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To, General Manager Department of Corporate Services, National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai, Maharashtra 400051. Symbol: Ducon	To, General Manager BSE Limited Phiroze Jeejeebhoy Tower, Dalal Street, Fort, Mumbai-400001, Maharashtra. Security code: 534674
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Sub: Transcript of the Conference Call

Dear Sir/Madam,

Please find enclosed the Transcript of Conference call held on February 20, 2017.

This is for your information and records.

**Thanking You,
Yours faithfully,****For Ducon Infratechnologies Limited
Darshit Parikh
(Company Secretary)**



“Ducon Infratechnologies Limited Q3 FY17 Earnings
Conference Call”

February 20, 2017

**MANAGEMENT: MR. ARUN GOVIL – CHAIRMAN & MANAGING
DIRECTOR, DUCON INFRA TECHNOLOGIES LTD
MR. ANKIT GUPTA- CHRISTENSEN IR**



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Moderator: Good Day, Ladies and Gentlemen, and a very warm welcome to the Ducon Infratechnologies Limited Q3 FY17 Earnings Conference Call. As a reminder, all participant lines will be in a listen-only mode. And there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing “*” then “0” on your touchtone phone. Please note, this conference is being recorded. I now hand the conference over to Mr. Ankit Gupta from the IR team. Thank you and over to you, Ankit.

Ankit Gupta: Thanks, Ali. Welcome, everyone. Moreover, thanks for joining this Q3 FY17 Earnings Call for Ducon Infratechnologies Limited. I hope you got a chance to read our recent Press Release Q3 and nine months’ performance. If you did not receive it, you could just write to us, and we will add you to the mailing list. You can also drop in a request at ankitgupta@christensenir.com

To take us through the business performance and answer your questions, we have today with Mr Arun Govil – Chairman & Managing Director of the Company.

Given this is Company's first conference call with the investor community, we would like to keep the call more strategic so that we could spend more time in understanding the opportunities and landscape for the Company, wherein it operates.

I would just do a quick introduction of the Company, followed by a discussion on business an outlook by Mr Govil. I would also like to remind you of the Safe Harbor statement that we have mentioned in the prospectus filed with SEBI, and subsequent Annual Reports which you can also find on our website.

Coming to Ducon Infratechnologies Limited, it is a BSE, NSE listed emerging technology company based in India. The Company works out of two different verticals, one is IT, and other is non-IT infrastructure. The digital business or IT space came into the fold of Company from the erstwhile Dynacon Technology and here the Company offers distribution services to its clients relating to the marketing initiatives, distribution, volume procurement and end-to-end technical support.

On the other side, the Company has forayed into infrastructure. This business will merge into listed entity by way of completion of the ongoing scheme of amalgamation between Ducon Technologies India Pvt. Ltd. and Ducon Infratechnologies Limited. I will not dwell on more details as sufficient material on the amalgamation scheme is available on record.

From a business standpoint, the infrastructure vertical offers complete solutions including execution of turnkey projects in rural electrification, environmental control and material handling areas across India and the neighboring region.



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With that said, I now hand over the call to Mr Arun Govil for his strategic insights about the Company. Over to you, sir.

Arun Govil:

Thank you, Ankit. Hello, friends. At first, thank you for taking time out and joining our conference call. We thought this investor call would be a good medium for us to share the insight with the community. We will discuss results, business outlook, and as a fair disclosure, the call will be transcribed and put up on our website for the investors to read through the discussion.

As Ankit had mentioned, the business structure in India, I will also take a couple of minutes to give you a little bit of background along with the strategy that we have in place for our Indian business.

As many of you may already know, Ducon brand has its establishment in the USA since 1938 and our family took it over in the late 90s. Globally Ducon is a very renowned name providing advanced custom engineered systems and products in environmental control, material handling, waste incineration, and power transmission and other related industrial lines.

The Company has supplied systems and equipment to utilities, refineries, cement plants, paper mills, glass, steel, mining and chemical industry. We have a high reputation among all Fortune 500 companies. You probably cannot find one Fortune500 company that does not have a Ducon installation. Since its inception, the Company has completed over 30,000 projects.

I will now touch a little bit about the performance for the nine months that have gone past. As our business is still in a merger phase, the reported numbers for Ducon Infratechnologies only account for the IT vertical. However, starting this quarter, we have also published the nine months' performance of the private entity, which is the Ducon Technologies India Pvt. Ltd.

