES**

#### **Corporate Governance**

As per Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a section on Corporate Governance and Management Discussion and Analysis is annexed to this report.

A certificate from M/s Vaishnav Associates, Pune (ACS 8675, C.P. No. 11392) confirming compliance of Corporate Governance is also annexed.

#### **Compliance of Secretarial Standards**

The Company has complied the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

#### **Insider Trading Regulations**

Based on the requirements under the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time,

the Code of Conduct for prevention of Insider Trading is in force in your Company. The Board of Directors of the Company has adopted the revised Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in compliance with Chapter IV of the said Regulations and the same has been uploaded on the Company's website [www.duncanengg.com](http://www.duncanengg.com).

### **Conservation of Energy, Technology Absorption, Exports and Foreign Exchange Earnings and Outgo**

A statement giving details of conservation of energy, technology absorption, exports and foreign exchange earnings and outgo pursuant to Section 134(3) (m) read with Companies (Accounts) Rules, 2014 is annexed to Board's Report.

### **Particulars of Employees and Remuneration**

The information as required under the provisions of Section 197(12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in Annexure attached herewith and which forms part of this report.

### **Investor Education & Protection Fund**

The Company has last declared dividend in 2009-10, hence no amount is liable to be transferred to the Investor Education and Protection Fund (IEPF) under sub-section (2) of section 125 of the Act and the IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016. Similarly, no shares are due for transfer to the IEPF.

The Company has appointed Mr. Rajib Kumar Gope, Company Secretary as Nodal Officer under the provisions of IEPF Rules. The details of the Nodal Officer is available in the website of the Company [www.duncanengg.com](http://www.duncanengg.com) under Investor dropdown.

### **Related Party Transactions**

All related party transactions that were entered into during the financial year were on arms' length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of Company at large. All Related Party transactions form part to the Notes to the Balance Sheet (Refer Note No. 36) All Related Party transactions are placed before the Audit Committee. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of foreseen and repetitive nature. The approved Policy on Related Party transactions is also available on the website of the company [www.duncanengg.com](http://www.duncanengg.com) under investor dropdown.

### **Accounting Treatment**

The Accounts for the year have been prepared as per Indian Accounting Standards (Ind AS) and all the current year and previous year figures have been re-stated accordingly. No treatment different from that prescribed in Accounting Standards (Ind AS) has been followed by the Company.

### **Credit Rating**

Your Company has obtained Credit Rating from ICRA Ltd. The Credit Rating was obtained on 19.02.2021. Latest available Credit Rating was [ICRA] A-(Stable)/[ICRA] A2+.

### **Research and Development**

Research & Development is fundamental to the Company's efforts to maintain the technical and quality edge. New products are continuously being developed to meet customers varied requirements. Research in the areas of reducing utilities cost and process parameters improvement is also being done.

### **Disclosures under Section 134(3)(l) of the Companies Act, 2013**

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company to which the financial statement relates and date of this report.

### **Disclosure of Orders passed by Regulators or Courts or Tribunal**

No significant and material orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

**Disclosure relating to equity shares with differential rights**

The Company has not issued any equity shares with differential rights during the year under review and hence no information as per provisions of Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

**Pollution Control**

Your Company's Plant has the requisite consent to operate from Maharashtra Pollution Control Board and meets all the desired and statutory norms in this regard.

**Statutory Compliance, Strictures and Penalties**

The Company has complied with rules and regulations prescribed by the Bombay Stock Exchange, Securities Exchange Board of India and any other statutory authority relating to capital market.

No penalties and/or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority during the last three years.

**Acknowledgements**

Your Directors would like to thank to the employees, customers, suppliers, bankers, business partners, other regulatory agencies and wish to acknowledge and place on record their sincere appreciation for the excellent support given by them to the Company and their confidence in its Management. Your Directors would also like to thank the members of the Company for reposing their confidence and faith in the Company and its Management.

**On behalf of the Board of Directors**

Place: Noida  
Date: 07.05.2021

**Akshat Goenka**  
Managing Director  
DIN: 07131982

**Arvind Goenka**  
Director  
DIN: 00135653



## Annexure to Board's Report

### A Conservation of Energy

- i. Steps taken on conservation of energy and utilising alternate source of energy:
  - Balanced load distribution for electric power thereby improving power factor and reducing power consumption.
  - Energy consumption optimization.
  - Active Harmonic Filter (AHF) is installed in the plant to maintain power factor and conservation of energy.
  - Normal lights are replaced 20% LED lights; balance 80% are under replacement with LED lights
  - Reduced consumption of treated water through process improvements.
  - Your company is in the monitoring stage in utilising alternate source of energy.
- ii. Your company is finding better scope for the capital investment on energy conservation equipment.

### B. Technology Absorption

- Research and Development (R & D)
  - i) Specific areas in which R & D was carried out by the Company and the efforts made thereon.
    - Value engineering is being done in product Cylinders, Actuators and Valves.
  - ii) Benefits derived as a result of above R & D:
    - Improved product aesthetics, reliability, functionality and productivity improvement is being done.
    - In house capability has been enhanced to handle 10" above cylinders.
  - iii) Expenditure of R & D:

a) Capital	Nil
b) Recurring	Rs. 59.30 Lacs
c) Total	Rs. 59.30 Lacs

### C Foreign Exchange Earnings and outgo

During the year, the Company has spent INR 2,44,81,965 on foreign exchange and earned foreign exchange of INR 77,49,881 through exports and services rendered.

#### **Disclosures required with respect to Section 197(12) of the Companies Act, 2013:**

The ratio of the remuneration of each Director to the median employee's remuneration and such other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- (i) ***The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:***

Mr. Akshat Goenka (Managing Director)	1:6
---------------------------------------	-----

All other Directors being Non-Executive & Independent do not receive any remuneration. The Company only paid sitting fees to them.

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

There was no increase in remuneration of Managing Director during the year. All other Directors are Non-executive, hence do not receive any remuneration other than sitting fee. Also there is no increase in the remuneration of CFO & CS in F.Y. 2020-21 due to Pandemic.

**(iii) The percentage increase in the median remuneration of employees in the financial year:**

The percentage increase in the median remuneration of employees in the financial year is around 0.3%.

**(iv) The number of permanent employees on the rolls of company:**

There are total 161 permanent employees in the Company.

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

The average increase made in the salaries of total employees other than the Key Managerial Personnel was 0.5% for FY 2020-21. A commission of Rs. 19.50 lacs was paid to Mr. Akshat Goenka, Managing Director in FY 2020-21 along with a Salary of Rs. 12,000 P.A as per the terms of his contract (for more details refer to Corporate Governance Report). Rs. 16.58 Lacs was paid as commission to Mr. Akshat Goenka in FY 2019-20.

**(vi) Please find enclosed Appendix-I for Remuneration particulars of Top 10 employees.**

**(vii) Affirmation that the remuneration is as per the remuneration policy of the company:** Remuneration paid during the year ended 31<sup>st</sup> March 2021 is as per the Remuneration Policy of the Company.

**On behalf of the Board of Directors**

**Akshat Goenka**  
Managing Director  
DIN: 07131982

**Arvind Goenka**  
Director  
DIN: 00135653

Place: Noida  
Date: 07.05.2021

# APPENDIX I

## PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 134(3)(q) OF THE COMPANY ACT, 2013 READ WITH RULES(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

Sr. No.	Emp Code	Name	Designation	Remuneration received (Rs.)	Nature of employment	Qualification & Experience	Date of Commencement of employment	Age	Previous Employer	% of equity shares held	Whether relative of Director or Manager	Last working day
1	1668	Shrikant V.S. Narsimha Rao	Head - sales	35,95,766	Permanent	B E	10-Aug-2015	38	Deivai Flow Controls P Ltd	Nil	NO	
2	1739	K Raghu Raman	CFO	35,72,555	Permanent	Mcom.	7-Dec-2017	55	Gates Unitta India Co. Pvt. Ltd	Nil	NO	
3	1791	A. Fernandez Arockiaraj	GM	26,22,324	Permanent	BE	10-May-2019	50	L&T Valvs Limited	Nil	NO	
4	1652	Sudhir Passi	Regional Head - Sale	20,70,793	Permanent	DME	3-Mar-2014	46	Electronica Mechatronic Sys P Ltd	Nil	NO	
5	1750	Nikhil Ghone	Regional Head	15,78,198	Permanent	BE MECH MBA	15-Feb-2018	39	Festo India Pvt. Ltd.	Nil	NO	
6	1782	Ramesh M. Kempegowda	DGM	13,96,627	Permanent	BE	7-Mar-2019	49	Kirloskar Pneumatic Co. Ltd.,	Nil	NO	
7	1780	Hitesh Govindlal Parmar	Sr. Manager	12,90,615	Permanent	MPM,DLL	1-Mar-2019	50	Badve Autotech Pvt. Ltd.,	Nil	NO	
8	1806	Rameshwar Prakash Sali	Manager	11,26,685	Permanent	BE MECH	2-Mar-2020	44	ACG Pharma Technologies Pvt. Ltd.,	Nil	NO	10-Mar-21
9	1676	Rajib Kumar Gope	Company Secretary	10,84,364	Permanent	CS	19-Nov-15	40	Manjushree Plantation Ltd	Nil	NO	
10	1781	Tejas Shrirang Athalye	Manager	10,35,046	Permanent	BE	4-Mar-2019	38	Emerson Process Management India Pvt. Ltd.,	Nil	NO	

**Annexure to Board's Report**  
**Management Discussion and Analysis**

**1. Industry Structure and Development**

Pneumatics can be defined as a branch of fluid power in which gas is used as a fluid. Pneumatic systems use air as the gas medium because air is sufficient and can be easily exhausted into the atmosphere after completing its assigned task. The pneumatic cylinder is a mechanical device that uses air pressure to generate force in a linear motion. Various industrial applications require linear motion during its operating sequence. Pneumatic Cylinder market is segmented by Function (Single-acting and Double-acting), By Cylinder (Cylinders with piston rods, Rod less cylinders, Diaphragm cylinders, and Rotary cylinders), By Movement (Linear Movement and Rotary Movement), By Application (Industrial, Robotics, Automobile, Aviation, Healthcare and Others) and by geography.

The global pneumatic market is fragmented and characterized by the presence of large international and regional vendors. Vendors compete in terms of price, brand image, turnaround time, quality, proximity to service centers, technical expertise and previous installation history. The industry is made up of several large players who provide a large variety of standard type commodities and many smaller niche players who offer more custom products and solutions.

Pneumatic is used for industrial works like filling, packing, stamping, drilling, hosting, punching, clamping, assembly system, riveting etc. Pneumatics is used extensively as a low cost automation technology to automate industrial processes in modern day factories. Factory automation is the largest sector for pneumatic technology, which is widely used for products in manufacturing, processing and packaging operations. Pneumatic applications used in industries like Manufacturing industries, Automotive industry, machine tool manufacturers and domestic and commercial appliance manufacturers.

**2. Opportunities and Threats**

In the past 30 years, fluid power technology rose as an important industry. With increasing emphasis on automation, quality control, safety and more efficient and renewable energy, fluid power technology should continue to expand in India. Upcoming projects in the oil & gas, Steel, Cement and power generation industries are expected to sustain the demand. Many opportunities are also expected in the pneumatic actuators market as large number of associated industries are coming up. There are also opportunities are expected to arise from modernization and upgradation of machinery. Improvements in design and technology, the expansion of industrialization and a growing awareness of energy expenditure savings are helping to drive growth in the worldwide pneumatic equipment market. Government PSUs have opened up special preference to local sourcing is a step towards much needed impetus required for domestic industries.

The consolidation of major central labour laws relating to wages, social security, industrial relations, and occupational safety and health, is indeed a welcome step that underscores the Government's attempt to boost ease of doing business and update domestic laws in order to bring them in line with modern best practices.

The Government of India's initiative "Self-Reliant India" may push growth of domestic manufacturing industries in India. India is looking to produce electricity with renewable means which opens more avenues.

The impact of pandemic was both domestic as well as external. Domestically it resulted in factory shutdowns, travel restrictions and reduced discretionary spending. Whereas external impacts are supply chain disruptions, weaker global demand, lower commodity prices etc.

Pneumatic equipment manufacturers are increasingly facing competition from substitutes such as hydraulic and electrical equipment. In addition, a rise in the number of emerging players across India who manufacture similar products at much lower price is expected to lead to significant competition in the market.

You Company import critical components from China, as the logistics between India & China is impacted due to pandemic, it resulted in increase in cost of procurement from alternate sources. Availability of labour and staff posed a major challenge as the pandemic prolonged, which hampered production in first six months.

### 3. Outlook

The overall performance of your Company during the year under review is satisfactory considering that it was marred by the pandemic. However, things are looking positive for the next fiscal year as India is slowly recovering from the economic slowdown. Moreover, a national Covid-19 vaccination programme has begun to move forward in India, hopefully substantial portion of the population will be inoculated by the end of December 2021.

The future of the Company, inter alia, depends on expansion of product basket especially by developing new products. Engineering being the core of the operations, your company continues to give priority to its engineering team. We have a dedicated team for New Product Development. Hopefully, we will reap the benefits of the same in the years to come.

Moreover, our strength lies in customization. Non-standard is our new standard. Your Company has a dedicated team called "Proposal Engineering team" which evaluates the non-standard cylinder enquiries and quote a price after logical computation on case to case basis. Non-standard orders contribute about 40% of our total sales. Your Company customize cylinders varying from different size to capacity to cater the needs of different customers. Your Company will continue to do that to leverage our position in the market.

The Company also expects to improve its operating profits by improving sales, operating efficiencies and aggressive cost cutting.

India is hoping for a recovery in this fiscal year while the overall infrastructure sector is realigning towards the same goal. Infrastructure development & power generation are crucial to keep India's long term growth story intact, thereby stimulating growth prospects of the pneumatic and hydraulic equipment market.

### 4. Risks and Concerns

Organizations globally are experiencing workforce disruption at an unprecedented scale and speed. Virtually all companies are still determining how they will work in the short- and long-term. Immediate action is needed to address short-term liquidity challenges, Industry today is faced with an increasingly complex and rapidly changing business environment. Sustaining operations requires understanding and managing the risks and uncertainties.

Failure to innovate or meet customer needs, failure to attract or retain top talent, Regulatory & legislative changes, economic slowdown & slow recovery, damage to reputation or brand, cyber risks, increasing competition are some of the major risks that businesses are dealing with in today's world.

To address these risks, present in today's industrial environment, organisations have to extend their traditional risk management practices beyond just addressing the things that threaten safety and environmental performance to all the risk factors that impact strategic decisions, operating performance and other key business metrics.

Pneumatic cylinders have evolved into an almost endless array of configurations, sizes and special designs. This versatility makes more innovative configurations possible, but sometimes it increases sources of failure too.

OTR section was also impacted because of slowing demand for automobiles, a sector which was already seeing slack demand and high prices because of the compliance of Bharat VI emission norms.

Apart from the risk associated with the volatility in Industry specific sectors, your company is also exposed to other general risks related to volatility in foreign exchange rates, change in taxation structures, increase in interest rates, natural/man-made disasters, pandemics and political risks. The second wave of Corona virus infections which reared its ugly head could be disastrous for businesses which are yet to fully cope with the aftermath of lockdown.

## 5. Internal Control Systems and their adequacy

The Company has proper and adequate systems of internal controls in all areas of its operations. Regular internal audits and checks are carried out to ensure that responsibilities are executed effectively and that adequate systems are in place.

The various issues company is facing are identified and assessed routinely at all levels and within all functions in the organization. Control activities and other mechanisms are proactively designed to address and mitigate the significant risks. The entire system of internal control is monitored continuously and problems are addressed timely.

A thorough test of different processes of Internal Financial Controls were carried out by the Statutory Auditors to ensure orderly efficient conduct of business including adherence of company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records and the timely preparation of reliable financial information.

An Audit Committee comprising of Non-Executive Independent Directors reviews various areas of the control systems and their adequacy. They meet regularly to review financial and other control mechanisms of the Company. The Company has a vigil mechanism named Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the Management, concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or Policy.

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

The Company's performance was satisfactory during the year under review. The Company earned an EBITDA of Rs. 506 Lacs. The details of the financial performance of the Company appear in the Balance Sheet, Statement of Profit and Loss and other financial statements. The highlights of the performance for the year 2020-21 are as under:

(INR Lacs)		
Particulars	2020-21	2019-20
Net sale	4149	4338
Other Income	52	101
Profit/ (Loss) before tax (including exceptional income)	378	330

## 7. Human Resources and Industrial Relations

The Company values its human resources and encourages innovation by empowering people at all levels. Over the years Company has maintained consistency in its efforts in training and developing its human resource with a view to face the competition. The Company enjoys very cordial relationship with the staff and workers.

## 8. Key financial ratios

Particulars	FY 20-21	FY 19-20
Inventory Turnover Ratio	3.94	4.03
Net Profit Turnover Ratio	9.11	7.33
Current Ratio	1.98	1.74
Quick Ratio	0.03	0.18
Debt Turnover Ratio	1.98	2.13
Interest Coverage Ratio	20.13	10.86
Debt Equity Ratio	-	0.13
Operating Profit Margin (%)	11%	11%
Net Profit Margin (%)	9%	7%
Return on Net Worth	30.28%	14.10%



## 9. Cautionary Statement

The statements in the Management Discussions and Analysis section describing company's projections, estimations, expectations and predictions are "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from the expressed or implied. Important factors that would make a difference to the company's operations include demand supply conditions, raw material prices, changes in government regulations, tax regimes, competition, economic developments within and outside the country etc.

On behalf of the Board of Directors

Place: Noida  
Date: 07.05.2021

**Akshat Goenka**  
**Managing Director**  
DIN: 07131982

**Arvind Goenka**  
**Director**  
DIN: 00135653

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**  
For The Financial Year Ended March 31, 2021.

