

Maxflow

DUNCAN
ENGINEERING LIMITED



DUNCAN ENGINEERING LIMITED

www.duncanengg.com

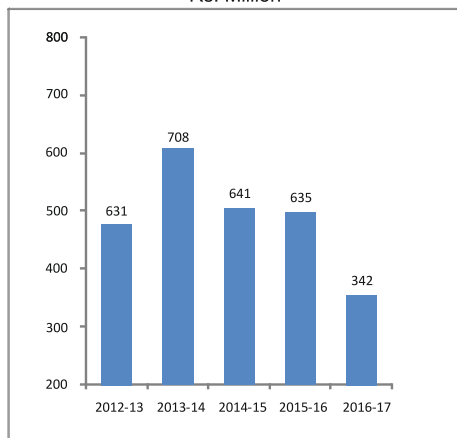
56th ANNUAL REPORT
2016 -2017

Duncan Engineering Limited

(formerly known as Schrader Dubcan Limited)

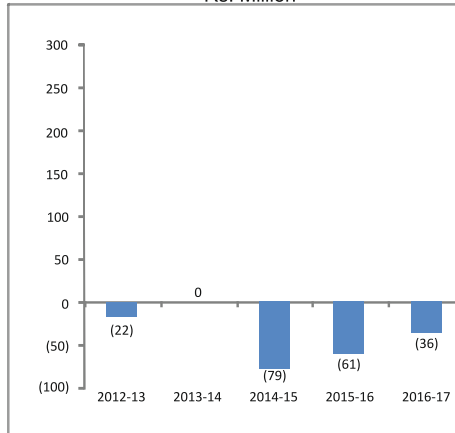
Key Financial Indicators

Total Revenue
Rs. Million

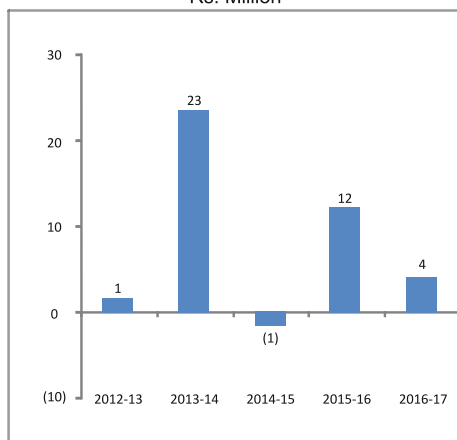


Five Years

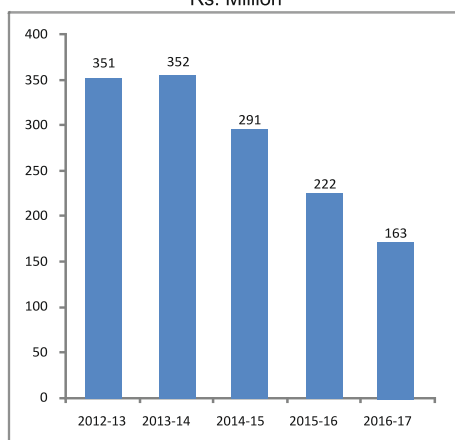
Profit Before Tax
Rs. Million



EBITDA
Rs. Million



Net Worth
Rs. Million



Ten Year Review

Rs. Million

Accounting Year	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Total Revenue	569.50	534.39	570.97	504.94	549.78	630.95	707.99	641.44	635.13	342.13
Profit/(Loss) from continuing operations before taxes	35.69	18.37	8.68	(216.01)	302.94	(22.06)	0.10	(78.79)	(60.74)	(36.11)
				**	****					
Profit/(Loss) from discontinuing operations before taxes	-	-	-	-	-	-	-	-	-	(22.79)
Profit/(Loss) from continuing operations after taxes	23.87	10.89	5.51	(212.08)	204.63	5.09	0.97	(60.48)	(69.29)	(36.09)
Profit/(Loss) from discontinuing operations after taxes	-	-	-	-	-	-	-	-	-	(22.79)
EBITDA (excl. exceptional item)	45.08	28.61	38.19	(20.30)	(51.62)	0.69	23.45	(0.56)	11.99	3.58
Net Worth*	307.32	313.89	315.07	102.99	307.62	350.92	351.89	291.41	222.11	163.23
Earning per share* Rs.	6.46	2.95	1.49	(57.38)	55.37	1.38	0.26	(16.36)	(18.75)	(15.93)
Return on Investment %	7.82	3.51	1.75	(101.46)	99.67	1.54	0.28	(18.80)	(26.99)	(18.73)