For the nine months of the fiscal year 2017, our IT vertical's total operating income was approximately Rs. 297 million, which is up 21% over the performance we reported in the same period last year. We registered an EBITDA margin of 7.4%, 140 basis points up from 6% that we reported for the same period in the previous fiscal year. Our net profit grew to Rs. 6.7 million in nine months of fiscal 2017 from close to Rs. 2 million that we reported in the same period in the fiscal year. So, overall, we are doing much better than what we did last year.

In the IT business, our efforts are more towards making it future ready. We are stabilising our backhand and pursuing new initiatives on the front end to expand our reach and products. From an industry perspective, we see an encouraging movement in the direction of cloud-based infrastructure and solution. It is gaining traction in India, and there is a gradual shift in the organization towards OPEX model rather than spending more in-house on CAPEX. We aspire to position ourselves as a single company that acts as a bridge between the cloud technology providers and the end customers by offering a complete bouquet of cloud solutions and services.



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With these possibilities and the government's aggressive digital push, we think that digital opportunities set up very nicely for us in the coming years.

Now, let me talk about the infrastructure portion of the Company for nine months, the private entity. Ducon Technologies India Pvt. Ltd. had revenues of Rs. 2,780 million with EBITDA margin close to 5%. The margins have improved over the previous year, and we expect to build upon the business momentum. From an order book standpoint, we have a healthy order backlog of Rs. 3,000 million and we expect execution of the same in the near-term.

We are seeing much activity in the FGD market currently, so we are quite busy with preparing proposals and participating in tenders, as we had also reported that earlier. Now, these are large power plant projects, and a single FGD project value can go into hundreds of crores. Although it is tough to give an exact timeframe, we are hopeful and quite hopeful that in due time we shall be able to secure some of these FGD projects.

We are also actively bidding on infrastructure projects related to power transmission and electrification areas. As we read in different reports over the course of five years, India intends to spend Rs. 31 trillion in infrastructure development with 70% investments expected in power, roads and urban infrastructure. In the next four to five years the Indian power sector itself has an investment potential of US\$250 billion, so providing tremendous opportunities for our businesses.

So, overall, we are quite confident of our success as we progress. With that said, I now open the floor for Q&A. Thank you very much.

Moderator: Thank you. Ladies and Gentlemen, we will now begin with the question-and-answer session. We have the first question from the line of Yogesh Asher from Seenol Finance & Investments Private Limited. Please go ahead.

Yogesh Asher: Sir, my question to you is, what is the amount of project biddings you have done till date?

Arun Govil: Which sector are you talking about?

Yogesh Asher: In the infrastructure sector.

Arun Govil: In the Infrastructure sector, we are bidding quite a bit of projects. I do not have the exact number, but it runs into hundreds of crores.

Yogesh Asher: And this is pan-India or across the globe?

Arun Govil: This is only in India.



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Moderator: Thank you. We have the next question from the line of Debojit Saha from Sharebuzz. Please go ahead.

Debojit Saha: In order to install FGD systems we need huge quantity of limestone and gypsum available. So do we have that huge supply?

Arun Govil: Yes. FGD systems are a wide variety of systems, and there is a big demand for FGD systems right now, and I might also mention the previous caller had asked a question, in the FGD market we are bidding in the range of thousands of crores worth of projects. However, we do require limestone or gypsum. Moreover, you can also use lime, you can use caustic, and you can also use sea water. So, depending on the power plant and the locations, those agents are readily available, so that is not an issue.

Debojit Saha: Also, sir, what is the status of Wienerberger which we have grabbed a few months back and when we can expect to get it completed and what can be the margin expected from that order?

Arun Govil: I think that would be completed probably in this fiscal year. Also, it is tough to talk about each project margin on a project by project basis. Overall, we have a very good margin on such projects because these are technology projects and there are not that many companies who are qualified to bid here.

Debojit Saha: Moreover, what is the currently expected margin on an average, like EBITDA margin that you have reported is 5%, so do we expect around 5% or it can increase going ahead?

Arun Govil: See, when you talk about margins, we have the profit margin on the projects which is gross margin, and then there is the net income margin. We expect our net income margins over the period to increase because our fixed cost remains stable, it does not increase in proportion to the revenue. Moreover, as a private company, I believe the revenue have been between Rs. 300 crores and Rs. 400 crores which are not full scale. So as it increases substantially, the SG&A, general expenses does not increase in the same proportion. So, of course, a lot of the costs get absorbed, and the net income goes higher.