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

To,  
The Members,  
Duncan Engineering Limited,  
F- 33, Ranjangaon, MIDC  
Karegaon, Taluka Shirur,  
District Pune 412 209

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Duncan Engineering 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 Duncan Engineering Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information 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 March 31, 2021 complied with the statutory provisions listed hereunder and also 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, minute books, forms and returns filed and other records maintained by Duncan Engineering Limited ("the Company") for the financial year ended on March 31, 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;
- (v) Secretarial Standards on the Meetings of the Board of Directors and General Meetings issued by the Institute of Company Secretaries of India.
- (vi) Other applicable Acts:
  - (a) Factories Act, 1948
  - (b) Payment of Wages Act, 1936 and rules made thereunder;
  - (c) The Minimum Wages Act, 1948;
  - (d) Employees State Insurance Act, 1948
  - (e) The Employees Provident Fund Act and Miscellaneous Provisions Act, 1952
  - (f) The Payment of Bonus Act, 1956
  - (g) Payment of Gratuity Act, 1972
  - (h) Protection of Women Against Sexual Harassment at Workplace Act and Rules;
  - (i) The Water (Prevention & Control of Pollution) Act, 1974;
  - (j) The Air (Prevention & Control of Pollution) Act, 1981;
  - (k) The Environment (Protection) Act, 1986 (Read with the Environment (Protection) Rules) 1986
  - (l) The Hazardous Wastes (Management, Handling & Transboundary Movement) Rules, 2008
  - (m) E waste (Management) Rules 2016

### **I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Women Director and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions of the Board were carried through unanimously and recorded in the minutes.

It is also noted that the Company has an Internal Audit System to constantly monitor the process for efficient compliances.

There exist adequate systems and processes in the Company that are commensurate with the size of operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Signature:  
S.Vaishnav

Name of Company Secretary in practice / Firm:  
ACS/FCS No.8675  
C P No.: 11392  
UDIN : A011392C000409779

Place: Pune  
Date: May 7, 2021

### **Annexure "A"**

(To the Secretarial Audit Report of M/s. Duncan Engineering Limited for the financial year ended 31-03-2021)

To  
The Members  
Duncan Engineering Limited

The Secretarial Audit Report for the Financial Year ended 31 March 2021 is to be read along with this Annexure A

1. Maintenance of Secretarial Record 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. I have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of accounts of the Company.
4. Where ever required, we have obtained the management representation about the compliance and law, rules and regulation and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulation, standards are the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the effectiveness with which the management has conducted the affairs of the company.

Signature:  
S.Vaishnav

Name of Company Secretary in practice / Firm:  
ACS/FCS No.8675  
C P No.: 11392  
UDIN : A011392C000409779

Place: Pune  
Date: May 7, 2021

## ANNEXURE TO BOARD'S REPORT

### REPORT ON CORPORATE GOVERNANCE

#### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company always acts as a good corporate citizen and recognizes that Corporate Governance is inherent to the culture of the Organization. The Company believes in the attainment of highest level of transparency, accountability and equity in all aspects of its operations. The Company firmly believes that these aspects as well as compliances of applicable legislations and timely disclosures enhance the image of the Company and long term values of all its shareholders and stakeholders. The Board of Directors of the Company has framed a Code of Conduct for its Directors and Senior Management. The Code of Conduct is available on the website ([www.duncanengg.com](http://www.duncanengg.com)) of the Company.

#### 2. BOARD OF DIRECTORS:

##### A. Composition and Category

Board composition is a broad term that encompasses issues such as who is on the board and the skills mix of the board. It involves structural issues and board effectiveness depends on obtaining the right mix of skills and experience. The Company's policy is to maintain an optimum combination of Executive and Non- Executive Directors. The Board of Directors of the Company consists of eminent persons with considerable professional expertise and experience in business and industry.

The Chairman of the Board of Directors is a Non-Executive Director related to Promoter. As at March 31, 2021, Board of Duncan Engineering Limited comprises seven Directors out of which four i.e. more than one half of the Board strength, are Independent Directors including a woman director and three Non-Independent Directors.

None of the Directors on the Board is a member of more than 10 committees and Chairman of more than five committees across all companies in which he/she is a Director.

The composition of the Board of Directors as on March 31, 2021:

Category	No. of Directors
Promoter - Non Executive Director	2
Promoter - Executive Director	1
Non-Executive Independent Director	4
<b>Total</b>	<b>7</b>

The composition of the Board satisfies the requirement of Section 149 of the Companies Act, 2013 ("the Act") and Regulation 17(1) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The Board of Directors of the Company has laid down Code of Business Conduct and Ethics for all Directors and members of the Senior Management. The Company follows the practice of obtaining annual affirmation of its compliance from them.

None of the Independent Directors have any material pecuniary relationship or transactions with the Company, its Promoters or with its management, which would affect the independence or judgment of the Directors. The Company has also not entered into any materially significant transactions with its Promoters, Directors or their relatives or with the Management etc. that may have potential conflict with the interest of the Company at large.

##### B. Attendance of each director at the meeting of the Board of Directors and the last Annual General Meeting

Name of the Director	No. of Board Meeting held in 2020-21	No. of Board Meeting attended in 2020-21	Attendance at Last AGM date 29 <sup>th</sup> July 2020
Mr. J P Goenka	4	1	No
Mr. Arvind Goenka	4	4	Yes
Mr. Akshat Goenka	4	4	Yes
Mr. O P Dubey	4	4	Yes
Mr. Nitin Kaul	4	4	No
Mr. B. B. Tandon	4	4	No
Mrs. Arti Kant	4	4	Yes

**C. Number of other Board of Directors or committees in which director has become member or chairperson**

Name & Director Identification Number (DIN)	Category	No. of Directorships* held including this listed entity	No. of memberships#	No. of Chairmanships#	Directorship in other listed entity (Category of Directorship)
<b>Mr. J P Goenka</b> (DIN: 00136782)	Promoter, Non-Executive Director	3	0	0	Oriental Carbon & Chemicals Ltd. (Non-Executive Chairman-Promoter Director)
<b>Mr. Arvind Goenka</b> (DIN: 00135653)	Promoter, Non-Executive Director	3	1	0	1. Oriental Carbon & Chemicals Ltd., (Managing Director& CEO- Promoter Director) 2.Asahi Songwon Colors Limited (Independent, Non-Executive)
<b>Mr. Akshat Goenka</b> (DIN:07131982)	Managing Director	5	3	0	Oriental Carbon & Chemicals Ltd.( Jt. Managing Director – Promoter Director)
<b>Mr. O P Dubey</b> (DIN:00228441)	Non-Executive Independent	2	3	3	Oriental Carbon & Chemicals Ltd. (Non-Executive-Independent Director)
<b>Mr. Nitin Kaul</b> (DIN: 01718619)	Non-Executive Independent	1	1	0	None
<b>Mr. B B Tandon</b> (DIN:00740511)	Non-Executive Independent	5	5	0	1.Birla Corporation Ltd. (Independent, Non-Executive) 2. Jaiprakash Power Venture Ltd. (Independent, Non-Executive) 3. Filatex India Limited (Independent, Non-Executive) 4. Oriental Carbon & Chemicals Ltd. (Non-Executive-Independent Director)
<b>Mrs. Arti Kant</b> (DIN: 03218058)	Non-Executive Independent	1	2	0	None

\*Directorships in foreign companies, private companies, companies governed by section 8 of Companies Act, 2013 and alternate directorship excluded.

# Memberships of Audit Committee and Stakeholder Relationship Committee only are considered.

The Board meets at least once every quarter to review the quarterly performance and the financial results. The Board Meetings are generally scheduled in advance and the notice of each Board Meeting is given in writing/mailed to every Director. The Company placed before the Board the Budgets, Annual Operating Plans, Performance of the Business and other information including those specified under Part A of Schedule II of SEBI (LODR) Regulations 2015 from time to time.

**Skill /expertise / competence of the Board of Directors**

The Board of Directors of the Company consists of eminent persons with considerable professional expertise and experience in business and industry. The turnaround of the Company in last 4 years shows the competence of the of the Board which help the Company to get through the difficult times. Even in 2020-21 which is marred by the pandemic, the Board has shown the required foresight and taken many important decisions.

In terms of requirement of SEBI Listing Regulations, 2015, the Board has identified the following skills/expertise/competencies of the Directors relevant to the business and understanding of the current scenario in general:

Name	Expertise
Mr. Jagdish Prasad Goenka	Strategy and Planning, Risk and compliance oversight and Critical and Innovative Thoughts
Mr. Arvind Goenka	Company Management, Global Marketing, Strategy and Planning, Risk and compliance oversight, Critical and Innovative thoughts, Regulatory Compliance and Governance and Finance and Accounts
Mr. Akshat Goenka	Company Management, Global Marketing, Strategy and Planning, Risk and compliance oversight, Critical and Innovative thoughts, spearheading new projects and Finance and Accounts
Mr. Om Prakash Dubey	Strategy and Planning, Risk and compliance oversight, Critical and Innovative thoughts and Finance and Accounts
Mr. Brij Behari Tandon	Strategy and Planning, Critical and Innovative thoughts, Finance and Accounts and Regulatory Compliance
Mr. Nitin Kaul	Strategy and Planning, developing growth strategies & Restructuring businesses and Finance & Accounts
Mrs. Arti Kant	Regulatory Compliance and Governance and Finance and Accounts

#### Managing Director & CFO Certificate

The certificate pursuant to Regulation 17(8) of SEBI Listing Regulations duly signed by the Managing Director and CFO in respect of the financial year ended March 31, 2021 has been placed before the Board.

#### D. Number of meetings of Board held and the dates on which held.

The Board met four times during the year 2020-21 i.e. June 3, 2020; July 30, 2020; October 23, 2020 and January 27, 2021.

#### E. Disclosure of relationship of directors inter se.

Name of the Directors	Category of Directorships	Relationship between directors
Mr. J P Goenka	Non-Executive Chairman	Mr. Arvind Goenka (Son) and Mr. Akshat Goenka (Grandson)
Mr. Arvind Goenka	Non-Executive Director	Mr. JP Goenka (Father) and Mr. Akshat Goenka (Son)
Mr. Akshat Goenka	Managing Director	Mr. J P Goenka (Grandfather) and Mr. Arvind Goenka (Father)
Mr. O P Dubey	Non-Executive Independent Director	None
Mr. B B Tandon	Non-Executive Independent Director	None
Mr. Nitin Kaul	Non-Executive Independent Director	None
Mrs. Arti Kant	Non-Executive Independent Director	None

#### F. No. of shares and convertible instruments held by non-executive directors

As on 31<sup>st</sup> March 2021, the Non-Executive Directors do not hold any shares or convertible instruments in the Company.

#### G. Web link where details of familiarisation programmes imparted to independent directors is disclosed.

The details of the familiarization programmes have been hosted on the website of the Company and can be accessed on the link: [www.duncanengg.com](http://www.duncanengg.com) under investor dropdown.

### 3. COMMITTEES OF THE BOARD:

The Board of Directors currently have three committees, namely Audit Committee, Nomination & Remuneration Committee and Stakeholder's Relationship Committee. The terms of reference of these Committees are determined by the Board from time to time. The composition, name of members and attendance and the meetings of these Committees are enumerated below:



## AUDIT COMMITTEE

### A. Terms of Reference:

The Terms of Reference of Audit Committee include the powers stipulated in Regulation 18(2)(c), the role of the Audit Committee and review of information pursuant to Regulation 18(3) of the SEBI Listing Regulations. The terms of reference also confirm to the requirements of Section 177 of the Companies Act, 2013.

### Powers of Audit Committee

The Audit Committee has the power to seek information and act on any activity within the terms of its reference, seek information from any employee, obtain outside professional & legal advice and ensure attendance of outsiders with relevant expertise, whenever it considers necessary.

### The role of the Audit Committee includes the following:

1. 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;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company including remuneration for any other services rendered by them;
3. Reviewing, with the management, and examination of the financial statements and auditor's report there on before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of subsection 3 of section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Modified opinion(s) in the draft audit report.
4. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
5. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
6. Review and monitor the auditor's independence and performance and effectiveness of audit process;
7. Approval or any subsequent modification of transactions of the Company with related parties;
8. Scrutiny of inter-corporate loans and investments;
9. Valuation of undertakings or assets of the Company, wherever it is necessary;
10. Evaluation of internal financial controls and risk management systems;
11. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
12. Reviewing the adequacy of internal audit function;
13. Reviewing the findings of the internal auditors including matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
14. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
15. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
16. To review the functioning of the Whistle Blower mechanism;
17. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
18. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

**Review of information by the Audit Committee:**

The Audit Committee reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control adequacy or weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control adequacy or weaknesses; and
5. The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee.

**B. Compositions**

The Audit Committee comprises four Independent Non-Executive Director ('NEDs'). Mr. OP Dubey is the Chairman of the Committee. Mr. B B Tandon, Mr. Nitin Kaul & Mrs. Arti Kant are the member of the Committee. The members of the Committee are eminent professionals possesses the expertise in accounting and financial management. The Managing Director, Chief Financial Officer, Internal Auditors and Statutory Auditors are permanent invitees to the meetings of the Committee. Company Secretary acts the Secretary of the Committee. Other executives, whenever required, also attends the meetings of the Committee.

**C. Meetings and attendance during the year**

A total of four Audit Committee Meetings were held during the year on June 3, 2020; July 30, 2020; October 23, 2020 and January 27, 2021. The Chairman of the Audit Committee was present at the 59th Annual General Meeting of the Company. The intervening gap between the Meetings was within the prescribed period of 120 days.

Name of the member	Designation	Number of Meeting held in 2020-21	Number of meetings Attended
Mr. O P Dubey	Chairman	4	4
Mr. B B Tandon	Member	4	2
Mrs. Arti Kant	Member	4	4
Mr. Nitin Kaul	Member	4	4

**NOMINATION AND REMUNERATION COMMITTEE:**

The Committee has been constituted in Compliance with Section 178 of the Companies Act, 2013, and Rules made there under as well as SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

**A. Terms of Reference**

The primary purpose of the Committee, among other things, is to determine and propose the following for Board approval: -

- i) Identify persons who are qualified to become Directors and who may be appointed in senior management positions in accordance with the criteria laid down and recommend to the Board their appointment and removal;
- ii) carry out evaluation of every Director's performance along with the Board;
- iii) formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of the Directors;
- iv) formulate the criteria for performance evaluation of Independent Directors and the Board;
- v) devise a policy on Board diversity;
- vi) the Members and Chairperson of Board Committees;
- vii) Evaluate the level and compositions of remuneration to be reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.

- viii) Ensure the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- ix) To review and recommend remuneration of Whole-time Director/ Managing Director/ Managers and Key Managerial Personnel to the board including Performance Bonus; if any.
- x) To recommend sitting fee and commission to be paid to Non-Executive Directors of the Board.

## B. Composition

The Nomination & Remuneration Committee comprises of four Directors. Except Mr. Arvind Goenka (Non-Executive Director) all the other members are Independent Directors. Mr. O P Dubey is the Chairman of the Committee.

## C. Meetings and attendance of Directors

In the Financial Year 2020-21 the Committee met only once on June 3 2020. The attendance of Members at the meeting is given below:

Name of the member	Designation	Number of Meeting held in 2020-21	Number of meetings Attended
Mr. O P Dubey	Chairman	1	1
Mr. B B Tandon	Member	1	1
Mrs. Arti Kant	Member	1	1
Mr. Nitin Kaul	Member	1	1

## D. Board Evaluation

The process for Board Evaluation undertaken is inclusive of the following:

- The Board evaluates the performance of the Directors individually on the basis of evaluation made by the Independent Directors and Nomination and Remuneration Committee.
- The Nomination & Remuneration Committee evaluates the performance of each Director.
- The Independent Directors evaluate the performance of the Non-Independent Directors. including the Chairperson of the Company taking into account the views of the Executive and Non-Executive Directors and the Board as a whole.
- Performance of the Audit, Nomination & Remuneration and Stakeholders Relationship Committee are also evaluated.

The criteria for performance evaluation as laid down by the Nomination & Remuneration Committee, inter alia includes:

- Appropriate Board size, composition, independence, structure
- Appropriate expertise, skills and leadership initiatives
- Attendance in meetings and participation in discussions
- Adequate knowledge about the Company's business and the economic scenario
- Innovative ideas for growth of the Company's business and economic scenario
- Effectiveness in discharging functions, roles and duties as required
- Review and contribution to strategies, business and operations of the Company
- Expression of independent opinion on various matters taken up by the Board
- Timely flow of information and effective decision making
- Defining roles and effective coordination and monitoring
- Effective and prompt disclosures and communication
- Compliance with applicable laws and adherence to Corporate Governance
- Compliance with Policies, Code of Conduct etc.

## E. REMUNERATION OF DIRECTORS & DISCLOSURES

The Remuneration Policy recommended by the Nomination and Remuneration Committee has been accepted by the Board of Directors of the Company. The Committee also decides on payment of commission to executive directors and non-executive directors respectively. The performance evaluation criteria for non-executive including independent directors are laid down by the Committee and taken on record by the Board of Directors.

The objective of the Company's remuneration policy is to ensure that Company's Directors, Key Managerial Personnel and other senior management employees are sufficiently incentivised for enhanced performance. The following criteria shall be followed to determine the remuneration payable to Directors, Key Managerial personnel (KMP) and other Employees.

### Managing Director and Management Team

The remuneration paid / payable to the Managing Director is in accordance with the limits fixed by the Nomination & Remuneration Committee and Board and approved by the Shareholders.

The increase in fixed remuneration is dependent upon individual & Company's performance and is assessed annually. The Performance Bonus is based on a set of stretch targets that reflect the overall financial performance of the Company each year. The remuneration of KMPs may be linked to qualifications, experience and merits, initiative in optimisation/ increase in performance efficiencies, achievement of given targets, inflation and industry pattern.

The total remuneration paid to Mr. Akshat Goenka, Managing Director comprises token salary and commission up to maximum of 5% of Net Profits to be paid out based on the audited Financial Statements of each year subject to overall limit fixed under Section 197 of the Companies Act, 2013.

### Service Contract with the Managing Director:

Contract period: 9th February 2017 to 8th February 2022

Mr Akshat Goenka was appointed as Managing Director of the Company for a period of five years w.e.f. 9th February 2017. Mr Akshat Goenka's appointment as Managing Director can be terminated with notice of six months by either side.

In accordance with the Sections 196, 197, 203 and other applicable provisions, if any of the Companies Act, 2013 ("the Act") (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your directors have proposed re-appointment of Mr. Akshat Goenka as Managing Director of the Company for a period of five years w.e.f. 9th February 2022.

### Details of remuneration of Mr Akshat Goenka, Managing Director from 1st April 2020 to 31st March 2021

SALARY	COMMISSION	TOTAL
Rs. 12,000/-	Rs. 19,50,000/-	Rs. 19,62,000/-

### Non- Executive Directors:

Non Executive Director are paid sitting fees for attending the Board and Committee meetings, plus the reimbursement directly related to the actual travel and out-of-pocket expenses, if any, incurred by them.