* Earning per share and net worth for FY 2016-17 inclusive 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

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

CORPORATE INFORMATION

REGISTERED OFFICE

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

AUDITORS

M/s. Singhi & Co., Mumbai
Chartered Accountants

CHIEF FINANCIAL OFFICER

Mr. Chandresh Taunk

COMPANY SECRETARY

Rajib Kumar Gope

PLANT

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

BANKERS

State Bank of India

BRANCH OFFICES

- 31, Netaji Subhash Road,
Kolkata 700 001
- 14th Floor, Tower-B, World Trade Tower
Plot no. C-1, Sector-16,
Noida-201301

REGISTRAR & SHARE TRANSFER AGENT

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

WEBSITE

<http://www.duncanengg.com>
Email (Investor Relations):
complianceofficer@duncanengg.com

LISTED AT

BSE Limited

CIN: L28991PN1961PLC139151

DUNCAN ENGINEERING LIMITED

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

CIN No. L28991PN1961PLC139151

Email: complianceofficer@duncanengg.com

Website: www.duncanengg.com

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

NOTICE

NOTICE is hereby given that the Fifty Sixth Annual General Meeting of the Shareholders of Duncan Engineering Limited will be held on 3rd August 2017 at 2:30 P.M. at the Registered Office at F-33, Ranjangaon MIDC, Karegaon, Tal Shirur, Pune 412 209 for transacting the following business:

Ordinary Business:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March, 2017 comprising audited Balance Sheet as at 31st March, 2017 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. J P Goenka (holding DIN 0136782), 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.
3. To consider and, if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 & Rules made there under, M/s. Singhi & Co, Chartered Accountants, (Firm Registration No. 302049E) be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of 59th Annual General Meeting of the Company to be held in the year 2020 (subject to ratification of their appointment at every Annual General Meeting) at such remuneration as may be fixed by the Board of Directors of the Company.”

Special Business:

4. To consider and, if thought fit to pass, with or without modifications, the following resolution as an Ordinary Resolution :

Appointment of Mr. Akshat Goenka as Director

“RESOLVED THAT Mr. Akshat Goenka (DIN: 07131982) who was appointed by the Board of Directors as an Additional Director of the Company w.e.f 9th February 2017 pursuant to Section 161 of the Companies Act, 2013 and who holds office only upto the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company”

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

Appointment of Mr. Akshat Goenka as Managing Director

“RESOLVED THAT in accordance with the provisions of Sections 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof, approval of the Company be and is hereby accorded to the appointment of Mr. Akshat Goenka (DIN 07131982) as Managing Director of the Company, for a period of 5 (Five) years with effect from 9th February, 2017, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include Nomination and Remuneration Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Part II of Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof .

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 THAT pursuant to the provisions of Sections 196,197 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the said Act, subject to requisite permission from the Central Government, if applicable, approval be and is hereby granted to appointment and remuneration of Mr Akshat Goenka, Managing Director of the Company with effect from 9th February 2017.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised 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. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING MAY APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The Register of Members and Share Transfer Books of the Company will remain closed from 28th July 2017 to 3rd August 2017 (both days inclusive) in terms Section 91 of the Companies Act, 2013 and of Regulation 42 of SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015 (Clause 16 of the erstwhile Listing Agreement).
3. In terms of the provisions of Section 124(5) of the Companies Act, 2013 (corresponding to Section 205A of the Companies Act, 1956), the amount of dividend not encashed or claimed within 7 (seven) years from the date of its transfer to the unpaid dividend account, will be transferred to the Investor Education and Protection Fund established by the Government. Accordingly, the unclaimed dividend in respect of financial year 2009-10 is due for transfer to the said Fund in August 2016. In terms of provision of Section 124 of the Companies Act, 2013 (Corresponding to section 205C of the Companies Act, 1956), no claim shall lie against the Company or the said Fund after the said Transfer. Members who have neither received nor encashed their dividend warrant(s) for the financial year 2009-10, are requested to write to the Company, mentioning the relevant Folio number or DP ID and Client ID, for issuance of duplicate / revalidated dividend warrant(s).
4. Details of the Directors being appointed / reappointed are furnished in the Board's Report and Corporate Governance Report.
5. A Statement in respect of item no. 5 pursuant to Section 102 of the Companies Act, 2013 is annexed to this notice.
6. 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.
7. 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.
8. 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, 2nd 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.)
9. 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.
10. Voting through electronic means:
 - I. In Compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the fifty sixth Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).
 - II. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut off date of 27th July 2017 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.