Moderator: Thank you. We have the next question from the line of Naveen Garg from Garg Group. Please go ahead.

Naveen Garg: Sir, in the FGD, is the production done in India or imported from elsewhere?

Arun Govil: FGD projects are large projects, this is not just one equipment, there are many components. Some of the proprietary components, we get them because approved vendors only sell them, these are not something which anyone can build. So depending on the project and the requirements, certain items are procured from overseas suppliers, few things get fabricated in India, and a lot of the work executes at the job site where the plant is located. So these are very large pieces of equipment and it is a combination of things.

Naveen Garg: Sir, do we have sufficient capital to channelize so many projects that we have bid?



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- Arun Govil:** Yes, that is not an issue because we have enough capital. Whenever we need money, we can inject the necessary capital and based on that get additional credit facilities from the bank. Capital will not be a constraint for our growth.
- Moderator:** Thank you. We have the next question from the line of Sreenivas Holla, individual investor. Please go ahead.
- Sreenivas Holla:** My question is, in this environmental technology product, I am speaking about the new projects, new plants that are coming up in India. Do you have tie-ups with companies like L&T etc. who are executing the new plant setup?
- Arun Govil:** We do not require tie-up with L&T because we are doing project ourselves and L&T is looking to tie-up with us actually because we have the technology. See, L&T does not have technology, so they need to do a tie-up with companies who can offer the same. Ducon has the technology plus we also have the ability to execute projects. So, we compete with companies like that.
- Sreenivas Holla:** Yes, that are exact words I wanted. Those people are in a hurry to get tied up with you, that is what I wanted.
- Arun Govil:** Yes, but we are not looking to do tie-ups. We are looking to do jobs ourselves in India.
- Moderator:** Thank you. We have the next question from the line of Kailash Maheshwari, individual investor. Please go ahead.
- Kailash Maheshwari:** My question is, in the previous AGM the Company took approval from the shareholders to borrow Rs. 100 crores in the form of borrowings. What will be the utilization of the same? Is it for infrastructural wing or is it for IT wing?
- Arun Govil:** Any borrowings we are doing is mostly for the ongoing business activities of the Company as and when required for each project. So it will be difficult to break it down at this point, we can discuss this once the audited numbers get published.
- Kailash Maheshwari:** So, the amount will be used for both the wings of the Company, including the core business?
- Arun Govil:** Yes. For example, suppose you are executing a Rs. 300 crores project, Indian customers do not get paid right away, firstly you have to invest money, execute portion of the job and then you get paid, so you require working capital for that. So any funds that we are borrowing are used for the working capital of the Company.
- Moderator:** Thank you. We have the next question from the line of Jignesh Shah, individual investor. Please go ahead.



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Jignesh Shah:

Sir, I wanted to ask that what is the future of our Company? Also, what will be the growth rate of the enterprise in the future? Moreover, the projects that you were telling, there are six to seven projects with our Company, so in the future what are the possibility of rights issue for it?

Arun Govil:

See, the future is bright, future is dependent on the growth prospect in India itself which is a tremendous opportunity, as one of the earlier callers had said that. So, there would be a lot of infrastructure spending, and we are sitting in a prime position for that. Also, we are bidding single projects of Rs. 15 crores - Rs. 20 crores to Rs. 200 crores - Rs. 300 crores project. So depending on how the projects go and how long it takes to execute, the growth will come from that. Then we talk about the FGD business; those projects also go anywhere from Rs. 30 crores - Rs. 40 crores to a single project of Rs. 400 crores - Rs. 500 crores. So, it all depends on how many companies place orders and depends on the economic climate of India and all that. However, the potential is high because the total market size is in thousands and thousands of crores. So, we are confident of the growth, but it is tough to project how and when it will happen.

And as far as rights issue and all that, it is very premature to talk at this point. We will see what we will do in the future.

Moderator:

Thank you. We have the next question from the line of Biswarup Ghosh from JP Advisors. Please go ahead.

Biswarup Ghosh:

The first question is, what is the FGD market in India? And second one is, what is our market share in it?