The sitting fees paid to the Non-Executive Directors for the year 2020-21 is as follows:

Name	Service Contract/ Notice period	Sitting fee* (Rs.)	No. of shares held in the Company
Mr. J P Goenka	Retire by Rotation	51,000	Nil
Mr. Arvind Goenka	Retire by Rotation	1,00,000	Nil
Mr. O P Dubey	Re-appointed for 5 years as Independent Director at the Annual General Meeting of the Company held on 16.07.2019	2,30,500	Nil
Mr. B B Tandon	Re-appointed for 5 years as Independent Director at the Annual General Meeting of the Company held on 16.07.2019	2,05,000	Nil
Mr. Nitin Kaul	Re-appointed for 5 years as Independent Director at the Annual General Meeting of the Company held on 16.07.2019	2,05,000	Nil
Mrs. Arti Kant	Re-appointed for 5 years as Independent Director at the Annual General Meeting of the Company held on 29.07.2020	2,15,500	Nil

\*Apart from above, there was no pecuniary relationship or transaction of the Directors vis-a-vis the Company. The Company has not granted any stock option to its Directors.

## STAKEHOLDER'S RELATIONSHIP COMMITTEE:

### A. Terms of Reference

The Committee has been constituted in Compliance with Section 178 of the Companies Act, 2013, and Rules made there under as well as Regulation 20 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The Committee focuses primarily on monitoring and ensuring that shareholder and investor services operate in an efficient manner and that shareholder and investor grievances/complaints including that of all other shareholder are addressed promptly with the result that all issues are resolved rapidly and efficiently. The Board of Directors has delegated power of approving transfer/transmission of shares to the Committee.

### B. Composition

As on 31st March, 2021, the Committee comprises two Non-Executive directors and one Executive director. Mr. O P Dubey is the Chairman and Mr. Akshat Goenka & Mrs. Arti Kant as members. Mr. Rajib Kumar Gope, Company Secretary acts as Secretary to the Committee and Compliance Officer of the Company.

During the year, Mr. J P Goenka, Chairman of the Committee resigned from the Committee on October 23, 2020 due to personal reasons. Mr. Akshat Goenka joined the Committee on October 23, 2020 as a member. Mr. O P Dubey is appointed as Chairman of the Committee on October 23, 2020.

### C. Meeting and attendance

The Committee met four times during the year i.e. June 3, 2020; July 30, 2020; October 23, 2020 and January 27, 2021.

Name of the Director	Number of meeting held during the tenure	Number of meeting attended
Mr. O P Dubey	4	4
Mr. J P Goenka	3	1
Mr. Akshat Goenka	1	1
Mrs. Arti Kant	4	4

Mr. Rajib Gope, Company Secretary, is the Compliance Officer of the Company.

No shareholder grievance was received during the year under review. There were 40 (Q1:01+Q2:08 +Q:17+Q:14) requests received from shareholders on various issues which were suitably resolved.

No request for transfers/transmission/Issue of Duplicate share certificates was pending as on March 31, 2021.

## INDEPENDENT DIRECTOR'S MEETING:

During the year under review, the Independent Directors met on January 27, 2021, inter alia:

- reviewed the performance of non-independent directors and the Board as a whole.
- reviewed the performance of the Chairperson of the company, taking into account the views of executive directors and non – executive directors.
- assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## F. GENERAL BODY MEETINGS:

### a. Location and time where last three Annual General Meetings(AGM) held

AGM for the Year	Date	Time	Venue
2017-18	02.08.2018	11:00 A.M.	F 33, Ranjangaon MIDC, Karegaon, Tal. Shirur, Pune 412 209
2018-19	16.07.2019	12.30 P.M	F 33, Ranjangaon MIDC, Karegaon, Tal. Shirur, Pune 412 209
2019-20	29.07.2020	10:00 A.M.	The Meeting was held through Video Conferencing (VC) and other Audio Visual Means (OAVM)

No Extraordinary General Meeting held during the year.

**b. Special Resolutions passed in the previous three AGMs**

AGM YEAR	Matter approved by Special Resolution
2017-18	<ul style="list-style-type: none"><li>Continuation of appointment of Mr. J P Goenka, as Non-Executive Director</li></ul>
2018-19	<ul style="list-style-type: none"><li>Re-appointment of Mr. B B Tandon (holding DIN 00740511), as an Independent Director of the Company, for his second term of 5 (five) consecutive years;</li><li>Re-appointment of Mr. O P Dubey (holding DIN 00228441), as an Independent Director of the Company, for his second term of 5 (five) consecutive years;</li><li>Re-appointment Mr. Nitin Kaul (holding DIN 01718619), as an Independent Director of the Company, for his second term of 5 (five) consecutive years;</li><li>Pay a sum not exceeding one percent per annum of the Net Profits of the Company as commission to Non-Executive Directors</li></ul>
2019-20	<ul style="list-style-type: none"><li>Re-appointment Mrs. Arti Kant (holding DIN 03218058), as an Independent Director of the Company, for his second term of 5 (five) consecutive years;</li></ul>

**c. Special Resolutions passed during the year through Postal Ballots and E-voting.**

No special resolution was passed during the year through Postal Ballot or e-voting.

**G. MEANS OF COMMUNICATION:**

- The Board of Directors of the Company approves and takes on record the quarterly, half yearly and annual financial results in the pro-forma prescribed by Regulation 33 of SEBI (LODR) Regulations 2015 within the prescribed period.
- The approved Quarterly and Half Yearly and annual financial results are published in newspapers viz. all editions of Financial Express and Lok Satta (Vernacular).
- The results and other relevant information are displayed on the Company's Website [www.duncanengg.com](http://www.duncanengg.com)
- No formal presentations were made to the Institutional Investors and analysts during the year under review.

**H. GENERAL SHAREHOLDERS INFORMATION:**

**a) Details of Director seeking re-appointment at the forthcoming Annual General Meeting (In pursuance of Regulation 36(3) of SEBI (LODR) Regulations, 2015)**

Mr. J. P. Goenka aged about 85 years, an Honours Graduate from the University of Calcutta, is an Industrialist hailing from the Goenka family headed by (Late) Sir Badridas Goneka of the Industrial Group popularly known as House of Duncans. He has held various illustrious positions viz. Chairman of Indian Woollen Mills Federation (1969-70), Chairman of Calcutta Jute Fabrics Shippers' Association (1969-71), President of Bengal Mills Owners Association (1972-73), Chairman of Indian Jute Mills Association (1973-74), Chairman of Indian Cotton Mills Federation (1978- 80), Chairman of Jute Manufactures Development Council and Chairman of Textile Export Promotion Council.

Mr. Goenka commands rich experience of over 60 years in managing and/or looking after the industries of diverse business interests such as jute and cotton textiles, wool-tops, industrial explosives, rubber chemicals and sophisticated engineering products.

Mr. J. P. Goenka is the father of Mr. Arvind Goenka, a Non-Executive Director and Grandfather of Mr. Akshat Goenka, Managing Director of the Company.

Mr. Goenka is the promoter Director of Oriental Carbon & Chemicals Limited.

His Directorships and Chairman/Memberships in other Board / Committees are as follows:

Director of Oriental Carbon & Chemicals Limited and Duncan International (India) Limited

Mr. Goenka does not hold any shares in the Company.

**b) Annual General Meeting**

Date and Time : July 23, 2021 at 10.00 A.M. IST  
 Venue : Through Video Conferencing ("VC") / other Audio Visual Means ("OAVM")

**c) Financial Calendar (tentative and subject to change)**

**The unaudited/audited financial results of the Company for the following quarter ending/year ending will be published on or before the dates mentioned against the respective period:**

- For the Quarter ending 30th June, 2021 (Unaudited) : 14th August, 2021
- For the quarter ending 30th September 2021 (Unaudited) : 14th November, 2021
- For the quarter ending 31st December 2021 (Unaudited) : 14th February, 2022
- For the Year ending March 31, 2022 (Audited) : 30th May, 2022

**d) Dividend Payment Date** : Not applicable

**e) Listing on Stock Exchanges at** : BSE Limited  
 Phiroze Jeejeebhoy Towers,  
 Dalal Street, Mumbai 400001,

Annual Listing Fees for 2020-21 was paid on 28th April 2021.

**f) Stock Code** : 504908

**g) Market Price Data:** The following is the high/low price of the Company's shares as quoted in the Bombay Stock Exchange Limited and SENSEX during each of the months of the financial year 2019-20

Month	Open Price (Rs.)	High Price (Rs.)	Low Price (Rs.)	Close Price (Rs.)	BSE SENSEX (High)	No of shares traded
April 2020	80.5	115.95	70.30	98.90	33887	5944
May 2020	110.95	124.00	77.00	95.00	32845	2316
June 2020	90.00	118.90	82.00	102.60	35707	13003
July 2020	97.55	106.45	92.05	96.40	38617	2831
August 2020	96.40	109.75	85.80	96.50	40010	8609
Sept 2020	94.05	110.00	90.10	98.00	39539	10007
Oct 2020	103.95	113.75	87.00	97.35	41048	11395
Nov 2020	111.10	111.10	83.00	97.50	44825	8280
Dec 2020	99.85	142.95	87.40	120.60	47897	8577
Jan 2021	120	148.70	103.00	112.55	50184	11477
Feb 2021	117	129.90	93.05	110.85	52517	5937
March 2021	111	124.95	100.25	114.90	51822	4973

**h) Performance of Company's shares in comparison to BSE Sensex**

No of shares traded : 93349  
 Highest Share Price (Rs) : 148.70  
 Lowest Share Price (Rs) : 70.30  
 Closing price as on March 31, 2021 (Rs) : 114.90

**i) No securities of the Company were suspended from trading during the year 2020-21.**

**j) Registrar & Transfer Agent**

Link Intime India Private Limited  
 Block No 202, 2nd Floor,  
 Akshay Complex,  
 Near Ganesh Temple,  
 Off-Dhole Patil Road,  
 Pune - 411001  
 Tel: 020-26161629/26160084, Fax: 020-26163503  
 Email: pune@linkintime.co.in



**k) Share Transfer System**

As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. The formalities for transmission/ transposition of shares in the physical form are completed and share certificates are dispatched to the transferee within 15 days of receipt of the documents, provided the documents are complete in all respects.

The Board of Directors has delegated the authority for approving transfer, transmission etc. of the Company's securities to Shareholders/ Investors Grievances Committee, who meets as and when required.

The Company obtains Half Yearly Compliance Certificate under Regulation 40(9) of the SEBI Listing Regulations from Mrs. Shaswati Vaishnav of M/s Vaishnav Associates, Company Secretary in Practice and files the same to the Stock Exchange as well as to Board of Directors.

**I. Distribution of Shareholding as on March 31, 2021**

No. of Shares		No. of Holders	% of total Shareholders	No. of Shares	% of total Shares
From	To				
1	500	2569	90.9059	249399	6.7478
501	1000	117	4.1401	85708	2.3189
1001	2000	77	2.7247	107365	2.9049
2001	3000	16	0.5662	37210	1.0068
3001	4000	10	0.3539	35596	0.9631
4001	5000	06	0.2123	26833	0.7260
5001	10000	17	0.6016	114962	3.1104
10001	*****	14	0.4954	3038927	82.2221
<b>Total</b>			<b>100.0000</b>	<b>3696000</b>	<b>100.0000</b>

**m. Shareholding Pattern as on March 31, 2021**

Category	No. Of Share Holders	No. of Shares Held	% of Share Capital	No. of Shares Pledge	% of Share Capital
<b>A) Promoters:</b>					
Indian Promoters	3	2755855	74.5632	-	-
Foreign Promoters	-				
TOTAL Promoters	3	2755855	74.5632	-	-
<b>B) Non Promoters:</b>					
Financial Institution & Bank	09	2075	0.0561	-	-
Bodies Corporate	33	11554	0.3126	-	-
Indian Public	2615	879465	23.7951	-	-
Foreign Nations/ NRIs	34	13019	0.3523	-	-
Hindu Undivided Family	61	20606	0.5575		
IEPF	01	13276	0.3592		
Others(Clearing Members)	05	150	0.0041	-	-
<b>Total Non-Promoter</b>	<b>2758</b>	<b>940145</b>	<b>25.4368</b>	<b>--</b>	<b>--</b>
<b>TOTAL (A+B)</b>	<b>2761</b>	<b>3696000</b>	<b>100%</b>	<b>-</b>	<b>-</b>

**n. Dematerialisation of Shares and Liquidity**

No. of Shares: Physical form : 116749  
Demat form : 3579251

Demat ISIN in NDSL & CDSL for Company's Equity Shares : INE340F01011

The Company has entered into agreement with National Securities Depository Ltd (NSDL) as well as the Central Depository Services Ltd (CDSL) for demat facility. 96.84% of the Company's shares are dematerialized as on March 31, 2021.

Nomination:

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of all the registered shareholders. Nomination facility in respect of shares held in electronic form is also available with the depository participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Transfer Agents.

**o. Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity:**

The Company does not have any outstanding GDR/ADR/ Warrant or any convertible instruments as on date.

**p. Commodity price risk or foreign exchange risk and hedging activities:**

There is a Foreign Exchange loss/gain(net) of Rs. 2.06 Lacs which is 0.08% of material consumed. There are no hedging activities during the year.

**q. Plant Location**

F-33, Ranjangaon Industrial Area, MIDC, Karegoan, Tal. Shirur, Dist Pune-412 209

**r. Address for correspondence**

**Investor Correspondence:**

**Link Intime India Pvt Ltd**

Block No 202, 02nd Floor, Akshay Complex, Near Ganesh Temple, Off-Dhole Patil Road,  
Pune – 411001 Tel: 020-26161629\26160084  
Fax: 020-26163503, Email: pune@linkintime.co.in

**For query on Annual Report:**

**Mr. Rajib Kumar Gope**

Company Secretary & Compliance Officer

Duncan Engineering Limited

F-33 Ranjangaon Industrial Area, MIDC, Karegoan, Tal, Shirur, Dist- Pune 412 209

Tel: (021) 38660066 Fax: (021) 38660067, Email: complianceofficer@duncanengg.com

Website: www.duncanengg.com

**s. Credit Ratings**

Your Company has obtained Credit Rating from ICRA Ltd. The Credit Rating was obtained on 19.02.2021. Latest available Credit Rating was [ICRA]A-(Stable)/[ICRA]A2+.

**10. OTHER DISCLOSURES**

**a. Disclosure on materially significant Related Party transactions that may have potential conflict with the interest of the listed entity at large.**

All Related Party transactions that were entered into during the financial year were on arms' length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of Company at large. All related party transactions are placed before the Audit Committee. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of foreseen and repetitive nature. None of the Directors has any pecuniary relationship or transactions vis-a-vis the Company.

- b. Details of non-compliance by the listed entity, penalties and strictures imposed on the listed entity by stock exchange or the Board (SEBI) or any statutory authority on any manner related to capital markets during the last three years.**

The Company has complied with the requirements of the Regulatory Authorities on Capital Markets. Neither has there been any instances of non-compliance by the Company on any matters related to the capital markets, nor has any penalty or stricture been imposed on the Company by the stock exchanges, SEBI or any other statutory authority, on any matter related to capital markets, during the last three years.

- c. Details of establishment of vigil mechanism, Whistle blower policy and affirmation that no personnel have been denied access to the Audit Committee**

In line with the best Corporate Governance practices, Duncan Engineering Limited has put in place a system through which the Directors, employees and business associates may report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The Company has put in place process by which employees and business associates have direct access to the Audit Committee Chairman, Managing Director, Chairman of the Board. The whistle blower policy is placed on the website of the Company.

- d. Details of compliance with mandatory requirements and adoption of non-mandatory requirements**

The Company has complied with the applicable mandatory requirements of SEBI (LODR) Regulations, 2015. The Company has adopted non-mandatory requirements to the extent specified in para 13 below.

- e. Web link where policy for determining 'material' subsidiaries is disclosed**

The Company has no subsidiary as on date.

- f. Web link where policy on dealing with related party transactions**

The policy on dealing with related party transactions have been hosted on the website of the Company and can be accessed on the link: [www.duncanengg.com](http://www.duncanengg.com) under investor dropdown.

- g. Disclosure of commodity price risks and commodity hedging activities**

No such activity during the year.

- h. Mrs. Shaswati Vaishnav of M/s. Vaishnav Associates., Practising Company Secretary, has issued a certificate as required under Listing Regulations, confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Companies by SEBI/Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed and form part of this report.**

- i. Disclosure in relation to sexual harassment of women in workplace (Prevention, Prohibition and Redressal) Act, 2013:**

- a. number of complaints filed during the financial year: Nil
- b. number of complaints disposed of during the financial year: Nil
- c. number of complaints pending as on end of the financial year: Nil

- j. During the financial year 2020-21, Rs. 9.50 Lacs were paid to the statutory auditors towards fees for all services rendered by them.**

- 11. All the requirements of Corporate Governance Report of Sub-para (2) to (10) above have been complied with.**

- 12. EXTENT TO WHICH THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II HAVE BEEN COMPLIED.**

**Shareholder Rights:** Quarterly financial results are forwarded to the Stock Exchange and uploaded on the website of the Company.

**Audit Qualifications:** During the year under review, there was no audit qualification in the Auditors' report on the Company's financial statements.

**Separate post of Chairman and CEO:** The Chairman of the Company and the Managing Director are different persons.

**Reporting of Internal Auditor:** The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meeting and regularly attends the Meeting for reporting their findings of the internal audit to the Audit Committee Members.

13. The Company has complied with corporate governance requirements as specified in Regulation 17 to 27 of SEBI (LODR) Regulations, 2015. The Company has a functional website and it disseminate information as specified in clauses (b) to (i) of the sub-regulation (2) of the Regulation 46.

## DECLARATION

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company and the same is available in the Company's website. Requisite annual affirmations of compliance with respective codes have been made by the Directors and Senior Management of the Company.

M/s Vaishnav Associates, Practising Company Secretaries, Pune have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

## On behalf of the Board of Directors

Akshat Goenka  
Managing Director  
DIN: 07131982

Arvind Goenka  
Director  
DIN: 00135653

Date: 07.05.2021  
Place: Noida

## **CERTIFICATE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS**

**(As per clause C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with regulation 34(3) of the said Listing Regulation)**

**The Members,  
Duncan Engineering Limited,  
F -33, Ranjangaon, MIDC,  
Karegaon, Tal. Shirur,  
Dist. Pune – 412 209.**

I have examined compliance of conditions of Corporate Governance by Duncan Engineering Limited (“the Company”) for the year ended on March 31, 2021, as referred to in regulation 15(2) read with clause C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Hereinafter, collectively referred to as the “Listing Regulations”) read with Regulation 34(3) of the said Listing Regulations for the year ended on March 31, 2021.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance.

In my opinion, and to the best of our information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

I state that no investor's grievance is pending unresolved by the Company for a period exceeding one month against the Company as per the records maintained by the Stakeholders Relationship Committee.