III. The Instructions for e-voting are as under:

- A. In case a Member receives an email from NSDL/Link Intime India Pvt Ltd. [for members whose email IDs are registered with the Company/Depository Participants(s)]:
- (i) Open email and open PDF file viz; "Duncan Engineering e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder – Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
 - (vii) Select "EVEN" (Remote E Voting Event Number) of Duncan Engineering Limited.
 - (viii) Now you are ready for e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote
 - (xii) Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to sdl.scrutineer@gmail.com or e-voting@duncanengg.com with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:
- I. i. Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :
EVEN (E Voting Event Number) USER ID PASSWORD/PIN
 - ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
 - II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com. Or call on toll free no. 1800-22-2990.
 - III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
 - IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - V. The e-voting period commences on 31st July 2017(10 a.m.) and ends on 02nd August 2017 (5 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 27th July 2017 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - VI. 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) of 27th July 2017.
 - VII. Ms. Shaswati Vaishnav, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

- VIII. 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.
- IX. The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.duncanengg.com and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.
- X. Login to the remote e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'forgot password option available on the site to reset the password.
- XI. The chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow e-voting with the assistance of scrutinizer for all those members who are present at the AGM but have not cast their votes by availing the remove e-voting facility.
11. 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.
12. Members may also note that the Notice of the 56th Annual General Meeting and the Annual Report for 2016-17 will also be available on the Company's website www.duncanengg.com for their download. The Physical copies of the aforesaid will also be available at the company's Registered Office in Pune for inspection during normal business hours on working days.
13. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.a.m. to 6 p.m.) on all working days except Saturdays and Sundays up to and including the date of the Annual General Meeting of the Company.

Regulation 36 of SEBI (LODR) Regulations, 2015 (Clause 32 of the Listing Agreement) executed with the stock exchanges permits sending of soft copies of Annual Reports to all those members who have registered their email addresses for the purpose.

The Companies Act, 2013 has also recognised serving of documents to any Member through electronic mode. In terms of the Circular No. NSDL/CIR/II/10/2012 dated March 9, 2012 issued by National Securities Depository Limited, email addresses made available by the Depository for your respective Depository Participant accounts as part of the beneficiary position downloaded from the Depositories from time to time will be deemed to be your registered email address for serving notices/documents including those covered under Sections 101 and 136 of the Companies Act, 2013 read with Section 20 of the Companies Act, 2013 and the underlying rules relating to transmission of documents in electronic mode. In light of the requirements prescribed by the aforesaid circulars, for those Members whose Depository Participant accounts do not contain the details of their email address, printed copies of the Notice of Annual General Meeting and Annual Report for the year ended March 31, 2017 would be dispatched.

Registered Office :
F-33, Ranjangaon MIDC
Karegaon, Tal Shirur
Pune 412 209

By Order of the Board

May 17, 2017

Rajib Kumar Gope
Company Secretary

EXPLANATORY STATEMENT

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

Item No. 5

The Board in its meeting held on 9th February 2017 fixed the remuneration of Mr Akshat Goenka with effect from 9th February 2017 as recommended by Nomination & Remuneration Committee.

The requisite information stipulated under Schedule V is furnished hereunder :

I	GENERAL INFORMATION	
(1)	Nature of industry	Industrial Fluid Products and Tyre Components & Accessories
(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. 3421.30 Lacs Profit/(loss) before Tax - Rs. (588.98) Lacs
(5)	Foreign investments or collaborations, if any	None
II	INFORMATION ABOUT THE APPOINTEE	
(1)	Background details	Mr. Akshat Goenka, Joint Managing Director of Oriental Carbon & Chemicals Limited, the holding company, aged about 30 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	Not applicable
(3)	Recognition or awards	Nil
(4)	Job profile and his suitability	He has strong academic background and rich industry experience of more than 8 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	Mr. Akshat Goenka is son of Mr. Arvind Goenka & grandson of Mr. J P Goenka.
III	OTHER INFORMATION	
(1)	Reasons of loss or inadequate profits	<ul style="list-style-type: none"> Restructuring initiatives undertaken in the business. Volume and order book assumptions not materialising due to slowdown in overall Automotive and Industrial / Capital Goods Sector.
(2)	Steps taken or proposed to be taken for improvement	<ul style="list-style-type: none"> New product development & introduction Cost optimisation and re-engineering initiatives.