Arun Govil:

Well, for your information, India did not have regulations for FGD, and Reliance Industries for its Dahanu Power Plant installed the first ever FGD in India. That was a global tender with all the multi-nationals and Ducon also participated in that. Ducon being a flat organisation, we were successful in getting that first order, and we successfully executed that. Also, after that, most of the FGD orders which were the Nalco order and then BHEL order, we have secured quite a bit of order, and that is why we got the award also that we were the leading company with the technology in the FGD sector. So, of all the FGD projects that have been done in India, Ducon has a very prominent position. That is why most of the companies know about Ducon, and we do not have to do any marketing, the inquiries come to us, we have the most experience in India in FGD sector compared to any other company. So the market size runs in hundreds of billions of dollars in India, the total market size.

Biswarup Ghosh:

DeNOx catalyst has a life span of only three years. So, are we planning to get multiple reorder after every three years?

Arun Govil:

Yes, the DeNOx catalyst gets deactivated after three or four years and then the customer who has bought the DeNOx system will have to buy the catalyst again, a replacement catalyst. And



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generally, they would buy from a company who has installed the first system also. So there is an opportunity for repeat business, continuing recurring business.

Moderator: Thank you. We have the next question from the line of Himanshu Shukla from JP Advisors. Please go ahead.

Himanshu Shukla: I think what I understand, per megawatt cost of FGD is between Rs. 30 lakhs - Rs. 40 lakhs, am I right? Because I have just gone through past project done by Alstom in India for a few customers, so am I right in saying that?

Arun Govil: See, it is tough to say that because FGD depends on what kind of FGD it is, there is no single FGD. It is like you take a car, you cannot say a car costs so much money, you could have a Mercedes, you could have a Kia, there is a total variation, how many options you have in the call. So it all depends, whether it is a limestone FGD, it is a caustic FGD, sea water FGD, what is your outlet stack temperature, are you reheating it, you have redundancy, what kind of controls you have. So to pick a number it is tough, it depends on a customer to customer, do they want a fully automated system, they want redundancy in the system. So, there are many factors involved, so each project cost varies a lot.

Himanshu Shukla: And your catalyst DeNOx, can you share how the market is evolving for that? because I think we are purely talking about FGD, we are not talking about the market momentum for DeNOx catalyst. So if you can just put demand side of that?

Arun Govil: Yes, there also the regulations have to be met for DeNOx system as well, and that market also follows, if all the power plants will comply, the question is, of course, how quickly the government will move to make sure they are enforcing these regulations. However, based on that it can happen again in billions of dollars and each system can run a DeNOx system depending on the size of the power plant. If it is a 300 megawatt, 600 megawatts or a 1000 megawatt, it can run anywhere from Rs. 70 crores - Rs. 80 crores, going up to Rs. 400 crores - Rs. 500 crores for a single system, and even higher depending on all the bells and whistles that they want to install. So, the market opportunities are tremendous.

Himanshu Shukla: And the last one, so your 5% EBITDA margin on your FGD part, since we are talking about very niche technology so I was expecting more EBITDA margin from your infra side. So, if you can share more insight whether things will go better from here in terms of EBITDA going ahead?

Arun Govil: Yes, of course. See the FGD market has not materialised, we just release a figure on an annual basis, doing around Rs. 350 crores revenue. So, even the margins, our gross margin is higher, but you are talking about EBITDA 5%. Because the operating expenses will not increase in proportion to the revenue, once the market kicks in the income would be much higher, so a lot of the gross profit margin will trickle down to the bottom-line, so obviously our EBITDA would be much higher.



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Moderator: Thank you. We have the next question from the line of Mukesh Kumar. Please go ahead.

Mukesh Kumar: Do we have a team in place for the kind of projects we are quoting? It is definitely huge projects and do we have team in place for execution part as well as the finance part for recovering of debt? Because you were just telling that payments are made after the projects are completed. And the second question is, are we only quoting on government based projects or are we also talking about private projects as well?

Arun Govil: Yes, we have an organization in place. We have project managers; we are currently doing projects. Moreover, as and when we will secure projects we will hire more, we have key executives in place, so infrastructure is already there, we are doing projects in remote parts of India, turnkey projects, we have already done them. We have setup site offices, we have set up infrastructure there and execute large projects just like any other EPC business. So there is a project for ILFS, we have done projects for BHEL and HINDALCO, NALCO, we have done various parts of India. So, all the infrastructure is in place, and I do not think you understood well, all I am saying is that that is a normal way of collecting funds, no one will give you advance on a project. Of course, some may provide bank guarantees, but you have to execute work, there is no problem in getting payment, but it is a standard procedure, you have finance people and whole structure to implement these projects. That is not an issue at all. Moreover, as we grow, we will be able even to employ more people and successfully perform. We have already done quite a few large number of projects, if you look at some of the key projects, new innovative projects we have done in the material handling sector, and we do not even talk about that actually. So we are actually in so many different areas, and gradually people will see how as a company we can grow and perform.