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

**VAISHNAV ASSOCIATES  
Practicing Company Secretary**

**Shaswati Vaishnav  
ACS: 11392  
CP No: 8675  
UDIN : A011392C000409773**

**Place :Pune  
Date: May 7, 2021**

### **DECLARATION BY MANAGING DIRECTOR UNDER REGULATION 26(3) READ WITH PART D OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING COMPLIANCE OF CODE OF CONDUCT**

**To  
The Board of Directors  
Duncan Engineering Limited**

In accordance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all Directors and Senior Management Personnel of the Company have affirmed compliance with Code of Conduct, as applicable to them, for the financial year ended March 31, 2021.

**Place: Noida  
Date: May 7, 2021**

**Akshat Goenka  
Managing Director  
DIN: 007131982**

## 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)

The Members,  
**Duncan Engineering Limited,**  
**F -33, Ranjangaon, MIDC,**  
**Karegaon, Tal. Shirur,**  
**Dist. Pune – 412 209.**

I have examined the relevant registers, records and forms and returns and disclosures received from the Directors of Duncan Engineering Limited having its registered office at F -33, Ranjangaon, MIDC, Karegaon, Tal. Shirur, Dist. Pune – 412 209 having CIN L28991PN1961PLC139151 (hereinafter referred to as the “Company”) produced before me by the Company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with clause 10(i) of Part C of Schedule V of the Securities Exchange Board of India( Listing Obligations and Disclosure Requirement) Regulations 2015.

In my opinion and to the best of my information and according to the verifications (including Directors identification Number DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of Duncan Engineering Limited have been debarred or disqualified from being appointed or continuing as directors of Companies by the Board/SEBI/Ministry of Corporate Affairs or any such statutory authority .

DIN	NAME
00135653	Arvind Goenka
00136782	Jagdish Prasad Goenka
07131982	Akshat Goenka
00228441	Om Prakash Dubey
00740511	Brij Behari Tandon
01718619	Nitin Kaul
03218058	Arti Kant

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

**VAISHNAV ASSOCIATES**  
**Practicing Company Secretary**

**Shaswati Vaishnav**  
**ACS: 11392**  
**CP No: 8675**  
**UDIN : A011392C000409735**

**Place: Pune**  
**Date: May 7, 2021.**

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF DUNCAN ENGINEERING LIMITED

#### Report on the Standalone Financial Statements

##### Opinion

1. We have audited the accompanying financial statements of Duncan Engineering Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").
2. 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 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31 2021, the profit and total comprehensive income, changes in equity and its cash flow for the year ended on that date.

##### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

##### Emphasis of Matter

4. We draw attention to note no. 39 of the financial statement, which states the management's evaluation of COVID-19 impact on the operations of the company.

Our report is not modified in respect of this matters.

##### Key Audit Matters

5. 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	Auditor's response
<b>Assessment of recoverability of Deferred tax assets (Refer to 28c to the financial statements)</b>  The Company has recognized deferred tax assets(net) of INR 454.29 lacs on the carried forward business losses and unabsorbed depreciation post netting of deferred tax liability on difference in Written down value of fixed assets as per the Companies Act, 2013 and the Income Tax Act, 1961.  The deferred tax asset is recognised as it is considered to be recoverable based on the Company's projected taxable profits in the forthcoming years considering the stability and improvements in the business conditions and current and likely future state of the industry. Under Indian Accounting Standard 12 Income Taxes the	<b>Our audit procedures included:</b> <ul style="list-style-type: none"><li>• Evaluated and tested the design and operating effectiveness of the Company's controls over recognition and assessment of recoverability of deferred tax assets on Business loss and unabsorbed depreciation.</li><li>• Reviewed the Company's accounting policy in respect of recognizing deferred tax assets on Business loss and unabsorbed depreciation.</li><li>• Evaluated whether the business loss and unabsorbed depreciation is legally available to the Company for the period, considering the provisions of Income-tax Act, 1961.</li></ul>



<p>carrying amount of a deferred tax asset is required to be reviewed at the end of each reporting period.</p> <p>The future taxable profit projections involve several key assumptions including past trends, expected demand and stability and improvement in the business conditions and current and likely future state of the industry.</p> <p>We considered this a key audit matter as the amount of deferred tax assets is material to the financial statements and significant management judgement is required in assessing its recoverability based on significant assumptions underlying the forecast of future taxable profits. Further, recoverability of deferred tax assets depends on the achievement of Company's future business plan.</p>	<ul style="list-style-type: none"> <li>Reviewed the setoff of carry forward Business loss and unabsorbed depreciation in the past.</li> <li>Assessed the reasonableness of the assumptions underlying profit projections made by management, by reviewing the past trends and relevant economic and industry indicators.</li> <li>Reviewed the adequacy of disclosures made in the financial statements with regards to deferred taxes.</li> </ul> <p>Based on the above procedures performed by us, we considered the management's assessment of recoverability of deferred tax assets is reasonable.</p>
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#### Information Other than the Financial Statements and Auditor's Report Thereon

6. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report particularly with respect to the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business responsibility report and Corporate Governance report, but does not include the financial statements and our auditor's report thereon. The other information 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 do 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 during the course of our audit or otherwise appears to be materially misstated.

When we read the other information identified above 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 Financial Statements

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with IND AS and the accounting principles generally accepted in India. 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 are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

#### Auditor's Responsibilities for the Audit of the Financial Statements

8. 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

#### Other Matters

9. The comparative financial information for the year ended 31st March 2020 were audited by predecessor auditor, whose report dated June 3rd, 2020 expressed an unmodified opinion on those audited financial statements.

#### Report on Other Legal and Regulatory Requirements

- A) 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.
- B) As required by Section 143(3) of the Act, based on our audit 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 purposes 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 including other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules issued thereunder.
- e) On the basis of the 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to the financial statements.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act as amended:  
  
In our opinion and to the best of our information and according to the explanations given to us, remuneration paid by the Company to its director during the year is in accordance with the provisions of section 197 of the Act.
- h) 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 as amended 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 as on 31 March 2021 on its financial position in its financial statements. (refer note no. 31 of the financial statements)
  - (ii) The Company did not have any long-term contract 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 **S S Kothari Mehta & Company**  
Chartered Accountants  
Firm's Registration Number: 000756N

**Naveen Aggarwal**  
Partner

Membership Number: 094380  
UDIN 21094380AAAADY6647

Place: New Delhi  
Date: 07<sup>th</sup> May 2021

## ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Duncan Engineering Limited of even date)**

- i. In respect of the Company's fixed assets:
  - 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 provided to us, the property, plant and equipment are physically verified by the management according to designed process to cover all the items once in three years. In our opinion, this frequency is reasonable having regard to the size of the company and the nature of its assets. Pursuant to this programme, part of property, plant and equipment have been physically verified by the management during financial year. The discrepancies, noticed on such physical verification had been properly dealt with in the books of account.
  - c) According to the information and explanations given to us and on the basis of our examination of records of the company, the title deeds of immovable properties are held in the name of the Company.
- ii. As explained to us, physical verification except stock lying with third parties/Goods in transit has been conducted by the management at reasonable intervals during the year in respect of inventory of raw materials, work in progress, finished goods and by products. The discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account
- iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act. Therefore, the provision of clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the company
- iv. As informed to us, the company has not granted any loans or made any investment or provided any guarantees or security to the parties covered under section 185 and 186. Therefore, the provision of clause 3(iv) of the said Order are not applicable to the company.
- v. In our opinion and as per the information and explanation provided to us, the Company has not accepted any deposits from the public within the meaning of directives issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder to the extent notified.
- vi. We have broadly reviewed the books of accounts maintained by the Company in respect of products, where pursuant to the rule made by the Central Government of India the maintenance of cost records has been prescribed under section 148 (1) of the Companies Act 2013 and are of the opinion that, prima facie, the prescribed records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us and the records of the Company examined by us, in our opinion:
  - a) the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income tax, Goods and Services Tax, cess and other material statutory dues as applicable with the appropriate authorities with slight delays in one case. Further, there were no undisputed amounts outstanding at the year-end for a period of more than six months from the date they became payable.
  - b) there are no dues of income tax, service tax and Goods and Services Tax which have not been deposited on account of any dispute except for the following:

Name of the Statute	Nature of Dues	Amount (lacs)	Period to which the amount relates (AY)	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax Demands	0.52	2006-07	Income tax traces
		3.71	2007-08	Income tax traces
		1.07	2010-11	Assessing Officer, Pune <sup>^</sup>
Central Excise Act, 1944	Excise Duty	7.14	2005-06	High Court, Mumbai
		27.40	2009-10	The Addl Commissioner of Central Excise, Mumbai III
		1.10	2012-13	Dy. Commissioner of Central Excise, Pune
Service Tax Regulations	Service Tax	15.43*	2014-17	Assistant Commissionerate, Division III, Pune

\* Inclusive of Interest amounting to INR 5.14 and Penalty amounting to INR 5.14 lac

<sup>^</sup> Source income tax traces

- viii. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowings to any financial institution, bank or Government. The Company had neither any outstanding debenture at the beginning of the year nor it has issued any debenture during the year.
- ix. As per the information and explanation given to us and on the basis of our examination of the records, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments or term loans). Hence, reporting under clause (ix) of para 3 of the order is not applicable to the company.
- x. As per the information and explanation given to us and on the basis of our examination of the records we have neither come across any instance of material fraud by the company or on the company by its employees, noticed or reported during the year, nor have been informed of such case by the management.
- xi. As per the information and explanation given to us and on the basis of our examination of the records, the Company has paid /provided managerial remuneration in accordance with the requisite approvals mandated by provisions of section 197 of the Act read with schedule V of the Act.
- xii. The company is not Nidhi Company. Accordingly, Clause (xii) of Para 3 of the order is not applicable to the Company.
- xiii. As per the information and explanation given to us and on the basis of our examination of the records, Company has transacted with the related parties which are in compliance with section 177 and 188 of the Act and the details have been disclosed in the financial statements as required by Indian Accounting standard (Ind-As)xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the order is not applicable to the company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the provisions of the clause 3(xvi) of the Order are not applicable to the company.

**For S S Kothari Mehta & Company**  
Chartered Accountants  
Firm's Registration Number: 000756N

Place: New Delhi  
Date: 07<sup>th</sup> May 2021

**Naveen Aggarwal**  
Partner  
Membership Number: 094380  
UDIN 21094380AAAADY6647

## **ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**

### **Report on the Internal Financial Controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”).**

We have audited the internal financial controls with reference to the financial statements of **Duncan Engineering Limited** (“the Company”) as at 31st March 2021 in conjunction with our audit of the 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 with reference to the financial statements 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 Act.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to the financial statements 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, 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 with reference to the financial statements 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 with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the financial statements included obtaining an understanding of internal financial controls with reference to the financial statements, 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 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 controls with reference to the financial statements.

#### **Meaning of Internal Financial Controls with reference to the financial statements**

A company’s internal financial control with reference to the financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to the financial statements 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 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 and directors 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 financial statements.

#### **Inherent Limitations of Internal Financial Controls with reference to the financial statements**

Because of the inherent limitations of internal financial controls with reference to the financial statements, 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 with reference to the financial statements to future periods are subject to the risk that the internal financial control with reference to the financial statements 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, to the best of our information and according to the explanations given to us, the company has, in all material aspect, an adequate internal financial controls with reference to the financial statements and such internal financial control with reference to the financial statements were operating effectively as at 31st March, 2021, based on the criteria for internal financial controls with reference to the financial statements established by the company considering the essential components of internal controls stated in guidance note on audit of internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India.

For **S S Kothari Mehta & Company**  
Chartered Accountants  
Firm's Registration Number: 000756N

Place: New Delhi  
Date: 07<sup>th</sup> May 2021

**Naveen Aggarwal**  
Partner  
Membership Number: 094380  
UDIN 21094380AAAADY6647



**Duncan Engineering Limited**  
**CIN No:L28991PN1961PLC139151**  
**STANDALONE BALANCE SHEET AS AT MARCH 31, 2021**

(Rs. in Lakhs)

Particulars	Note No.	As at March 31,2021	As at March 31,2020
<b>I ASSETS</b>			
<b>(1) Non Current Assets</b>			
(a) Property, Plant and equipment	2a	1,545.36	1,559.63
(b) Capital work in Progress	2b	-	-
(c) Other Intangible Assets	3	10.37	15.45
(d) Financial Assets			
(i) Other Financial assets	4	14.17	8.53
(e) Other non Current Assets	5	0.85	5.02
(f) Deferred Tax Asset	5a	454.29	-
<b>TOTAL NON CURRENT ASSETS</b>		<b>2,025.04</b>	<b>1,588.63</b>
<b>(2) Current Assets</b>			
(a) Inventories	6	733.35	787.79
(b) Financial Assets :			
(i) Trade Receivables	7	580.91	466.91
(ii) Cash and cash Equivalents	8	52.96	3.95
(iii) Bank Balances other than (ii) above	9	539.11	210.70
(iv) Investments	9a	100.36	-
(v) Other Financial assets	10	14.26	7.50
(c) Current Tax Assets (Net)	11	72.07	101.19
(d) Other Current Assets	12	89.88	98.65
<b>TOTAL CURRENT ASSETS</b>		<b>2,182.90</b>	<b>1,676.69</b>
<b>TOTAL ASSETS</b>		<b>4,207.94</b>	<b>3,265.32</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	13	369.60	369.60
(b) Other Equity	14	2,668.52	1,866.95
<b>TOTAL EQUITY</b>		<b>3,038.12</b>	<b>2,236.55</b>
<b>Liabilities</b>			
<b>(1) Non Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	15a	19.69	17.11
(ii) Other Financial Liabilities	15b	10.35	12.35
(b) Provisions	16	35.42	37.05
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>65.46</b>	<b>66.51</b>
<b>(2) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17a	-	49.04
(ii) <b>Trade Payables</b>	17b		
a) Total outstanding dues of Micro and Small enterprises		213.04	81.54
b) Total outstanding dues of creditors other than micro and small enterprises		397.65	399.13
(iii) Other Financial Liabilities	17c	195.55	139.34
(b) Provisions	18	216.46	213.44
(c) Other Current Liabilities	19	81.66	79.77
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,104.36</b>	<b>962.26</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,207.94</b>	<b>3,265.32</b>

**Significant Accounting Policies**

1

**Notes to Accounts**

1 - 39

The accompanying notes referred to above form an integral part of the standalone financial statements

**In terms of our Report of even date**

**For and on behalf of the Board of Directors**

**For S S KOTHARI MEHTA & COMPANY**

Chartered Accountants  
Firm Reg. No. 000756N

**Naveen Aggarwal**

Partner  
Membership No. 094380

Place : New Delhi  
Date: 7th May 2021

**Akshat Goenka**  
Managing Director  
DIN: 7131982  
Place : Noida

**A Goenka**  
Director  
DIN: 0135653  
Place : Noida

**Rajib Kumar Gope**  
Company Secretary  
Place : Pune

**K Raghu Raman**  
Chief Financial Officer  
Place : Pune

**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021**

(Rs. in Lakhs)

Particulars	Note No.	For the Year ended March 31,2021	For the Year ended March 31,2020
<b>I. Income</b>			
<b>II. Revenue from Operations</b>	<b>20</b>	<b>4,148.26</b>	<b>4,338.00</b>
<b>III. Other Income</b>	<b>21</b>	<b>51.52</b>	<b>100.97</b>
<b>IV. Total Income (II+III)</b>		<b>4,199.78</b>	<b>4,438.97</b>
<b>V. Expenses</b>			
Cost of materials consumed	22	2,378.20	2,411.29
Changes in Inventories of finished goods, work in progress and stock in trade	23	39.11	17.62
Employee benefit expense	24	941.50	950.16
Finance costs	25	19.75	41.39
Depreciation and amortisation expense	26	108.36	139.29
Other expenses	27	337.89	373.33
<b>Total Expenses</b>		<b>3,824.81</b>	<b>3,933.08</b>
<b>VI. Profit/(Loss) before exceptional items and tax (IV-V)</b>		<b>374.97</b>	<b>505.89</b>
<b>VII. Exceptional Items</b>	<b>38</b>	<b>-</b>	<b>175.58</b>
<b>VIII. Profit/(Loss) before Tax (VI-VII)</b>		<b>374.97</b>	<b>330.31</b>
<b>IX. Tax expense</b>			
Current tax	28	-	-
Current tax for Earlier Years	28	30.49	4.01
Deferred Tax (Net)		(454.29)	-
<b>Total Tax expense</b>		<b>(423.80)</b>	<b>4.01</b>
<b>X. Profit/(Loss) For the Period (VIII-IX)</b>		<b>798.77</b>	<b>326.30</b>
<b>XI. Other Comprehensive Income (Net of Tax) Items that will not be reclassified subsequently to Profit or Loss</b>			
Remeasurement of Defined Benefit Plans		2.80	(8.27)
Income Tax on the above item		-	-
<b>Other Comprehensive Income ( Net of Tax)</b>		<b>2.80</b>	<b>(8.27)</b>
<b>XII. Total Comprehensive Income for the Period (X+XI)</b>		<b>801.57</b>	<b>318.03</b>
<b>XIII. Earnings per equity shares (Face Value of Rs. 10 Each)</b>			
Basic & Diluted (In Rs.)	29	21.61	8.83
<b>Significant Accounting Policies</b>	<b>1</b>		
<b>Notes to Accounts</b>	<b>1 - 39</b>		

The accompanying notes referred to above form an integral part of the standalone financial statements

**In terms of our Report of even date**

**For S S KOTHARI MEHTA & COMPANY**

Chartered Accountants  
Firm Reg. No. 000756N

**Naveen Aggarwal**

Partner  
Membership No. 094380

Place : New Delhi  
Date: 7th May 2021

**For and on behalf of the Board of Directors**

**Akshat Goenka**  
Managing Director  
DIN: 7131982  
Place : Noida

**A Goenka**  
Director  
DIN: 0135653  
Place : Noida

**Rajib Kumar Gope**  
Company Secretary  
Place : Pune

**K Raghu Raman**  
Chief Financial Officer  
Place : Pune

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021

(Rs. in Lakhs)