(3)	Expected increase in productivity and profits in measurable terms	12-15% operating margin in next 2 Years.
IV	DISCLOSURES	All details are covered in the Corporate Governance Report which forms part of the Annual Report 2016-17

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 2017.

This Explanatory Statement may also be regarded as a disclosure under Regulation 17 to 27 of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015 (Clause 49 of the erstwhile Listing Agreement with the Stock Exchange).

Registered Office :
F-33, Ranjangaon MIDC
Karegaon, Tal Shirur
Pune 412 209

Date: May 17, 2017
Place: Pune

By Order of the Board

Rajib Kumar Gope
Company Secretary

BOARD'S REPORT

1. Your Directors presents the Fifty Sixth Annual Report to the shareholders together with the audited statement of accounts for the year ended March 31, 2017. The operating results as disclosed in the audited accounts are summarised below:

(₹ in Lacs)

Particulars	2016-17	2015-16
Total Revenue	3518.84	3696.36
Total Expenses	(3879.95)	(4211.83)
Profit/(Loss) before Tax	(361.11)	(515.46)
Profit/(Loss) from continuing operations before Tax	(361.11)	(515.46)
Tax Expenses (Current Tax)	(0.18)	85.51
Profit/(Loss) from continuing operations after Tax	(360.93)	(600.97)
Profit/(Loss) from discontinuing operations before Tax	(227.87)	(91.95)
Tax Expenses (Current Tax)	0	0
Profit/(Loss) from discontinuing operations after Tax	(227.87)	(91.95)
Profit/(loss) for the year	(588.80)	(692.92)

2. **Dividend**

Your Directors do not consider it prudent to recommend a dividend this year owing to the absence of profit.

3. **Performance**

Your company has registered a total revenue of Rs. 3518.84 Lac with a loss for the year Rs. 588.80 Lacs. The total turnover of the Company for the year under review has come down significantly because Company has discontinued its tube valve product line during the year which contributed almost 50% to the total turnover of 2015-16.

The overall market continued to be subdued, and various restructuring and cost reduction initiatives have been undertaken by your Board of Directors. With majority of the restructuring initiatives completed, your company is now on a stronger platform to leverage market opportunities in engineering item for growth and performance in the coming years.

4. **Operations**

The turnover of Fluid Power Automation business for the current year is Rs. 3063.38 Lacs. This was achieved in a very difficult market and slowing demand in the industrial and capital goods sector.

5. **Change in the Nature of Business**

The tube valve business was discontinued during the year. Other than that there was no change in the nature of business of the Company during the year.

There is impairment of assets with the closure of the tube valve product line. The estimated loss in the books on written down the value of asset in books.

The Company had made application on 30.6.2016 seeking permission of the Labour Ministry to permanently and irrevocably close down manufacturing activities of the Tube Valve Product line in the ABU division in its factory situated at F-33 Ranjangaon MIDC, Pune 412 209.

The Labour Ministry after hearing the Management & the Recognised Union passed an Order dated 26-08-2016 passed under Section 25-O (2) of the Industrial Dispute Act, 1947 granting permission sought for by the Company to close down its manufacturing activities of the tube valves product line in ABU division in its factory situated at F-33 Ranjangaon MIDC, Pune 412 209. The said Order has become operative w.e.f. 28.09.2016. Accordingly, Tyre Tube Valves (ABU) manufacturing activities of the Company stand closed permanently & irrevocably w.e.f. 28.09.2016.

The name of the Company was changed from Schrader Duncan Limited to Duncan Engineering Limited w.e.f 1st December 2016 with due approval from Registrar of Companies, Pune and Bombay Stock Exchange.

6. **Research and Development**

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

7. **Pollution Control**

Your Company's Plant has all the requisite Pollution Control Equipments and meets all the desired and statutory norms in this regard.

8. **Statement in respect of adequacy of internal financial controls with reference to the Financial Statements:**

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. The Scope and authority of the Internal Audit (IA) is as per the works assigned to them by the management. To maintain its objectivity and independence, Internal Audit function reports to the chairman of the Audit Committee of the Board. M/s Pipalia Singhal & Associates are the Internal Auditor of the Company.

The Internal Audit monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures, procurement, sales, Stores and Statutory Compliances. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

9. **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 taken by company is given in the notes to the financial statements.

10. **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.