Mukesh Kumar: I am sure, when you are heading the company everything will be in place. One more question is, what is right now the status of amalgamation, have we applied to the High Court and what would be our estimated earnings per share for the joint entity?

Arun Govil: There are a lot of approvals and regulations, of course, in India, we have all the right professionals who are handling this for us. Also, things do take time but I am confident we had put out a news release that we are hoping to have it all sorted by the first quarter of the next fiscal year.

More growth will come as some of these bigger projects we start securing and we start executing them. So this is something, I think I am in it for a long term. I see a lot of growth in the next five to ten years.

Moderator: Thank you. We have the next question from the line of Debojit Saha from Sharebuzz. Please go ahead.

Debojit Saha: As per the notification in BSE, I could see that you have added five new customers or projects, right. So, if you could brief up on that?



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- Arun Govil:** Yes, these are new customers we have signed up in electrification and infrastructure projects and for competitive reasons, because we are already still bidding some new projects and all that. I do not know whether we can share some of the names, but in due time we will be able to give some other more details on that.
- Moderator:** Thank you. We have the next question from the line of Sreenivas Holla, individual investor. Please go ahead.
- Sreenivas Holla:** Well, our eyes are on the new business coming from Ducon, I would like to know if you have any aggressive plans to grow the original business of erstwhile Dynacon? I asked this because I am a shareholder in this company for the last 13 years.
- Arun Govil:** Well, you should be happy to see the recent developments. However, definitely, we do because there is a digital push in India, as I mentioned. Moreover, we are also looking to grow that business and that business is growing steadily. However, obviously, we will go we can grow faster because that is our aim and that is where we can secure largest projects and where we can get the most profit margins. So, we look at all areas, and we will be growing in all the sectors.
- Moderator:** Thank you. We have the next question from the line of Umang Gandhi. Please go ahead.
- Umang Gandhi:** My question was similar to what I think Debojit Saha asked a couple of questions back, what is the play of the Ducon Tech in FGD for the next five to ten years in India? How much big the market you see, not for this year but the next five to ten years?
- Arun Govil:** See, you can see the reports which talk about the size of the FGD market in India. So, that has already been spoken about; the question is it all depends on how many projects are decided every year and there are four, five qualified players in India. I mean, there are other qualifiers. So, between that, if we secure even 25% - 30% of that business, so it all depends if Rs. 10,000 crores worth of orders is decided a year or Rs. 5,000 crores, it is tough to say and predict. So it all depends on, and each project could be Rs. 100 crores - Rs. 200 crores or Rs. 300 crores, so I cannot comment and say we are going to do Rs. 400 crores or Rs. 500 crores and each project will last two years or something like that, approximately. If you secure a Rs. 300 crores project you will get Rs. 150 crores revenue. So it all depends on, and it is tough to project. I hope you can understand that.
- Umang Gandhi:** No, my question was not that Mr. Aron. What I meant to ask is that the market size of the Indian FGD is a huge one which is what we are aiming, we are aiming for the 100% but you would end up with 20%, 15% or even 10% of those projects, right. But what is the whole size, that is the question?
- Arun Govil:** Could be about \$250 billion.