Particulars	For the Year ended March 31,2021	For the Year ended March 31,2020
<b>A. Cash flow from Operating Activities</b>		
<b>Profit Profit / (Loss) before tax</b>	<b>374.97</b>	<b>330.31</b>
<b>Adjustments for:</b>		
Depreciation and Amortisation expenses	108.36	139.29
Finance costs	19.75	41.40
Net Foreign Exchange Differences	(2.06)	1.40
Profit/ (Loss) on sale of Plant, Property and Equipment	(4.22)	(1.57)
Bad Debts written off	1.20	5.15
Provision for Doubtful Debts	5.20	0.13
Provision for Doubtful debts written back	-	(2.68)
Provision no longer Required written back	(13.73)	(7.83)
Advances and Debts earlier Written off, now recovered	(0.03)	(54.58)
Effect of Changes in Fair Value of Current Investments	(0.36)	-
Interest income	(16.40)	25.75
Remeasurement of Defined benefit plan Transferred to Other Comprehensive Income	2.80	(8.27)
<b>Operating profit / (loss) before working capital changes (I)</b>	<b>475.47</b>	<b>468.50</b>
<b>Working Capital Adjustments :</b>		
<b>Changes in:-</b>		
Increase / (Decrease) in Trade Payable	132.08	(45.49)
Increase / (Decrease) in Current and Non Current Financial Liabilities	53.45	(3.54)
Increase / (Decrease) in Other Current Liabilities	15.62	(42.12)
Increase / (Decrease) in Current and Non Current Provisions	1.40	165.66
(Increase) / Decrease in Inventories	54.44	4.98
(Increase) / Decrease in Trade receivables	(120.36)	135.63
(Increase) / Decrease in Other Current and Non Current Assets	12.94	42.94
(Increase) / Decrease in Current and Non Current Financial Assets	(6.72)	4.44
<b>Working Capital Changes (II)</b>	<b>142.85</b>	<b>262.50</b>
<b>Cash generated from operations (I+II)</b>	<b>618.32</b>	<b>731.00</b>
Less: Taxes (paid) / refund received	1.36	(5.82)
<b>Net cash generated from Operating Activities (A)</b>	<b>616.96</b>	<b>736.82</b>
<b>B. Cash flow from Investing Activities</b>		
Acquisition of Plant, Property and Equipment and Other Intangibles	(90.42)	(61.24)
Sale of Plant, Property and Equipment and other Intangibles	5.63	2.71
Decrease in the value of Investments	(100.00)	-
Interest received on deposits	10.70	(25.73)
Movement in Fixed Deposits with Banks (Margin Money)	(328.41)	(205.54)
<b>Net cash generated/(Used) in investing activities (B)</b>	<b>(502.50)</b>	<b>(289.80)</b>
<b>Duncan Engineering Limited</b>		
"		
<b>Cash Flow Statement for the year ended 31st March 2021</b>		
<b>C. Cash flow from Financing Activities</b>		
Receipt of Vehicle Loan	8.62	22.20
(Repayment)of Vehicle Loan	(4.19)	(4.93)
Receipt/ (Repayment) of loan from holding company	-	-
Increase/ (Decrease) in Borrowings	(49.04)	(620.24)
Finance Cost Paid	(20.84)	(41.39)
<b>Net cash used in Financing Activities (C)</b>	<b>(65.45)</b>	<b>(644.36)</b>

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021

(Rs. in Lakhs)

Particulars	For the Year ended March 31,2021	For the Year ended March 31,2020
<b>Net Net increase / (Decrease) in cash and cash equivalents (A+B+C)</b>	<b>49.01</b>	<b>(197.34)</b>
Cash and cash equivalents at the beginning of the year	3.95	201.29
<b>Cash and cash equivalents at the end of the year (Refer Note 8)</b>	<b>52.96</b>	<b>3.95</b>
Cash and cash equivalents comprise of:		
(a) Cash on hand	0.31	0.31
(b) Cheques on hand	0.19	-
(b) Bank balances:		
In current accounts	52.46	3.64
<b>Total</b>	<b>52.96</b>	<b>3.95</b>

**Notes :**

- The above Cash Flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard '7' on "Statement of Cash Flows"
- Acquisition of Plant, Property and Equipment are shown inclusive of Increase/(Decrease) in Capital Work in Progress.
- Previous year's figures have been re-grouped/re-arranged, wherever necessary.

The accompanying notes are an integral part of the financial statements.

**In terms of our Report of even date**

**For S S KOTHARI MEHTA & COMPANY**

Chartered Accountants  
Firm Reg. No. 000756N

**Naveen Aggarwal**

Partner  
Membership No. 094380

Place : New Delhi  
Date: 7th May 2021

**For and on behalf of the Board of Directors**

**Akshat Goenka**  
Managing Director  
DIN: 7131982  
Place : Noida

**A Goenka**  
Director  
DIN: 0135653  
Place : Noida

**Rajib Kumar Gope**  
Company Secretary  
Place : Pune

**K Raghu Raman**  
Chief Financial Officer  
Place : Pune

**STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021**

(Rs. in Lakhs)

(a)	Equity Share Capital	Note	Amount
	<b>Balance as at 01 April 2019</b>		<b>369.60</b>
	Add/(Less): Changes in Equity Share Capital during the year		-
	<b>Balance as at 31 March 2020</b>		<b>369.60</b>
	<b>Balance as at 01 April 2020</b>		<b>369.60</b>
	Add/(Less): Changes in Equity Share Capital during the year	13	-
	<b>Balance as at 31 March 2021</b>		<b>369.60</b>

**(b) Other Equity (Refer note 14)**

Particulars	Reserves & Surplus			Item of other Comprehensive Income	Total
	Retained Earnings	General Reserves	Capital Reserves	Remeasurement of defined benefit plans	
<b>Balance as at 01 April 2019 (A)</b>	<b>529.20</b>	<b>660.32</b>	<b>382.06</b>	<b>(22.66)</b>	<b>1,548.92</b>
Profit/(Loss) for the year from continuing operations	<b>326.29</b>	-	-	-	<b>326.29</b>
Other comprehensive income (net of tax) for the year		-	-	<b>(8.27)</b>	<b>(8.27)</b>
<b>Total comprehensive income for the year ended 31 March 2020 (B)</b>	<b>326.29</b>	-	-	<b>(8.27)</b>	<b>318.02</b>
<b>Balance as at 31 March 2020 (A+B)</b>	<b>855.50</b>	<b>660.32</b>	<b>382.06</b>	<b>(30.93)</b>	<b>1,866.95</b>
<b>Balance as at 01 April 2020 (A)</b>	<b>855.50</b>	<b>660.32</b>	<b>382.06</b>	<b>(30.93)</b>	<b>1,866.95</b>
Profit/(Loss) for the year from continuing operations	<b>798.77</b>	-	-	-	<b>798.77</b>
Other comprehensive income (net of tax) for the year		-	-	<b>2.80</b>	<b>2.80</b>
<b>Total comprehensive income for the year ended 31 March 2021 (B)</b>	<b>798.77</b>	-	-	<b>2.80</b>	<b>801.57</b>
<b>Balance as at 31 March 2021 (A+B)</b>	<b>1,654.27</b>	<b>660.32</b>	<b>382.06</b>	<b>(28.13)</b>	<b>2,668.52</b>

In terms of our Report of even date

**For S S KOTHARI MEHTA & COMPANY**

Chartered Accountants  
Firm Reg. No. 000756N

**Naveen Aggarwal**  
Partner

Membership No. 094380

Place : New Delhi  
Date: 7th May 2021

For and on behalf of the Board of Directors

**Akshat Goenka**  
Managing Director  
DIN: 7131982  
Place : Noida

**A Goenka**  
Director  
DIN: 0135653  
Place : Noida

**Rajib Kumar Gope**  
Company Secretary  
Place : Pune

**K Raghu Raman**  
Chief Financial Officer  
Place : Pune

## NOTE 1: COMPANY OVERVIEW, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

### I CORPORATE INFORMATION

Duncan Engineering Limited (formerly known as Schrader Duncan Limited) is a manufacturer & trader of fluid power and automation products. The Company has its manufacturing unit & registered office at F-33, MIDC, Ranjangaon, Karegaon, Taluka Shirur, Dist. Pune: 412220 (near Pune City). The Company is a Public Limited Company and is listed on the Bombay Stock Exchange (BSE).

The financial statements (hereinafter referred to as "Financial Statements") of the Company for the year ended March 31, 2021 were approved and authorised for issue by the Board of Directors at their meeting held on May 07, 2021

### II BASIS OF PREPARATION

#### a) Statement of compliance

The Financial Statements of the Company, are prepared in accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis. The Ind AS are prescribed under section 133 of the Companies Act, 2013, and the relevant provisions thereof.

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy hitherto in use. The Company has prepared these Financial Statements as per the format prescribed in Schedule III to the Companies Act, 2013.

#### b) Basis of measurement

The financial statements have been prepared on historical cost basis, except for following:

- i. Financial assets and liabilities that is measured at Fair value/ Amortised cost;
- ii. Non-current assets held for sale – measured at the lower of the carrying amounts and fair value less cost to sell;
- iii. Defined benefit plans – plan assets measured at fair value.

#### c) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in Indian Rupee ('INR'), which is the Company's functional currency.

#### d) Current or Non current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- i. Expected to be realized or intended to sold or consumed in normal operating cycle;
- ii. Held primarily for the purpose of trading;
- iii. Expected to be realized within twelve months after the reporting period; or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is current when:

- i. It is expected to be settled in normal operating cycle;
- ii. It is held primarily for the purpose of trading;
- iii. It is due to be settled within twelve months after the reporting period; or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

#### e) Use of judgements and estimates

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, 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.

Application of accounting policies that require critical accounting estimates and assumption judgements having the most significant effect on the amounts recognised in the financial statements are:

Measurement of defined benefit obligations;

Recognition of deferred tax assets

Useful life and residual value of Property, plant and equipment and intangible assets;

Provision and employee liability for litigation

### **III SIGNIFICANT ACCOUNTING POLICIES**

The Company has consistently applied the following accounting policies to all periods presented in the financial statements.

#### **a) Property, plant and equipment**

##### **i) Recognition and measurement**

Property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Borrowing costs relating to acquisition of qualifying fixed assets, if material, are also included in cost to the extent they relate to the period till such assets are ready to be put to use.

If significant parts of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. The cost of replacing part of an item of property, plant and equipment are recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of all other repairs and maintenance are recognised in the Statement of Profit & Loss as incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other noncurrent assets.

Property, plant and equipment is derecognised when no future economic benefit are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

##### **ii) Depreciation**

Depreciation on property, plant and equipment is provided on the Straight Line Method based on the useful life of assets as prescribed under Schedule II of the Companies Act, 2013. The identified components are depreciated over their useful life, the remaining asset is depreciated over the life of principal assets, except :

Vehicles : 5 Years

Lease hold land held on long term are likely to be continued are considered as finance lease, and Leasehold land which do not involve substantial subsequent cash flows are amortised over the primarily lease period. Buildings constructed on Leasehold land are depreciated based on the useful life prescribed in the Schedule II of the Companies Act, 2013.

Property Plant and Equipment purchased for value not exceeding Rs. 5000/- is fully depreciated in the year of purchase.



Depreciation on additions to or on disposal of assets is calculated on pro-rata basis i.e. from (upto) the date on which the property, plant and equipment is available for use (disposed off).

**b) Intangible assets**

**i) Recognition and measurement**

**Intangible Assets Acquired Separately**

Intangible assets that are acquired by the Company are measured at cost, less accumulated amortization and accumulated impairment losses, if any.

Subsequent to initial recognition, the assets are measured at cost, less accumulated amortisation and accumulated impairment losses, if any.

Subsequent expenditures are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate.

All other intangible assets are tested for impairment when there are indications that the carrying value may not be recoverable. All impairment losses are recognised immediately in the Statement of Profit and Loss.

An intangible asset is derecognised when no future economic benefit are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal of an item of intangible assets is recognised in profit or loss.

**ii) Amortisation**

Amortization is recognised in the income statement on a straight-line basis over the estimated useful lives of intangible assets or on any other basis that reflects the pattern in which the asset's future economic benefits are expected to be consumed by the entity. Intangible assets that are not available for use are amortized from the date they are available for use.

The estimated useful lives are as follows:

Software : 5 years

The amortization period and the amortization method for intangible assets are reviewed at each reporting date.

**c) Impairment of non-financial assets**

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication on impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

In respect of assets for which impairment loss has been recognised in prior periods, the company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

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

**d) Financial Instruments**

**i) Initial recognition**

The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instruments. All financial assets and liabilities are recognised at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to

the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

## **ii) Subsequent measurement**

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

A financial asset is subsequently measured at amortised cost by applying the Effective Interest Rate (EIR) Method to gross carrying amount of the financial asset, 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. When the financial asset is derecognised or impaired, the gain or loss is recognised in the Statement of profit and loss.

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

Equity instruments are subsequently measured at fair value. On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis. Fair value gains and losses recognised in OCI are not reclassified to profit and loss.

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

Financial assets which is not classified in any of the above categories are subsequently fair valued through profit or loss.

### **(d) Financial liabilities**

Financial liabilities are subsequently 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.

### **(e) Reclassification of Financial Assets and Financial Liabilities**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

## **iii) Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. Except Trade receivables, expected credit losses are measured at an amount equal to the 12-month Expected Credit Loss (ECL), unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime ECL.

With regard to trade receivable, the Company applies the simplified approach, which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

## **iv) Derecognition**

### **Financial Assets**

Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

### **Financial Liabilities**

The company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

## **v) Derivative financial instruments**

The Company is exposed to exchange rate risk which arises from its foreign exchange revenues, primarily in Euro and US Dollars.

**(vi) Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

**e) Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using other valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair values for measurement and/ or disclosure purposes are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 - This includes financial instruments measured using quoted prices.

Level 2 - The fair value of financial instrument that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs require to fair value an instrument are observable, the instrument is included in level 2. Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

**f) Inventories**

Inventories are valued at lower of Cost and Net Realisable value. The cost of finished goods is determined by taking material, labour and related factory overheads. Cost is determined on weighted average cost. Further the cost for Work-in-Progress includes material cost, stage wise direct cost and other related manufacturing overheads. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and to make the sale.

Cost of raw materials, packing materials, stores and spares are determined on weighted average basis.

Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and where necessary, the same are written off or provision is made for such inventories.

**g) Revenue Recognition**

Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue is measured at the fair value of the consideration received / receivable taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

The specific recognition criteria for revenue recognition are as follows:

**i) Sale of goods**

Sale of goods is recognised at the point in time when control of the goods is transferred to the customer. The revenue is measured on the basis of the consideration defined in the contract with a customer, including variable consideration, such as discounts, volume rebates, or other contractual reductions. As the period between the date on which the Company transfers the promised goods to the customer and the date on which the customer pays for these goods is generally one year or less, no financing components are taken into account.

**ii) Interest Income**

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition. Interest income is included in other income in the statement of profit and loss.

**iii) Dividends**

Dividend income is recognised when the Company's right to receive dividend is established, and is included in other income in the statement of profit and loss.

**h) Employee Benefits**

**(1) Short term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**(2) Long term employee benefits**

**i) Defined contribution plans**

Employees benefits in the form of the Company's contribution to Provident Fund, Pension scheme, Superannuation Fund and Employees State Insurance are defined contribution schemes. The Company recognises contribution payable to these schemes as an expense, when an employee renders the related service.

If the contribution payable exceeds contribution already paid, the deficit payable is recognised as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, the Company recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

**ii) Defined benefit plans**

Retirement benefits are considered as defined benefit plans. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The company provides for its gratuity liability based on actuarial valuation of the gratuity liability as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary. The Company contributes to the gratuity fund, which are recognised as plan assets. The defined benefit obligation as reduced by fair value of plan assets is recognised in the Balance Sheet.

When the calculation results in a potential asset for the company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**(3) Other long-term employee benefits**

Employee benefits in the form of long term compensated absences are considered as long term employee benefits. The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have

earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurement are recognised in profit or loss in the period in which they arise.

The liability for long term compensated absences are provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

**i) Foreign currency transactions**

**Initial recognition:**

Transactions in foreign currencies are translated into the Company's functional currency at the exchange rates at the dates of the transactions.

**Conversion:**

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Nonmonetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

**j) Borrowing costs**

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

**k) Income Tax**

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in Other Comprehensive Income

**i) Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year after taking credit of the benefits available under the Income Tax Act and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**ii) Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding tax bases used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and

A deferred income tax asset is recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences and tax losses can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- a) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

**l) Segment Reporting**

The Company's business activity falls within a single segment viz. Fluid power automation, Automotive Tyres Valves & Accessories. The segment has not been identified by taking into account the nature of product, the differing risks, the returns, the organisation structure and the internal reporting systems and the manner in which operating results are reviewed by the Chief Operating Decision Maker (CODM).

**m) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**n) Cash flow statement**

Cash flow statements are prepared in accordance with "Indirect Method" as explained in the Accounting Standard on Statement of Cash Flows (Ind AS - 7). The cash flows from regular revenue generating, financing and investing activity of the Company are segregated.

**o) Leases**

As a Lessee:

The lease payments that are not paid at the commencement date are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments included in the measurement of the lease liability comprise Fixed lease payments which are payable during the lease term and under reasonably certain extension options, less any lease incentives and Variable Lease Payments.

The lease liability is presented as a separate line in the Balance Sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever lease term has changed or there is a change in the assessment of exercise of a purchase option.

**Right of Use (ROU) Assets:**

The ROU assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated over the shorter period of the lease term and useful life of the underlying asset. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The depreciation starts at the commencement date of the lease.

The ROU assets are presented as a separate line in the Balance Sheet.

The Company applies Ind AS 36- Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as per its accounting policy on 'property, plant and equipment'.

On March 30, 2019, Ministry of Corporate Affairs had notified Ind AS 116 "Leases". Ind AS 116 replaced the existing leases Standard, Ind AS 17 "Leases". Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months. Effective April 1, 2019, the company has adopted IndAS 116 "Leases" using the modified retrospective method of transition. The effect on adoption of IndAS 116 on the financial statements of the Company was insignificant.

As a Lessor:

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All



other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

**p) Earning per share**

Basic earnings per share is 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.

For the purpose of calculating diluted Earning per Share, the net profit or loss for the period attributable to Equity Shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**q) Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Contingent liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognised but are disclosed in notes.

Contingent assets are not accounted in the financial statements unless an inflow of economic benefits is probable.