11. **Statutory Auditors**

As recommended by Audit Committee, your Directors propose appointment of M/s.Singhi & Co., Chartered Accountants, (Firm Registration No. 302049E) as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of 59th Annual General Meeting of the Company to be held in the year 2020 (subject to ratification of their appointment at every Annual General Meeting) at such remuneration as may be fixed by the Board of Directors of the Company. The appointment is accordingly proposed in the Notice of the Current AGM vide item No. 3 for approval of Members.

12. **Secretarial Audit**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Shaswati Vaishnav & Associates, Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "Annexure A". There are no qualifications, reservation or adverse remark or disclaimer made by the auditor in the report save and except disclaimer made by them in discharge for their professional obligation.

13. **Auditor's Report**

The Observation made in the Auditors Report, read together with the relevant notes thereon, are self explanatory and hence does not call for any comments under.

14. **Extract of the Annual Return**

The details forming part of the extract of the Annual Return in Form MGT 9 is annexed herewith as "Annexure B"

15. **No. of Meetings of the Board**

There were five Board Meetings held in FY 2016-17 on 16th April 2016, 25th May, 2016, 29th July 2016, 10th November, 2016 and 9th February, 2017.

16. **Particular of Employees 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 (w.e.f 9th February, 2017)
- b) Mr. Chandresh Taunk, Chief Financial Officer (w.e.f 17th May, 2017)
- c) Mr. Rajib Kumar Gope, Company Secretary

The information required pursuant to Section 134(3)(q) and 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Remuneration and other details of Key Managerial Personnel and other Employees for the year ended 31st March, 2017 are given in extract of the Annual Return.

Mr. Shantanu Parvati resigned as Whole-time Director w.e.f 31st January, 2017. Mr. Vinayak Patil retired from the post of Chief Financial Officer on 30th September, 2016.

Mr. Anurag Jain was appointed as Chief Financial Officer (CFO) on 9th February, 2017 and resigned as CFO w.e.f. 17th May, 2017.

17. Directors

Mr. Akshat Goenka was appointed as Managing Director of the Company on 9th February 2017 by the Board of Directors on the recommendation of the Nomination & Remuneration Committee. The remuneration detail of Mr. Goenka is disclosed in Corporate Governance Report. Mr. Akshat Goenka is also Managing Director in Oriental Carbon Chemicals Limited, Holding Company. He receives a remuneration of Rs.1,55,81,833/- p.a. from Oriental Carbon & Chemicals Limited.

The details Salary of Mr. Akshat Goenka as follows:

Name	Salary	Performance Bonus	Contribution to PF & SAF	Perq. and other allowances	Total
Mr. Akshat Goenka	51,00,000/-	40,80,000/-	13,77,000/-	50,24,833/-	1,55,81,833/-

Mr. Shantanu Parvati has resigned as the Whole-time Director of the Company w.e.f.31st January 2017.

In accordance with the provisions of the Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Mr J P Goenka (holding DIN 0136782) is liable to retire by rotation and being eligible for re-appointment, offer himself for re-appointment. Your Directors propose his re-appointment as set out in the notice.

All Independent Directors have given declarations that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

18. 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 (w.e.f.1st December 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.

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.

19. Remuneration Policy

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The approved remuneration policy of the Company is also available on the website of the Company which is www.duncanengg.com.

20. Meetings

The Company holds Meetings as per the Listing Agreement signed with the Stock Exchange and as per the Companies Act, 2013. During the year five 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) Regulations, 2015.

21. Corporate Governance

As per Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (clause 49 of the erstwhile Listing Agreement), a section on Corporate Governance and Management Discussion and Analysis is annexed to this report.

A certificate from M/s Vaishnav Associates, Pune confirming compliance of Corporate Governance is also annexed.

22. 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.

23. Risk Management Policy

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 may threaten the existence of the Company.

24. 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 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 under investor dropdown.

25. Subsidiaries

Your Company does not have any subsidiary / subsidiaries within the meaning of the Companies Act, 2013.

26. Vigil Mechanism/Whistle Blower Policy

The Company has a vigil mechanism named Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The details of the Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the Company's website.

27. 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, 2017, the applicable Accounting Standards 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.