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- Umang Gandhi:** And one more question, once you mentioned your competitors, can you list me a few respectable competitors of yours?
- Arun Govil:** Mitsubishi is there and Alstom is there.
- Moderator:** Thank you. We have the next question from the line of Raj Prakash from PHCL. Please go ahead.
- Raj Prakash:** Aron, Ducon is an international company and you have sprawled around the world. Now, I understand that in your manifestos and everything you have mentioned that Ducon India Technologies is not only going to concentrate in India only but also in and around that region. How much of the revenues will you be deriving, like sprawling in and around Southeast Asia or is the parent Ducon company going to feed the Indian Ducon company with orders throughout the world? I hope I made my question clear.
- Arun Govil:** Yes, I understand. No, definitely, because of the opportunities in India itself, we are so busy with responding to customers request for our proposals and tenders that we are not even, there are more enquiries and obviously we look at the serious ones. And Ducon India also, because as Ducon USA gets enquires globally and we find that it is economical to do projects in the Middle East countries and even in South Asian countries, so we allow Ducon India to bid directly and they have bids some projects in those parts of the world as well. So we have not even talked about that portion, and I am glad you brought that out. And definitely, any project where we feel that Ducon USA has, we can subcontract to Ducon India to execute it from there if we have a project in Vietnam or Indonesia or some other place like that. So, yes they work hand in hand depending on the project and the customer.
- Moderator:** Thank you. We have the next question from the line of N Anil Kumar. Please go ahead.
- N Anil Kumar:** In October 2016, you came with a statement stating that Ducon is chasing a project worth 10,000 megawatt of FDG projects in India in next four months. What is the status of the bidding and what is the strike rate as of now you have come out on those projects?
- Arun Govil:** First of all, to give you the good news that we have not lost them. They are still outstanding, we have submitted the bids and the customers are evaluating. Obviously, these are big investments for customers, hundreds of crores and they have to take their time to do that. So, the proposals are still there, they are outstanding and we have no idea at what point the customer will pull the trigger. So, we keep working on newer grids, newer projects and it is like we keep throwing a lot of balls in the air and hopefully they will start coming down.
- N Anil Kumar:** Sir I want to ask you about the UDAY project of the Government of India. How is the Company working on those projects?
- Arun Govil:** No, that is moving alone fine.



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- Moderator:** Thank you. We have the next question from the line of Darshan Karandikar. Please go ahead.
- Darshan Karandikar:** My question is, recently there was news that Government of India actually relaxed the deadline for the norms implementation from December 2017 to December 2019. Is there any material impact of this on the Ducon's order flow? How are we situated as of now as far as the deadline is concerned?
- Arun Govil:** Well, I think that would definitely delay some of the projects that are there. But also a lot of companies are themselves international companies who are setting up projects, they themselves want to make sure. Eventually it will be coming, so they have to plan for it anyway, it is not being abandoned. So, they are going ahead, they may start engineering phase and just give them a little bit more time to plan the big investments. But there is still the inflow of proposals and tender activity has not reduced, we still see tremendous activity.
- Moderator:** Thank you. We have the next question from the line of Imran Ghani. Please go ahead.
- Imran Ghani:** I would like to thank you that you have opened this interaction between investors and you, because I have had my issues in interaction earlier. How do you propose to settle that?
- Arun Govil:** I think we have a system in place now. I am more than happy on a quarterly basis to talk to all the investors in the company, but you can always be in touch with our IR firm for any updates on the business.
- Moderator:** Thank you. We have the next question from the line of Saikiran Tanniru. Please go ahead.
- Saikiran Tanniru:** My question is, once we install these FGD systems at the clients place, after the installation do we have to go, I mean, do we have anything sort of maintenance that the company has to do once the systems are installed at the client's place?
- Arun Govil:** No, we do not have to do anything. The client maintains and operates the system as they operate the rest of their facility, whether it is power plants, if it is cement plant, if it is a refinery or a glass plant, depending on all these projects, all these plants require FGD as long as they have a fuel burning boiler on the plant which is burning pet coke, which is burning oil or coal, they need an FGD system. So, they operate the system and sometimes if annual maintenance is required they need some spare parts or something, then they will call us and then we sell it to them. Or if there are some issues, they need to improve the efficiency, they make a change in their production line, they increase the capacity or something, then they will call us and then we provide retrofit solutions to them. But no, we are not involved in the operation.
- Saikiran Tanniru:** My last question is, whether the company is spending any amount on research?
- Arun Govil:** Right now we already have the best technologies, the US company does the host of the research in the United States and India company gets the benefit of all that R&D because of



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the same ownership. However, right now we are not doing any research in India, but that could change because I feel India has a lot more talent at a lower cost so that we can take advantage of that, but that would be down the road.

Moderator: Thank you very much. That was the last question. I would now like to hand the conference over to Mr. Govil for any closing comments.

Arun Govil: Well, I want to thank everyone for taking their time from their busy schedule and joining this conference call. I would just like to reiterate that we are very confident going forward and I want to thank everyone for your interest in Ducon. So, we look forward to having you on our next call. Thank you.

Moderator: Thank you very much. Ladies and Gentlemen, on behalf of Ducon Infratechnologies Limited, that concludes this conference for today. Thank you for joining us. And you may now disconnect your lines.