**Duncan Engineering Limited**  
**CIN No:L28991PN1961PLC139151**  
**Notes to the Financial Statements for the year ended March 31, 2021**

**Note 2**

**(a) Property Plant & Equipment**

(INR. in Lakhs)

Description	Gross Carrying Value			Depreciation			Net Carrying Value
	As at April 01, 2020	Additions/ adjustments	Disposal/ adjustments	As at March 31, 2021	As at April 01, 2020	Disposal/ Adjustments	As at March 31, 2021
<b>I) Property Plant &amp; Equipment:</b>							
Building	1,436.32	4.05	-	1,440.37	406.60	38.82	994.95
Plant & Equipment	608.51	56.00	2.90	661.61	317.11	40.39	305.60
Electrical Installations	218.10	4.11	-	222.21	211.61	2.19	8.41
Furniture and Fixture	193.14	3.38	-	196.52	183.52	4.11	8.89
Vehicles	57.97	11.17	15.36	53.78	25.28	10.33	33.53
Air Conditioners and coolers	26.67	-	-	26.67	26.61	0.06	-
Office Equipment	110.57	11.70	-	122.27	101.55	5.31	15.41
<b>Total -(i)</b>	<b>2,651.28</b>	<b>90.41</b>	<b>18.26</b>	<b>2,723.43</b>	<b>1,272.28</b>	<b>101.21</b>	<b>1,366.79</b>
<b>ii) Right of Use Assets : (*)</b>							
Land - Leasehold	204.83	-	-	204.83	24.19	2.07	178.57
<b>Total -(ii)</b>	<b>204.83</b>	<b>-</b>	<b>-</b>	<b>204.83</b>	<b>24.19</b>	<b>2.07</b>	<b>178.57</b>
<b>Grand Total (i) + (ii)</b>	<b>2,856.11</b>	<b>90.41</b>	<b>18.26</b>	<b>2,928.26</b>	<b>1,296.47</b>	<b>103.28</b>	<b>1,545.36</b>

(\*) Refer Note 1 (III) (o)

**As at March 31,2020**

Description	Gross Carrying Value			Depreciation			Net Carrying Value
	As at April 01, 2019	Additions/ adjustments	Disposal/ adjustments	As at March 31, 2020	As at April 01, 2019	Disposal/ Adjustments	As at March 31, 2020
Land - Leasehold	204.83	-	-	204.83	21.98	2.20	180.64
Building	1,434.41	1.90	-	1,436.32	368.89	37.72	1,029.71
Plant & Equipment	580.54	27.97	-	608.51	284.20	32.91	291.40
Electrical Installations	218.37	3.90	4.17	218.10	189.42	25.56	6.49
Furniture and Fixture	195.91	-	2.77	193.14	166.50	19.45	9.62
Vehicles	29.23	28.73	-	57.97	19.83	5.45	32.68
Air Conditioners and coolers	26.67	-	-	26.67	23.49	3.12	0.07
Office Equipment	129.80	3.74	22.96	110.58	119.23	5.30	9.02
<b>Total</b>	<b>2,819.77</b>	<b>66.24</b>	<b>29.90</b>	<b>2,856.11</b>	<b>1,193.55</b>	<b>131.70</b>	<b>1,559.63</b>

\* Represent Deemed Cost on the date of transition to IndAS

**(b) Capital work in progress**

31st March 2020	--
<b>31st March 2021</b>	<b>(0.00)</b>

Note 3

(INR. in Lakhs)

Other Intangible Assets

Description	Gross Carrying Value			Depreciation			Net Carrying Value	
	As at April 01, 2020	Additions/ adjustments	Disposal/ adjustments	As at March 31, 2021	As at April 01, 2021	Additions/ Adjustments	As at March 31, 2021	As at March 31, 2021
Computer Software	110.54	-	-	110.54	95.09	5.08	100.17	10.37
Total	110.54	-	-	110.54	95.09	5.08	100.17	10.37

Description	Gross Carrying Value			Depreciation			Net Carrying Value	
	As at April 01, 2019	Additions/ adjustments	Disposal/ adjustments	As at March 31, 2020	As at April 01, 2019	Additions/ Adjustments	As at March 31, 2020	As at March 31, 2020
Computer Software	110.25	0.29	-	110.54	87.48	7.61	95.09	15.45
Total	110.25	0.29	-	110.54	87.48	7.61	95.09	15.45

4 Other Non Current Financial Assets		(Rs. in Lakhs)	
Particulars	As At March 31, 2021	As At March 31, 2020	
<b>Considered good unless stated otherwise</b>			
Employee Advances	5.37		
Security Deposits	8.80	8.53	
<b>Total</b>	<b>14.17</b>	<b>8.53</b>	
5 Other Non Current Assets			
Particulars	As At March 31, 2021	As At March 31, 2020	
<b>Considered good unless stated otherwise</b>			
Prepaid Expenses	0.85	5.02	
<b>Total</b>	<b>0.85</b>	<b>5.02</b>	
5a Deferred Tax Asset			
Particulars	As At March 31, 2021	As At March 31, 2020	
Deferred Tax Asset (Refer Note no 28c)	454.29	-	
<b>Total</b>	<b>454.29</b>	<b>-</b>	
6 Inventories			
Particulars	As At March 31, 2021	As At March 31, 2020	
Raw Materials *	498.24	526.52	
Work in Progress	48.74	76.31	
Finished Goods	163.30	170.78	
Stores & Spares	13.19	4.01	
Packing Material	9.87	6.11	
Scrap	0.01	4.06	
<b>Total</b>	<b>733.35</b>	<b>787.79</b>	
* RM includes Goods in Transit of INR 41.74 Lakhs. (Previous year - NIL)			
7 Trade Receivables			
Particulars	As At March 31, 2021	As At March 31, 2020	
<b>Trade Receivables</b>	<b>580.91</b>	<b>466.91</b>	
<b>Break up of Trade Receivables :</b>			
Unsecured - Considered Good	580.91	466.91	
Trade Receivables which has significant increase in Credit Risk	-	-	
Trade Receivables -Credit Impaired	5.33	0.13	
<b>Total</b>	<b>586.24</b>	<b>467.04</b>	
Less : Impairment Allowance for doubtful debts	(5.33)	(0.13)	
<b>Net Trade Receivables</b>	<b>580.91</b>	<b>466.91</b>	

**8 Cash and Cash Equivalents**

Particulars	As At March 31, 2021	As At March 31, 2020
<b>Cash and Cash Equivalents</b>		
Cash on hand	0.31	0.31
Cheques on hand	0.19	-
Balances with banks		
In Current Accounts	52.46	3.64
<b>Cash and Cash Equivalents in Balance Sheet</b>	<b>52.96</b>	<b>3.95</b>

**9 Bank Balances Other than Cash and Cash Equivalents**

Particulars	As At March 31, 2021	As At March 31, 2020
Fixed Deposit with Maturity less than 12 Months	539.11	210.70
(Including Margin money Rs. 39.11 Lakhs (P.Y. Rs.10.70 Lakhs)		
<b>Total</b>	<b>539.11</b>	<b>210.70</b>

There are no amounts due and outstanding to be transferred to Investor Education and Protection Fund under section 124 of the Companies Act, 2013 as at the year end.

**9a Investments**

Particulars	As At March 31, 2021	As At March 31, 2020
Investments	100.36	
<b>Total</b>	<b>100.36</b>	<b>-</b>

**Note :**

HDFC low Duration Fund- Regular Plan - Growth 222962.247 Units @ NAV of 45.0101 with market value of INR 100.36 Lakhs (original investment - 100 Lakhs). Previous Year NIL

**10 Other Current Financial Assets**

Particulars	As At March 31, 2021	As At March 31, 2020
Considered good unless stated otherwise		
Interest accrued on deposits	5.89	0.20
Employee Advances	8.37	7.30
<b>Total</b>	<b>14.26</b>	<b>7.50</b>

**11 Current Tax Assets (net)**

Particulars	As At March 31, 2021	As At March 31, 2020
Advance Income tax / Tax Deducted at Source	72.07	101.19
<b>Total</b>	<b>72.07</b>	<b>101.19</b>

**12 Other Current Assets**

Particulars	As At March 31, 2021	As At March 31, 2020
<b>Considered good unless stated otherwise</b>		
Interest receivable from government authorities	12.26	12.26
Balances with Government Authorities	26.33	34.14
Advances recoverable	0.74	-
Advances to Suppliers	30.17	39.71
Prepaid Expenses	20.38	10.84
Vat subsidy receivable	-	1.70
<b>Total</b>	<b>89.88</b>	<b>98.65</b>

**13 Equity Share Capital**

(Rs. in Lakhs)

Particulars	Nos.	As at March 31, 2021	Nos.	As at March 31, 2020
<b>Authorised Shares</b>				
50,00,000 Equity Shares of Rs.10 each	50,00,000	500.00	50,00,000	500.00
	50,00,000	500.00	50,00,000	500.00
<b>Issued Shares</b>				
36,96,000 Equity Shares of Rs. 10 each	36,96,000	369.60	36,96,000	369.60
	36,96,000	369.60	36,96,000	369.60
<b>Subscribed &amp; Fully Paid up Shares</b>				
36,96,000 Equity Shares of Rs. 10 each	36,96,000	369.60	36,96,000	369.60
<b>Total subscribed and fully paid up share capital</b>	<b>36,96,000</b>	<b>369.60</b>	<b>36,96,000</b>	<b>369.60</b>

**(a) Reconciliation of Shares outstanding at the beginning and at the end of the reporting period**

**Issued Share Capital**

**Equity Shares**

Particulars	Equity Share ( No. of Shares)		Equity Share ( Value of Shares)	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Share outstanding at beginning of period	36,96,000	36,96,000	369.60	369.60
Add: Additional Equity shares issued during the year	-	-	-	-
Less: Shares forfeited/ bought back during the year	-	-	-	-
Share outstanding at end of period	36,96,000	36,96,000	369.60	369.60

**Subscribed & Paid up**

**Equity Shares**

Particulars	Equity Share ( No. of Shares)		Equity Share ( Value of Shares)	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
<b>Share outstanding at beginning of period</b>	<b>36,96,000</b>	36,96,000	<b>369.60</b>	369.60
Add: Additional Equity shares issued during the year	-	-	-	-
Less: Shares forfeited/ bought back during the year	-	-	-	-
<b>Share outstanding at end of period</b>	<b>36,96,000</b>	36,96,000	<b>369.60</b>	369.60

**(b) Terms/ rights attached to Equity shares**

Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to their share holding. There is no restriction on distribution of dividend. However, same except interim dividend is subject to the approval of the shareholders in the Annual General Meeting.

**(c) Shares held by holding Company and subsidiary of holding company**

Name of shareholder	As at 31st March, 2020		As at 31st March, 2019	
	Number of shares held	Percentage of holding	Number of Shares held	Percentage of holding
<b>Oriental Carbon and Chemicals Limited (OCCL)</b>	<b>18,48,500</b>	<b>50.01%</b>	18,48,500	50.01%

**(d) Details of shareholders holding more than 5% shares in the Company**

**Equity Shares**

(Rs. in Lakhs)

Name of Shareholders	As at March 31, 2021		As at March 31, 2020	
	No of Shares	% of Holding	No of Shares	% of Holding
<b>Oriental Carbon and Chemicals Limited (OCCL)</b>	<b>18,48,500</b>	<b>50.01%</b>	18,48,500	50.01%
<b>Cosmopolitan Investments Ltd</b>	<b>9,05,336</b>	<b>24.50%</b>	9,05,336	24.50%

**(e) The company has neither issued bonus shares nor has bought back any shares during last 5 years**

**(f) No ordinary shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.**

**(g) No securities convertible into Equity/ Preference shares have been issued by the Company during the year.**

**(h) No calls are unpaid by any Director or Officer of the Company during the year.**

**14 Other Equity**

Particulars	As At March 31, 2020	As At March 31, 2019
<b>(a) Capital Reserve (Refer Note 14.1)</b>		
Balance at the beginning of the Financial year	<b>382.06</b>	382.06
	<b>382.06</b>	382.06
<b>(b) General Reserve</b>		
Balance at the beginning of the Financial year	<b>660.32</b>	660.32
	<b>660.32</b>	660.32
<b>(c) Retained earnings</b>		
Balance at the beginning of the Financial year	<b>855.50</b>	529.20
Add : Profit for the year	<b>798.77</b>	326.30
	<b>1,654.27</b>	855.50
<b>Total (I)</b>	<b>2,696.65</b>	1,897.88

**(II) Other Comprehensive Income (Refer Note 14.2)**

Balance at the beginning of the Financial year	(30.93)	(22.66)
Add: Other Comprehensive Income for the Financial year		
Remeasurement Gain or (Loss) on Defined Benefit Plans (Net of Tax)	2.80	(8.27)
Net Profit or (Loss) on FVOCI Non Current Investments (Net of Tax)	-	-
<b>Total (II)</b>	<b>(28.13)</b>	<b>(30.93)</b>
<b>TOTAL OTHER EQUITY (I + II)</b>	<b>2,668.52</b>	<b>1,866.95</b>

**Note No.**

**14.1 Capital Reserve**

The Company pursuant to the scheme of amalgamation acquired Associated Polymers Ltd (100% Subsidiary) with effect from 1st April 2012

As per the accounting treatment of the scheme of amalgamation approved by the Jurisdictional High Court the differential amount between the carrying value of investments and net assets acquired from the transferor companies has been accounted as Capital reserve.

**14.2 Other Comprehensive Income**

Remeasurement of the defined benefit liability/ (asset) comprises actuarial gain and losses and return on plan assets.

**14.3 Retained Earnings**

Retained Earnings are created from Profit / Loss of the company, as adjusted for distributions to owners, transfer to other reserves etc.

**15 Non Current Financial Liabilities**

**a) Borrowings**

(Rs. in Lakhs)

Particulars	As At March 31, 2021	As At March 31, 2020
<b>Secured :</b>		
Vehicle Loan from Banks : *		
Opening Balance	17.11	-
Addition during the year	8.18	20.86
Less Current maturities disclosed under current financial liabilities (Refer Note 17(c))	(5.60)	(3.75)
<b>Total</b>	<b>19.69</b>	<b>17.11</b>

\* Vehicle Loans existant at March 31, 2021 secured by the hypothecation of the specific vehicles. The loans were repayable in equated monthly instalments in accordance with terms and conditions of loan agreement. The period of loan is 5 years with fixed interest rate ranges from 9.5% to 9.8%

**(b) Other Financial Liabilities**

Particulars	As At March 31, 2021	As At March 31, 2020
Trade deposits	10.35	12.35
<b>Total</b>	<b>10.35</b>	<b>12.35</b>



**16 Provisions**

Particulars	As At March 31, 2021	As At March 31, 2020
<b>Provision for Employee Benefits</b>		
Leave Encashment	35.42	37.05
<b>Total</b>	<b>35.42</b>	<b>37.05</b>

**Current Financial Liabilities**

**17 (a) Borrowings**

Particulars	As At March 31, 2021	As At March 31, 2020
<b>(i) Secured : Loans Repayable on Demand</b>		
Cash credit from Banks*	-	49.04
<b>Total</b>	<b>-</b>	<b>49.04</b>

\*: Cash credit is secured by primary first exclusive charge on the current assets of the Company and collateral charge on the tangible movable/ immovable fixed assets of the company at Ranjangaon, Pune and further secured by Corporate Guarantees of (i) Oriental Carbon & Chemicals Ltd, and (ii) Cosmopolitan Investments Ltd. CC Account at SBI was closed during the year and new account at kotak has been opened with out any Corporate Guarantee.

**(b) Trade Payables (Rs. in Lakhs)**

Particulars	As At March 31, 2021	As At March 31, 2020
Amount Due to Related Parties (Refer Note 36)	0.43	1.76
Total outstanding dues of Micro and Small enterprises (Refer Note.32 )	213.04	81.54
Total outstanding dues of creditors other than micro and small enterprises	397.22	348.32
<b>Total</b>	<b>610.69</b>	<b>431.63</b>

The Company's exposure to currency and liquidity risk related to trade payables is disclosed in note 35B

**(c) Other Financial Liabilities**

Particular	As At March 31, 2021	As At March 31, 2020
Other Current liabilities	22.25	20.02
Current maturities of Long-Term Borrowings	5.60	3.75
Interest Payable	0.15	1.24
Employee Related Financial Liabilities	167.55	114.33
<b>Total</b>	<b>195.55</b>	<b>139.34</b>

**18 Provisions**

Particular	As At March 31, 2021	As At March 31, 2020
Leave Encashment	1.90	3.18
Sales Tax Differential Liability	25.44	25.07
Gratuity	8.59	8.50
Provision for Warranty ***	4.95	1.11
Provision for Employee Liabilities (Back Wages) ** (Refer Note No. 38)	175.58	175.58
<b>Total</b>	<b>216.46</b>	<b>213.44</b>

**\*\* Note :**

There was an employees dismissal related case pending in 2nd Labour court, Pune since 2014. In January 2020, the 2nd Labour court issued an order and awarded against the company and directed to reinstate all these employees with full back wages, and continuity of service along with consequential benefits. The Company has made a provision of estimated liability of INR 175.58 Lakhs in the books during the financial year 2019-20 and has disclosed it as an Exceptional item. During FY 20-21, Company filed writ petition and has gone on appeal with Hon'ble Mumbai High Court and got stay for the verdict of Labour court. Hence no provision created for the year FY 20-21.

**Movement in provision during the year is set out below:**

	<b>Employees back wages</b>
<b>As at April 1, 2019</b>	-
<b>Charged to profit or loss</b>	<b>175.58</b>
<b>Amounts paid during the year</b>	-
<b>As at March 31, 2020</b>	<b>175.58</b>

**\*\*\* Note**

<b>Provision for Warranty</b>	<b>As At March 31, 2021</b>	<b>As At March 31, 2020</b>
Opening Balance	1.11	
Provision Created	3.84	1.11
Provision reversed		
<b>Closing Balance</b>	<b>4.95</b>	<b>1.11</b>

**19 Other Current Liabilities**

<b>Particulars</b>	<b>As At March 31, 2021</b>	<b>As At March 31, 2020</b>
Advance received from and Credit balance of Customers	35.16	64.49
Statutory dues payable	46.50	15.28
<b>Total</b>	<b>81.66</b>	<b>79.77</b>

**20 Revenue from Operations**

<b>Particulars</b>	<b>For the Year Ended March 31, 2021</b>	<b>For the Year Ended March 31, 2020</b>
(a) Sale of products (including Excise Duty/Net of GST)	4,141.07	4,334.78
(b) Other Operating Revenue		
Scrap Sales	7.19	3.22
<b>Revenue From Operations (Net)</b>	<b>4,148.26</b>	<b>4,338.00</b>

**A) Nature of goods and services**

The following is a description of principal activities separated by reportable segments from which the Company generates its revenue :

The Company is primarily engaged in the manufacturing/ assembling of fluid power and automation products and generates revenue from the sale of these products and the same is only the reportable segment of the Company.