28. Disclosures

a) Materially Significant Related Party Transactions

All related party transactions form part to the notes to the Balance Sheet. Saving those, there were no materially significant related party transactions with Company's promoters, directors or its management, their relatives, etc. that had a potential conflict with the interest of the Company.

b) Accounting Treatment

No treatment different from that prescribed in an Accounting Standards has been followed by the Company.

c) Statutory Compliance, Strictures and Penalties

The Company has complied with rules and regulations prescribed by the 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.

d) Disclosure with respect to Demat/Unclaimed Suspense Account

There were no shares lying in the Demat Suspense account.

e) Sexual Harassment at workplace

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.

29. Audit Committee

The Audit Committee comprises Non-executive Director and Independent Directors namely, Mr. O P Dubey (Chairman), Mr. B B Tandon (Member), Mr. Nitin Kaul (Member) and Mrs. Arti Kant (Member). All the recommendations made by the Audit Committee accepted by the Board. 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 attached Corporate Governance Report.

30. **The Stakeholder's Relationship Committee:**

The Company has a Stakeholder's Relationship Committee for reviewing shareholder/investors complaints. The present members of the committee are Mr. J P Goenka (Chairman), Mr. O P Dubey (Member) and Mrs. Arti Kant (Member). The detail terms of reference of the committee has been given in the Corporate Governance Report.

31. **Nomination and Remuneration Committee**

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 detail terms of reference of the committee has been given in the Corporate Governance Report.

32. **Acknowledgements**

Your Directors would like to thank to the Bankers, Central and State Government, Stock Exchange, other Regulatory Agencies, Investors, Shareholders and Employees of the Company and wish to acknowledge and place on record their sincere appreciation for the continuous excellent support given by them to the Company and their confidence in its management.

On behalf of the Board of Directors

Place: Pune
Date: May 17, 2017

Akshat Goenka
Managing Director

Arvind Goenka
Director

ANNEXURE I TO THE BOARD'S REPORT FOR THE YEAR 2016-17

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 in vulcanization cells.
 - 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 equipments.

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.
 - Improvement in mould cavity design.
 - Value engineering of Products - Conversion from extrusion to GDC, conversion from Gravity Die Casting (GDC) to Pressure Die Casting (PDC).
 - Development effort on Pneumatic Panels.
 - ii) Benefits derived as a result of above R & D
 - Improved product aesthetics, reliability and productivity.
 - Stabilization and ramp up of pneumatic penal and systems.
 - Reduction in in-house rejection.
 - iii) Future Plan of Action
 - New product development to expand product offering
 - Continue Value Engineering efforts, on all important products, to reduce costs, improve performance, aesthetics & through-put time.
 - iv) Expenditure of R & D
 - a) Capital Rs. 51.80 Lacs
 - b) Recurring Rs. 18.30 Lacs
 - c) Total Rs. 70.10 Lacs

C Foreign Exchange Earnings and outgo

During the year, the Company has spent foreign exchange of INR 359.41 Lacs and earned foreign exchange of INR 61.42 Lacs 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. Shantanu Parvati (Whole-time Director till 31.01.2017) 35.089:1

Mr. Akshat Goenka (Managing Director from 9.02.2017) 0.007901:1

All other Directors being Non-Executive & Independent do not receive any remuneration.

(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:

The remuneration of Mr. Shantanu Parvati (whole-time Director till 31.01.2017) was increased by 19.84%. The remuneration of Mr. Vinayak Patil Chief Financial Officer (Chief Financial Officer till 30.09.2016) was increased by 17.76%. Mr. Akshat Goenka, Managing Director and Mr. Anurag Jain, Chief Financial Officer were appointed during the year.

(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 8.62%.

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

There are total 177 permanent employees in the Company.

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

The average percentage increase made in the salaries of total employees other than the Key Managerial Personnel for FY 2016-17 is around 5%. The remuneration of Mr. Vinayak Patil, Chief Financial Officer (Chief Financial Officer till 30.09.2016) was increased by 17.76% Mr. Akshat Goenka, Managing Director and Mr. Anurag Jain, Chief Financial Officer were appointed during the year.

- (vi) **Remuneration particulars of Top 10 employees- Refer Appendix-I**

- (vii) **Affirmation that the remuneration is as per the remuneration policy of the company:** yes

On behalf of the Board of Directors

Place: Pune
Date: May 17, 2017

Akshat Goenka
Managing Director

Arvind Goenka
Director

APPENDIX-I

Remuneration particulars of Top 10 employees

Sl No.	Name	Designation	Remuneration received	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
01	Mr. Shantanu Anant Parvati	Whole Time Director	5,298,066	Permanent	BE Mech, MBA	10.05.2011	43	Mahindra & Mahindra Ltd.	Nil	No	31-01-2017
02	Mr. Sanjay Vasantrao Kalaskar	DGM-Operations	1,423,253	Permanent	BE-Prodn	12.04.2010	46	Electronica Machine Tools Ltd.	Nil	No	
03	Mr. Sudeesh Ramachandran Palakoute	Sr. Manager - Quality, HSE & MR	1,288,492	Permanent	BE MS	28.08.2014	41	Mask Polymers P Ltd.	Nil	No	
04	Mr. Venkataraman K. A.	Sr. manager - Engineering	1,205,883	Permanent	B E Mech	12.06.2015	41	Janatics (I) Pvt. Ltd.	Nil	No	23.02.2017
05	Mr. Sudhir Passi	Manager - Sales & Marketing	1,179,609	Permanent	DME	01.04.2015	43	Electronica Mechatronic Sys P Ltd	Nil	No	
06	Mr Shrikant V.S. Narsimha Rao	Manager - Sales & Marketing	1,149,045	Permanent	BE	10.08.2015	34	Delval Flow Controls P Ltd	Nil	No	
07	Mr. Sanjiv Narayan Pathak	Sr. Manager - Sales & Marketing	1,001,622	Permanent	BE	23.07.2014	58	Rotex Automation Ltd.	Nil	No	31.08.2016
08	Mr. Jivan Namdeorao Chintkuntlawar	Manager - BD & Customer Support	994,414	Permanent	B E Mech, MBA	19.09.2009	38	PMA Automotive P Ltd.	Nil	No	
09	Mr. Dhiraj Keshav Purusha	Manager - ERP & Business Analysis	950,802	Permanent	BCS	15.04.2009	35	DNS e-Business Consultancy	Nil	No	
10	Mr. Ajay Dhanvijay Desai	Manager- Purchase	871,693	Permanent	DME, DIP Mat mgmt, ADB	01.04.2015	47	Midco Ltd.	Nil	No	15.02.2017

Management Discussion and Analysis

1. Industry Structure and Development

Fluid power is used extensively as a low cost automation technology to automate industrial processes in modern day factories. Factory automation is the largest sector for fluid power technology, which is widely used for products in manufacturing, processing and packaging operations. Fluid power is also widely used in food/beverage and pharma processing equipment and in chemical plants and refineries to actuate large valves. It is also used on intercity buses and coaches to operate the bus doors.

The global fluid power 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.

In the MRO segment, international vendors compete against regional and local companies that produce a low-cost replication of spare parts. Aftermarket competition for standardized pneumatic actuators is intense due to the existence of common standards that allow easy replacement or repair of the installed products.

Tubeless Tyre Valves (TTV) are used in passenger cars and two wheelers. The OEM market for TTV in India is known in terms of customer base and competitors. The replacement/after market segment for these is also sizeable.

2. Opportunities and Threats

The expanding population, increasing industrialization and rapid urbanization especially in the developing countries like ours will lead to the increasing demand for food/beverages and chemicals, the processing machineries which use fluid power products. Moreover, the growth of the transportation sector will also fuel the demand for fluid power products.

The Government thrust on infrastructure development like highways, airports, ports and power generation, would lead to increased demand for pneumatic products.

The introduction of Goods and Service Tax (GST) in India is a month away. Removal of tax barriers on introduction of uniform GST across the country with seamless credit will make India a common market leading to economy of scale in production and efficiency in supply chain. GST will remove cascading effect of taxes imbedded in cost of production of goods and services and will provide seamless credit throughout value chain. This will significantly reduce cost of indigenous goods and will promote 'Make in India'. The sectors which have long value chain from basic goods to final consumption stage with operation spread in multiple states such as FMCG, pharma, consumer durables, automobiles and engineering goods will be the major beneficiaries of GST.

As per the existing scenario in the Indian economy, the disruption from demonetisation should be short-lived with demand revival in the next one to two quarters, limiting the impact on Indian banks and corporate. However, in the short term, the rural and informal sectors of the economy are experiencing large-magnitude adjustments. In a less-likely downside scenario, the shock of demonetisation will not be absorbed within the next few months and the economic disruption may spill over into fiscal 2018 and potentially coincide with the introduction of the GST. Economic growth will stay lower for longer, raising stress levels on corporate, banks, and other financial institutions.