**B) Disaggregation of revenue**

In the following table, revenue is disaggregated by primary geographical market, major product lines and timing of revenue recognition:

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>i) Primary Geographical Markets</b>		
Within India	4,064.92	4,283.71
Outside India	83.34	54.29
<b>Total</b>	<b>4,148.26</b>	<b>4,338.00</b>
<b>ii) Major Products</b>		
Hydraulic and Pneumatic Equipment	3,973.79	4,160.24
Others	174.47	177.76
<b>Total</b>	<b>4,148.26</b>	<b>4,338.00</b>
<b>iii) Timing of Revenue</b>		
At a point in time	4,148.26	4,338.00
Over time	-	-
<b>Total</b>	<b>4,148.26</b>	<b>4,338.00</b>
<b>iv) Contract Duration</b>		
Long Term	-	-
Short Term	4,148.26	4,338.00
<b>Total</b>	<b>4,148.26</b>	<b>4,338.00</b>

**(C) Contract Balances**

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Trade Receivables (Gross)	586.24	467.04
Contract Liabilities		
Advance from customers (Refer Note No.19 )	35.16	64.49

**21 Other Income**

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Interest Income :		
Fixed Deposit	13.61	1.73
Others	2.79	24.02
Profit on sale of Investments	-	-
Advances and Debts earlier Written off, now recovered	0.03	54.58
Provision for Doubtful Debts Written Back	-	2.68
Profit on sale/discard of Fixed Assets (Net)	4.21	1.57
Provision no longer Required written back	13.73	7.83
Advance Received Written Back	2.88	-
Net gain on Foreign currency translations and transactions	2.06	-
Net Gain or (Loss) on FVTPL Current Investments (Net of Tax)	0.36	-
Miscellaneous Income	11.85	8.56
<b>Total</b>	<b>51.52</b>	<b>100.97</b>

**22 Cost of Raw Material Consumed**

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Hydraulic and Pneumatic Equipment	2,235.55	2,137.54
Packing material consumed	65.46	73.91
Others	77.19	199.84
<b>Total</b>	<b>2,378.20</b>	<b>2,411.29</b>

**23 Changes In Inventories of Finished Goods, Work In Progress and Stock In Trade**

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>Inventories at the beginning of the Financial year</b>		
Finished Goods	170.78	203.26
Work in Progress	76.31	61.90
Stock in trade	-	2.61
Scrap	4.06	1.00
	<b>251.15</b>	<b>268.77</b>
<b>Inventories at the end of the Financial year</b>		
Finished Goods	163.30	170.78
Work in Progress	48.74	76.31
Scrap	0.00	4.06
	<b>212.04</b>	<b>251.15</b>
<b>Total</b>	<b>39.11</b>	<b>17.62</b>

**24 Employee benefit Expenses**

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Salaries, Wages and Bonus	765.96	788.20
Contribution to Provident & other funds	51.19	57.50
Gratuity	14.18	10.59
Employees Welfare Expenses	110.17	74.27
<b>Total</b>	<b>941.50</b>	<b>950.16</b>

Exceptional item ( Provision towards 17 Emp. Related cases) 175.58

**25 Finance Cost**

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Interest on financial liabilities measured at amortised cost	9.67	32.65
Other Borrowing Costs	10.08	8.74
<b>Total</b>	<b>19.75</b>	<b>41.39</b>

**26 Depreciation and Amortisation Expenses**

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Depreciation on Property, Plant and Equipment	103.28	131.68
Amortisation of Intangible Assets	5.08	7.61
<b>Total</b>	<b>108.36</b>	<b>139.29</b>

**27 Other Expenses**

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
General Stores and Spare Consumed	18.04	37.68
Power and Fuel	27.69	31.34
Water Charges	4.65	4.01
Rent	-	1.31
Rates and Taxes	13.25	23.87
Insurance	9.74	4.39
Repairs to Buildings	3.40	6.95
Repairs to Machinery	5.36	10.97
Repairs to Others	20.61	19.93
Freight & Forwarding	20.49	14.56
Travelling Expenses	11.87	47.93
Legal & Professional charges	73.52	24.87
Business promotion	-	2.70
Provision for doubtful debts	5.20	0.13
Net Foreign Exchange Differences	-	1.40
Bad Debts written off	1.20	5.15
Directors' Sitting Fees	10.07	13.38
Directors' Commission	19.50	16.70
Auditor's Remuneration [Refer Note 27(a)]	9.71	10.08
Miscellaneous expenses	83.59	95.98
<b>Total</b>	<b>337.89</b>	<b>373.33</b>

**a. Auditors' Remuneration**

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Audit Fees	8.20	8.03
<u>Certificates &amp; other matters</u>		
For Tax Audit	1.30	1.65
Reimbursement of expenses (out of pocket expenses)	0.21	0.40
<b>Total</b>	<b>9.71</b>	<b>10.08</b>

28 Income Tax Expenses

(a) Income tax recognised in Profit and Loss

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>Current tax expense</b>		
Current tax on profits for the year	-	-
Less: MAT Credit Entitlement	-	-
Adjustment in respect of current income tax of previous years	30.49	-
<b>Income tax charged to profit and loss</b>	<b>- 30.49</b>	<b>-</b>

(b) Reconciliation of effective tax rate

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>Accounting profit before tax</b>	<b>374.97</b>	330.31
Tax at India's statutory income tax rate @ 25.167% (Previous year- 25.17%*)	<b>94.37</b>	83.14
Tax Effect of amounts which are deductible/(not Taxable) in calculating taxable income	<b>(94.37)</b>	(83.14)
Impact of Difference between normal Tax rate & MAT Rate	-	-
Adjustment in respect of current income tax of previous years	-	-
<b>Income Tax Expense</b>	<b>-</b>	<b>-</b>

\* Pursuant to The Taxation Laws (Amendment ) Act, 2019, the company has opted for taxation under the newly inserted Section 115BAA of the Income Tax Act, 1961 and Income tax has been accounted for accordingly.

(c) Deferred Tax Assets, Net

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>Deferred tax asset and liabilities are attributable to the following:</b>		
<b>Deferred Tax Liability</b>		
Depreciation and amortisation expenses	135.74	148.20
Investment	0.09	-
<b>Total (A)</b>	<b>135.83</b>	148.20
<b>Deferred Tax Asset</b>		
Provision for Leave Encashment	9.39	7.04
Disallowance u/s 43B of the Income Tax Act, 1961	-	14.34
Provision towards Sales Tax Liability	6.40	6.40
Provision towards Gratuity	2.16	5.25
Provision towards Unpaid Wages	44.19	-
Unabsorbed depreciation / loss carried forward as per provisions of the Income Tax Act, 1961	527.98	115.17
<b>Total (B)</b>	<b>590.12</b>	148.20
Net Difference	<b>(454.29)</b>	-
<b>Deferred Tax Asset for the Year **</b>	<b>(454.29)</b>	<b>-</b>

\*\* Company is having 2097 Lakhs of carried forward losses and unabsorbed depreciation. Company earning profits after tax continuously last three years apart from company opting the revised scheme of tax rates in the last year. So company is of the view that stability and improvement is there in business conditions. Hence DTA recognised in the books as on March 31, 2021

(d) Deferred tax related to items recognised in OCI during the year

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Remeasurement on defined Benefit Plans	-	-
FVTOCI Non Current Investments	-	-

29 Basic and Diluted Earnings per share :

The company reports basic and diluted earnings per equity share in Accordance with Indian Accounting Standard '33', 'Earnings per share'. Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity share outstanding during the year. There is no diluted earning per share as there are no dilutive potential equity shares.

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
(a) Net Profit/loss from continuing operations for Basic & Diluted EPS	798.77	326.29
(b) Net Profit/loss from discontinued operations for Basic & Diluted EPS	-	-
(c) Number of Equity Shares at the beginning of the year	36.96	36.96
(d) Earning Per Share - Basic & Diluted from continuing operations (Rs.)	21.61	8.83
(f) Face value per share (Rs.)	10.00	10.00

30 Capital Commitment

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Estimated amount of Contracts remaining to be executed on capital account and not provided for (net of advances of March 31, 2021)	25.18	20.30

31 Contingent Liabilities

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
(a) Claims against the company not acknowledged as debt	-	-
With respect to Central excise, Appeals filed by the Company with CESTAT, West Zone Bench, and Additional Commissioner of Central Excise Mumbai, is pending disposal.	35.64	35.64
(b) Guarantees given by the Bank on behalf of the Company. These are financial and performance guarantees given to the customers, expiring on various future dates.	34.71	23.58
(c) Statutory bonus liabilities pursuant to the retrospective amendment in the Bonus Act, 1965 for financial year 2014-15 has not been provided considering stay orders of Hon'ble Kerala High Court & Karnataka High Court.	30.36	30.36
(d) Income tax demand as shown in portal-AY 2006 - 07 u/s 220 (2) - INR 0.52 L, AY 2007-08 u/s 154 - INR 3.71 L and AY 2010-11 u/s 143 (3) - INR 1.07 L considered as contingent	5.30	



- (e) MIDC issued notice dated 23rd of Oct 2020, directing Duncan Engineering Limited to deposit differential amount for affecting change of name of the company in MIDC records under the reason that change in the share holding pattern of the company **53.94**
- (f) Demand Notice received on 7th May 2021 from Asst. Commissionerate, Division VII, Shirur for wrong availment of service tax credit on service tax recovered from employees under forward charge mechanism. This was the audit observation pertains to Apr 2014 to Jun 2017. SCN issued on 18th Jan 2019 against which reply submitted by the company. subsequently Demand notice issued on 23rd of April 2021 which was received by the company on 7th May 2021. Company is going on appeal under the ground that period of limitation is exceeded **15.43**
- There are no litigation against the company which can lead to possible potential liabilities.

### **32 Dues to Micro and Small Enterprises**

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

<b>Particulars</b>	<b>For the Year Ended March 31, 2021</b>	<b>For the Year Ended March 31, 2020</b>
(a) Principal amount and the interest due remaining unpaid at the end of the accounting year		
- Principal	<b>213.04</b>	81.54
- Interest due there on	-	-
(b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
- Financial Year 2019-20	-	-
- Financial Year 2018-19	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year		
- Financial Year 2019-20	-	-
- Financial Year 2018-19	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues		

above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. - -

The above information regarding Micro and Small Enterprises has been determined on the basis of information available with the Company. Interest Liability is computed based on the date of receipt of Intimation from the vendors.

### **33 Employee Benefits**

As per Ind As 19 Employee Benefits, the Company participates in defined contribution and benefit schemes, the assets of which are held (where funded) in separately administered funds. For defined contribution schemes the amount charged to the statements of profit or loss is the total of contributions payable in the year.

#### **(a) Defined Contribution Plans**

Amount recognized as an expense and included "Contribution to Provident and Other Funds" INR 51.19 Lakhs (Previous year Rs 57.50 Lakhs).

#### **(b) Defined benefits plans**

(INR in Lakhs)

The following table sets out the status of gratuity plan as required under Ind As-19

<b>Particulars</b>	<b>As At March 31, 2021</b>	<b>As At March 31, 2020</b>
<b>Reconciliation of present value of defined Benefit Obligation</b>		
<b>I. Change in present value of obligation during the year</b>		
obligation at the beginning of the year	<b>82.57</b>	74.46
Current Service Cost	<b>12.60</b>	9.32
Interest Cost	<b>5.34</b>	5.19
Actuarial losses/(gains) arising from:		
Experience Judgement	<b>(5.00)</b>	4.30
Financial assumption	<b>2.55</b>	5.18
Benefits Paid	<b>(8.10)</b>	(15.88)
<b>obligation at the end of year</b>	<b>89.96</b>	82.57
<b>Reconciliation of present value of Plan assets</b>		
<b>II. Change in Fair Value of Plan Assets during the year</b>		
Plan assets at the beginning of the year, at Fair Value	<b>74.08</b>	69.41
Interest Income on Plan Assets	<b>5.15</b>	5.40
Return on plan assets	<b>0.35</b>	1.21
Contribution	<b>11.29</b>	15.42
Mortality Charges and Taxes	<b>(1.40)</b>	(1.47)
Benefits paid	<b>(8.10)</b>	(15.88)
<b>Plan assets at the end of the year, Fair Value</b>	<b>81.37</b>	74.08
<b>Net Defined Benefit Liability</b>	<b>8.59</b>	8.49

III.	Particulars	As At March 31, 2021	As At March 31, 2020
	<b>Reconciliation of Present value of Defined Benefit Obligation and Fair Value of Plan Assets</b>		
	1. Present Value of obligation as at year-end	89.96	82.57
	2. Fair value of plan assets at year -end	81.37	74.08
	3. Funded status {Surplus/ (Deficit)}	(8.59)	(8.49)
	<b>Net Defined Benefit Liability</b>	<b>(8.59)</b>	<b>(8.49)</b>
IV.	Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
	<b>Expenses recognised in the Statement of Profit and Loss</b>		
	1. Current Service Cost	12.60	9.32
	2. Interest Cost	5.34	5.19
	3. Interest Income	(5.16)	(5.40)
	4. Mortality Charges and Taxes	1.40	1.47
	<b>Total Expense</b>	<b>14.18</b>	<b>10.59</b>
V.	Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
	<b>Remeasurement recognised in the Statement of Other Comprehensive Income</b>		
	1. Net Actuarial (Gain)/Loss	(2.45)	9.48
	2. Expected return on plan assets excluding interest income	(0.35)	(1.21)
	<b>Total Expense</b>	<b>(2.80)</b>	<b>8.27</b>
VI.	Particulars	As At March 31, 2021	As At March 31, 2020
	<b>Bifurcation of Present value obligation at the end of the year</b>		
	1. Current Liability	8.59	8.49
	2. Non-Current Liability	81.37	74.08
VII.	Particulars	As At March 31, 2021	As At March 31, 2020
	<b>Experience Adjustment</b>		
	Present Value of obligation	89.96	82.57
	Fair value of Plan assets	81.37	74.08
	Net Asset/(Liability)	(8.59)	(8.49)
	Actuarial (Gain)/Loss on plan obligation	(2.45)	9.48
	Actuarial Gain/(Loss) on plan assets	(0.35)	(1.21)
VIII.	Particulars	As At March 31, 2021	As At March 31, 2020
	<b>Constitution of Plan Assets</b>		
	LIC of India	81.37	74.08

IX	Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
	<b>Actuarial Assumptions</b>		
	1. Discount Rate	6.9%	6.8%
	2. Mortality Table	IALM 12-14	IALM 12-14
	3. Salary Escalation	5.0%	5.0%
	4. Rate of Return on Plan Assets	6.8%	7.8%
	5. Expected Average remaining working lives of employees in number of Years	17.19	17.44
	6. Turnover Rate	2% Per Annum	2% Per Annum

A quantitative sensitivity analysis for significant assumption as at 31 March 2021 is as shown below:

X	Particulars	As At March 31, 2021		As At March 31, 2020	
		Increase	Decrease	Increase	Decrease
	<b>Sensitivity Analysis</b>				
	Discount rate (1% movement)	(9.07)	10.93	(7.84)	9.51
	Future salary growth ( 1% movement)	10.21	(8.66)	8.93	(6.99)
	Employee turnover ( 1% movement)	1.86	(2.13)	1.61	(1.84)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

## 2 Long Term Compensatory Absences

### (a) Other Long-Term Benefits

Amount recognized as an expense and included in Salaries, Wages & Bonus INR (1.12) Lakhs and for previous year amounting to INR 19.60 Lakhs is included in Long Term Compensatory Absences of Note No. 24

### (b) Defined benefits plans

(INR in Lakhs)

The following table sets out the status of Leave Encashment plan :

	Particulars	As At March 31, 2021	As At March 31, 2020
	<b>Reconciliation of present value of defined Benefit Obligation</b>		
I	<b>Change in present value of obligation during the year</b>		
	obligation at the beginning of the year	40.23	32.65
	Current Service Cost	11.24	8.90
	Interest Cost	2.68	2.08
	Actuarial losses/(gains) arising from:		
	Experience Judgement	(16.34)	6.08
	Financial assumption	1.29	2.54
	Benefits Paid	(1.78)	(12.02)
	<b>obligation at the end of year</b>	<b>37.32</b>	<b>40.23</b>

II	Particulars	As At March 31, 2021	As At March 31, 2020
	<b>Reconciliation of Present value of Defined Benefit Obligation and Fair Value of Plan Assets</b>		
	1. Present Value of obligation as at year-end	37.32	40.23
	3. Non-Funded status {Surplus/ (Deficit)}	(37.32)	(40.23)
	<b>Net Defined Benefit Liability</b>	<b>(37.32)</b>	<b>(40.23)</b>
III	Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
	Expenses recognised in the Statement of Profit and Loss		
	1. Current Service Cost	11.24	8.90
	2. Interest Cost	2.68	2.08
	3. Remeasurements on obligation - (Gain) / Loss	(15.04)	8.63
	<b>Total Expense</b>	<b>(1.12)</b>	<b>19.60</b>
	Total Expense for March 31, 2021 reversal amounting to INR 1.12 Lakhs is clubbed with Salaries, Wages & Bonus in Note no.24		
IV	Particulars	As At March 31, 2021	As At March 31, 2020
	Bifurcation of Present value obligation at the end of the year		
	1. Current Liability	1.90	3.18
	2. Non-Current Liability	35.42	37.05
V	Particulars	As At March 31, 2021	As At March 31, 2020
	Experience Adjustment		
	Present Value of obligation	37.32	40.23
	Net Asset/(Liability)	(37.32)	(40.23)
	Actuarial (Gain)/Loss on plan obligation	-	-
VI	Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
	Actuarial Assumptions		
	1. Discount Rate	6.9%	6.8%
	2. Mortality Table	IALM 12-14	IALM 12-14
	3. Salary Escalation	5.0%	0.0%
	5. Expected Average remaining working lives of employees in number of Years	17.19	17.44
	6. Turnover Rate	2% Per Annum	2% Per Annum

A quantitative sensitivity analysis for significant assumption as at 31 March 2021 is as shown below:

VII	Particulars	As At March 31, 2021		As At March 31, 2020	
		Increase	Decrease	Increase	Decrease
	<b>Sensitivity Analysis</b>				
	Discount rate (1% movement)	(3.88)	4.60	(4.19)	5.00
	Future salary growth ( 1% movement)	4.25	(3.66)	4.65	(3.64)
	Employee turnover ( 1% movement)	5.17	(5.99)	5.60	(6.53)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

### 34 Capital Management

The Company's objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Apart from internal accrual, sourcing of capital is done through judicious combination of equity and borrowing, both short term and long term.

### 35 (A) Disclosure on Financial Instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard

#### Financial instruments – Fair values and risk management

##### Accounting classification and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities:

#### A. Financial instruments by category (INR in Lakhs)

Particulars	Fair Value Hierarchy	March 31, 2021				
		FVTPL	FVTOCI	Fair Value	Amortised Cost	Carrying Value
<b>Financial Assets</b>						
<b>Non-current Assets</b>						
Other Financial Assets		-	-	-	14.17	14.17
<b>Current Assets</b>						
Investments	Level 1	100.36	-	-		100.36
Trade receivables		-	-	-	580.91	580.91
Cash and cash Equivalents		-	-	-	52.96	52.96
Bank balance other cash and cash equivalents		-	-	-	539.11	539.11
Other Financial Assets		-	-	-	14.26	14.26
<b>TOTAL</b>		<b>100.36</b>			<b>1,201.41</b>	<b>1,301.77</b>
<b>Financial Liabilities</b>						
<b>Non-current Liabilities</b>						
Borrowings		-	-	-	19.69	19.69
Other financial Liabilities		-	-	-	10.35	10.35
<b>Current liabilities</b>						
Borrowings		-	-	-	-	-
Trade payables		-	-	-	610.69	610.69
Other financial liabilities		-	-	-	195.55	195.55
<b>TOTAL</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>836.28</b>	<b>836.28</b>

Particulars	Fair Value Hierarchy	March 31, 2020				
		FVTPL	FVTOCI	Fair Value	Amortised Cost	Carrying Value
<b>Financial Assets</b>						
<b>Non-current Assets</b>						
Other Financial Assets		-	-	-	8.53	8.53
<b>Current Assets</b>						
Investments	Level 1	-	-	-	-	-
Trade receivables		-	-	-	466.91	466.91
Cash and cash Equivalents		-	-	-	3.95	3.95
Bank balance other cash and cash equivalents		-	-	-	210.70	210.70
Other Financial Assets		-	-	-	7.50	7.50
<b>TOTAL</b>		-	-	-	697.59	697.59
<b>Financial Liabilities</b>						
<b>Non-current Liabilities</b>						
Borrowings		-	-	-	17.11	17.11
Other financial Liabilities		-	-	-	12.35	12.35
<b>Current liabilities</b>						
Borrowings		-	-	-	49.04	49.04
Trade payables		-	-	-	480.67	480.67
Other financial liabilities		-	-	-	139.35	139.35
<b>TOTAL</b>		-	-	-	698.52	698.52

### 35 (B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

#### Financial risk factors

The Company's operational activities expose to various financial risks i.e. market risk, credit risk and risk of liquidity. The Company realizes that risks are inherent and integral aspect of any business. The primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange rate risk.

#### 1 Credit risk

The Company evaluates the customer credentials carefully from trade sources before appointment of any distributor and only financially sound parties are appointed as distributors. The Company secures adequate deposits from its distributor and hence risk of bad debt is limited. The credit outstanding is sought to be limited to the sum of advances/deposits and credit limit determined by the company. The company have stop supply mechanism in place in case outstanding goes beyond agreed limits.

##### (a) Trade receivables:

Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and major customers are generally secured by obtaining security deposits/bank guarantee or other forms of credit insurance.

(INR in Lakhs)

ECL Movement :	As at March 31, 2021	As at March 31, 2020
Opening Balance	0.13	2.68
Provision created during the year	5.20	
Released during the year		2.55
Closing Balance	5.33	0.13

#### 2 Liquidity risk

The Company determines its liquidity requirement in the short term and long term. The Company manage its liquidity risk in a manner so as to meet its financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Besides, it generally has certain undrawn credit facilities which can be assessed as and when required; such credit facilities are reviewed at regular basis.



**(a) Maturity Analysis for financial liabilities**

The following are the remaining contractual maturities of financial liabilities as at 31st March 2021.

(INR in Lakhs)

Particulars	On Demand	0 to 6 Months	More than 6 Months to 1 Year	More than 1 Year	Total
<b>Non-derivative</b>					
Trade payables	-	610.69	-	-	610.69
Borrowings	-	19.69	-	-	19.69
Other financial liabilities	-	-	-	-	-
Interest Accrued but not due on borrowings	-	-	-	-	-
Trade Deposits	-	-	-	10.35	10.35
Other Financial Liabilities	-	192.68	2.87	-	195.55
<b>Total</b>	-	803.37	2.87	30.04	836.28

The following are the remaining contractual maturities of financial liabilities as at 31st March 2020.

Particulars	On Demand	0 to 6 Months	More than 6 Months to 1 Year	More than 1 Year	Total
<b>Non-derivative</b>					
Trade payables	-	480.67	-	-	480.67
Borrowings	49.04	-	-	17.11	66.15
<b>Other financial liabilities</b>	-	-	-	-	-
Interest Accrued but not due on borrowings	-	-	-	-	-
Trade Deposits	-	-	-	12.35	12.35
Other Financial Liabilities	-	136.99	2.36	-	139.35
<b>Total</b>	49.04	617.66	2.36	29.46	698.52

**3 Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and foreign currency risk. Financial instruments affected by market risk include borrowings, trade receivable and trade payable.

**(i) Currency Risk**

The Company Exposed to currency risks to the extent that there is mismatch between the currencies in which sales, purchase and borrowings are denominated in respective functional currency of the company. The company is not exposed to significant currency risks as majority of the transactions are primarily denominated in Indian Rupees, which is the nation currency of the India.

**(a) Exposure to currency risk**

The summary quantitative data about the Company's exposure to currency risk as reported to management is as follows

As at 31st March 2021

(INR in Lakhs)

(1) The following table analyses foreign currency risk from financial instruments as of March 31, 2021:

Particulars	Currency	Foreign Currency	Amount
<b>Financial Assets</b>			
Trade receivables	USD	44,535.55	32.52
<b>Total</b>		44,535.55	32.52

Closing Exchange rates for Receivable	
Currency	Ex.Rate
USD/INR	73.01

(2) The following table analyses foreign currency risk from financial instruments as of March 31, 2021:

Particulars	Currency	Foreign Currency	Amount
<b>Financial liabilities</b>			
Trade payables	USD	30,939.72	22.71
	EURO	13,828.39	11.87
<b>Total</b>		<b>4,768.11</b>	<b>34.58</b>

Particulars	Currency	Foreign Currency	Amount
<b>Other Current Assets</b>			
Advances to Suppliers	USD	1941.36	1.42

Closing Exchange rates for Payable	
Currency	Ex.Rate
USD/INR	73.40
EURO/INR	85.85

As at 31st March 2020

(1) The following table analyses foreign currency risk from financial instruments as of March 31, 2020:

Particulars	Currency	Foreign Currency	Amount
<b>Financial Assets</b>			
Trade receivables	USD		
<b>Total</b>		<b>-</b>	<b>-</b>

(2) The following table analyses foreign currency risk from financial instruments as of March 31, 2020:

Particulars	Currency	Foreign Currency	Amount
<b>Financial liabilities</b>			
Trade payables	USD	28,202.56	21.36
	EURO	1,952.10	1.63
<b>Total</b>		<b>30,154.66</b>	<b>22.99</b>

Closing Exchange rates for Payable	
Currency	Ex.Rate
USD/INR	75.75
EURO/INR	83.20

#### (b) Foreign Currency Risk Sensitivity

A change in 5% of foreign currency would have following impact on Profit and Loss and Equity, net of Tax

##### (1) Trade Receivables and Other Current Assets

Particulars	Profit and Loss		Equity, Net of Tax	
	Strengthening	Weakening	Strengthening	Weakening
<b>March 31, 2021</b>				
USD (5% Movement)	1.63	(1.63)	1.63	(1.63)
<b>March 31, 2020</b>				
USD (5% Movement)	-	-	-	-

**(2) Trade Payables and Other Current Liabilities**

Particulars	Profit and Loss		Equity, Net of Tax	
	Strengthening	Weakening	Strengthening	Weakening
<b>March 31, 2021</b>				
USD (5% Movement)	(1.14)	1.14	(1.14)	1.14
EURO (5% Movement)	(0.59)	0.59	(0.59)	0.59
<b>March 31, 2020</b>				
USD (5% Movement)	(1.07)	1.07	(1.07)	1.07
EURO (5% Movement)	(0.08)	0.08	(0.08)	0.08

- (ii) **Interest rate risk** is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates.

The Company is exposed to risk due to interest rate fluctuation on long term borrowings. Such borrowings are based on fixed as well as floating interest rate. Interest rate risk is determined by current market interest rates, projected debt servicing capability and view on future interest rate. Such interest rate risk is actively evaluated and is managed through portfolio diversification and exercise of prepayment/refinancing options where considered necessary.

The Company is also exposed to interest rate risk on surplus funds parked in fixed deposits. To manage such risks, such investments are done mainly for short durations, in line with the expected business requirements for such funds.

**(a) Exposure to interest rate risk (INR in Lakhs)**

Particulars	31st March 2021	31st March 2020
<b>Fixed Rate Instruments</b>		
Financial Liabilities	25.29	-
<b>Variable Rate Instruments</b>		
Financial Liabilities (Vehicle Loan)		
Financial Liabilities (CC A/c at SBI)	-	49.04
<b>TOTAL BORROWINGS</b>	<b>25.29</b>	<b>49.04</b>

**(b) Interest rate Sensitivity**

A Change in 50 bps in interest rate would have following impact on Profit and Loss and Equity, net of tax

(INR in Lakhs)

Particulars	31st March 2021			31st March 2020		
	Impact on			Impact on		
	Sensitivity Analysis	Profit and Loss	Equity, Net of Tax	Sensitivity Analysis	Profit and Loss	Equity, Net of Tax
<b>Variable Rate Borrowings</b>						
Interest Rate Increase by	0.50%	-	-	0.50%	(0.25)	(0.25)
Interest Rate Decrease by	0.50%	-	-	0.50%	0.25	0.25

**36 Related party disclosure, as required by Indian Accounting Standard-24, is as below:**

**(A) Name of Related Party and Description of Relationship**

(i) Holding Company	Oriental Carbon and Chemicals Limited *
(ii) Promoter	Duncan International (India) Ltd, Kolkata
(iii) Key Management Personnel:	Akshat Goenka - Managing Director (Joined w.e.f. 9th February, 2017) Arvind Goenka - Director Jagdish Prasad Goenka - Director Om Prakash Dubey - Independent Director Nitin Kaul - Independent Director Brij Behari Tandon - Independent Director Arti Kant - Independent Director K Raghuraman - CFO Rajib Kumar Gope - CS

\* Oriental Carbon and Chemicals Limited and Cosmopolitan Investments Limited has given Corporate Guarantees to Bank (State Bank of India) against all credit facilities which was closed during this FY. The existing account with KOTAK has no any corporate Guarantee.

**(B) The following transactions were carried out with related parties in the ordinary course of business:**

(INR in Lakhs)

Nature of transactions during the year	Holding Company		Promoter	
	Oriental Carbon & Chemicals Ltd, Delhi		Duncan International (India) Ltd	
	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2021	For the year Ended 31st March, 2020
Revenue from Operations (Sale of Goods) (Gross)	83.42	11.68	-	-
Loan taken during the year (unsecured)	-	-	-	-
Repayment of Loan during the year	-	-	-	-
Expenses incurred on behalf of the company	4.49	6.89	-	1.42
Interest on inter Corporate Deposit	-	-	-	-

**(C) Balance receivable from and payable to related parties as at the balance sheet date**

(INR in Lakhs)

Year End Balances	As at 31st March, 2021	As at 31st March, 2020
Payable		
Oriental Carbon & Chemicals Ltd, Delhi		
(Trade Payable - Service Provider)	0.43	1.76
Akshat Goenka	19.51	16.71
Arvind Goenka	0.40	0.40
Jagdish Prasad Goenka		0.33
Om Prakash Dubey	0.73	0.73
Nitin Kaul	0.65	0.65
Brij Behari Tandon		0.65
Arti Kant	0.58	0.58
K Raghuraman	8.41	8.41
Rajib Kumar Gope	0.87	0.87

(D) Compensation of Key Managerial Personnel

Akshat Goenka (Managing Director from 09th Feb, 2017)

(INR in Lakhs)

Particulars	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
Remuneration	0.12	0.12
Commission *	19.50	16.70

\* subject to approval of the Board of Directors

(E) Director's Sitting Fees

Particulars	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
Sitting Fees paid to Directors	10.07	13.38

(F) Remuneration to K Raghuraman

Particulars	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
Salary including Incentive	35.24	35.24

(G) Remuneration to Rajib Kumar Gope

Particulars	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
Salary including Incentive	10.68	10.68

- 37 In the Opinion of the management and to the best of its knowledge and belief, the value on realization of current assets, loans, advances and payment of current liabilities and provisions in the ordinary course of business would not be less/ more, than the amount at which they are stated in the Balance sheet.
- 38 There was an employees dismissal related case pending in 2nd Labour court, Pune since 2014. In January 2020, the 2nd Labour court issued an order and awarded against the company and directed to reinstate all these employees with full back wages, and continuity of service along with consequential benefits. The Company has made a provision of estimated liability of INR 175.58 Lakhs in the books during this financial year 2019-20 and has disclosed it as an Exceptional item. During FY 20-21, Company filed writ petition and has gone on appeal with Hon'ble Mumbai High Court and got stay for the verdict of Labour court. Hence no provision created for the year FY 20-21
- 39 Based on our continuing assessment as on date of reporting, the Management does not expect any significant medium to long-term impact on the business of the Company due to the COVID-19 pandemic. The Company has evaluated the possible effects on the carrying amounts of property, plant and equipment, inventory and receivables basis the internal and external sources of information and determined, exercising reasonable estimates and judgements, that the carrying amounts of these assets are recoverable. Having regard to the above, and the Company's liquidity position, the management does not anticipate any material uncertainty in meeting the financial obligations over the foreseeable future. However, the impact of global health pandemic might be different from that estimated as at the date of approval of these financial statements and the Company shall continue to closely monitor any material changes to future economic conditions.
- 40 Previous year figures have been regrouped/rearranged wherever necessary to conform to this year classification.

For and on behalf of the Board

For S S KOTHARI MEHTA & COMPANY

Chartered Accountants  
Firm Reg. No. 000756N

Naveen Aggarwal  
Partner  
Membership No. 094380

Place : New Delhi  
Date: 7th May 2021

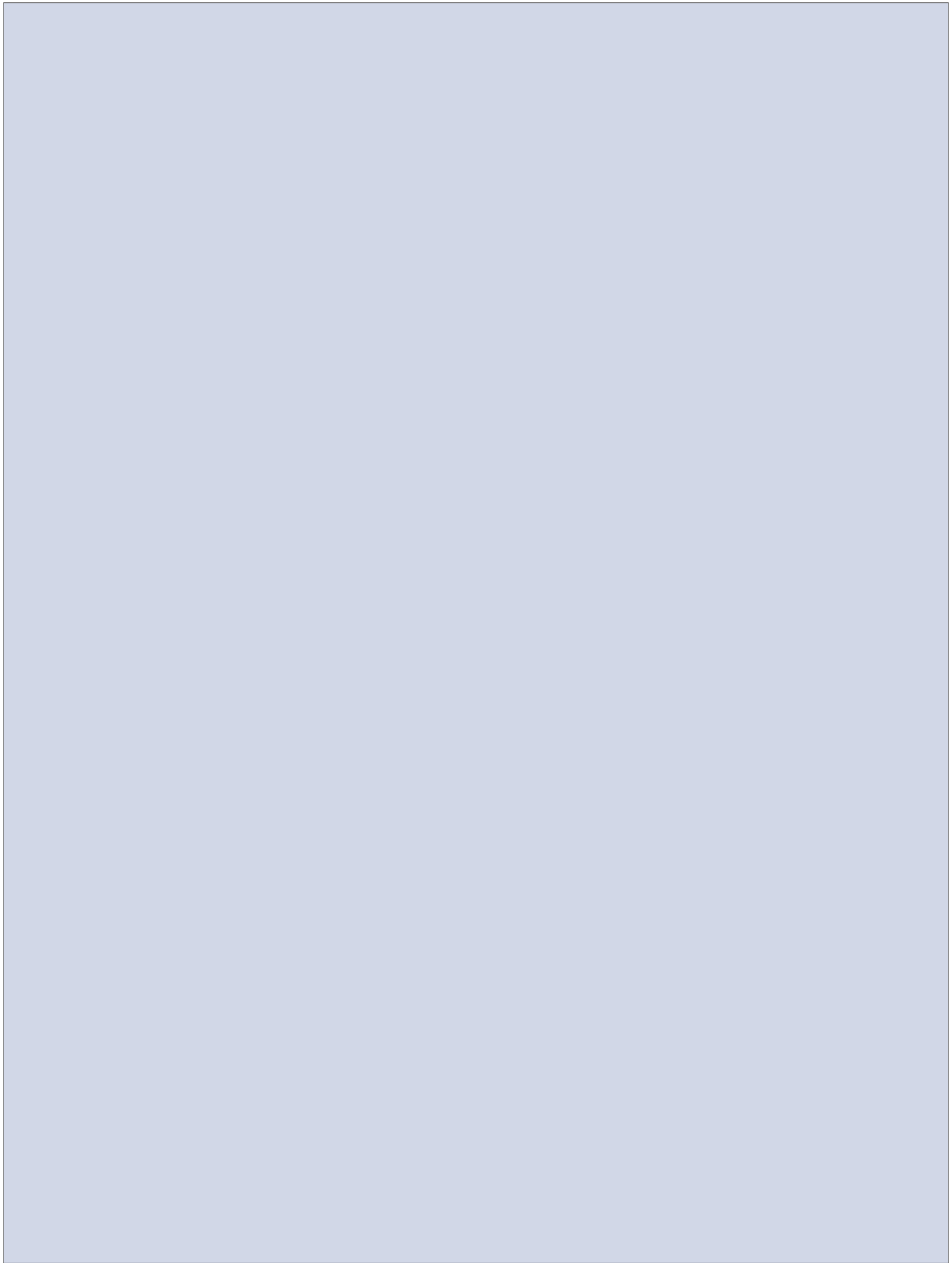
Akshat Goenka  
Managing Director  
DIN: 7131982  
Place : Noida

A Goenka  
Director  
DIN: 0135653  
Place : Noida

Rajib Kumar Gope  
Company Secretary  
Place : Pune

K Raghu Raman  
Chief Financial Officer  
Place : Pune

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## DUNCAN ENGINEERING LIMITED

"Formerly Known as Schrader Duncan Limited"

Registered Office: F-33, MIDC, Ranjangaon, Karegaon,  
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