3. Segment wise / Product wise Performance

The Company closed down the tube valve product line of ABU business in April 2016 and focused on Fluid Power & Automation (FPA) products and TTV & OTR products. The sales performance, during the year of FPA segment compared to the previous year is as follows:

(INR Lacs)		
Net Sales	2016-17	2015-16
Automotive tyre valves & Accessories	612.39	3045.55
Fluid Power & Automation(FPA)	3063.38	3305.78
Total	3675.78	6351.33

4. Outlook

The tube valve business has been discontinued since April 2016. Rotary actuator product portfolio has been extended and we are now ready to service about 70% of the industrial applications for pneumatic valve automation. However, since the valve automation market is crowded and extremely competitive it will be challenging to the Company to gain such a market.

The advancement and reliability of valve relate directly to normal operation of industrial equipment and infrastructures. Technological change and industry innovation have great influence on valve industry.

Tubeless tyres are gaining ground in Indian market as almost all the automobile manufacturers are launching their vehicles with tubeless tyres. This shows that tubeless tyre market will exhibit growth in the coming years. The company will continue to focus on the Tubeless Tyre Valves and Off Highway tyre products going forward. New product range for TTVs (Tubeless tyre valves) has been established and discussions with automotive OEMs for product and plant approvals are underway. We have already started supplies of Tubeless Tyre Valves to TVS Group.

Future growth of the company is linked to the Industrial segment. Growth prospects look bright with continuing investments in this sector and large infrastructure spending. The Company also expects to improve its operating profits by improving sales, operating efficiencies and aggressive cost cutting.

5. Risks and Concerns

In Fluid Power & Automation segment, where the company operates in Industrial and Infrastructure Sectors, which are technology intensive it needs continuous focus on product and technology development, which is imperative to sustain in a highly competitive environment.

The global market for pneumatic valves and actuators is undergoing a competitive shakeup as low-cost Chinese suppliers continue to expand into India and other south Asian markets. The Chinese suppliers are focusing on standard legacy pneumatic valves and actuators and compete very aggressively on price.

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 and political risks.

6. Internal control systems and their adequacy

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

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 detention of frauds and errors, the accuracy and completeness of accounting records and the timely preparation of reliable financial information. This is a mandatory requirement under Section 134(3) of the Companies Act, 2013.

An Audit Committee headed by a Non Executive Independent Director is in place to review various areas of the control systems and their adequacy.

7. Discussion on financial performance with respect to operational performance

The details of the financial performance of the Company appear in the Balance Sheet, Statement of Profit and Loss and other financial statements. Highlights for the year 2016-17 are as under:

	(INR Lacs)
	2016-17
Net Sales	3421.30
Other Income	97.53
Loss before tax (including exceptional income)	588.98

8. Human Resources and Industrial Relations

The Company values its human resources and encourages innovation by empowering people at all levels. Nurturing and developing human resource has been a major source of creating competitive advantage at Duncan Engineering. 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 decided to close down its tube valve product line of ABU in April 2016-17 due to lack of viability. This resulted in retrenchment of unabsorbed workmen. The Company offered them retrenchment compensation which they have refused to accept. These workmen went to Labour Ministry against the decision of the Company. However, the Labour Ministry has given Order in favour of the Company. The aggrieved workmen appealed against the Order in higher court. Now the matter is pending in High Court for further hearing.

9. Cautionary Statement

Statements in the Management Discussions and Analysis section describing company's projections, estimations, expectation and predictions may be "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.

Place : Pune
Date : May 17th 2017

Akshat Goenka
Managing Director

CEO/CFO Certificate for the financial year ended 31st March, 2017

[Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]

We certify that:

- A.** We have reviewed Financial Statements and the Cash Flow Statement for the year and that to the best of their knowledge and belief:
1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B.** There are, to the best of their knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's Code of Conduct.
- C.** We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D.** We have indicated to the auditors and the Audit committee:
1. significant changes in internal control over financial reporting during the year;
 2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 3. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Place : Pune
Date : May 17, 2017

Chandresh Taunk
Chief Financial Officer

Akshat Goenka
Managing Director

“Annexure A to Board’s Report”

Form No. MR-3

SECRETARIAL AUDIT REPORT

for the Financial Year ended March 31, 2017.

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
Duncan Engineering Limited

I/We 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/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our verification of Duncan Engineering Limited (name of the company) 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/We hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on March 31, 2017 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/we 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, 2017 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) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 & Listing Agreement entered with the BSE Limited;
 - (d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (e) Secretarial Standards on the Meetings of the Board of Directors and General Meetings issued by the Institute of Company Secretaries of India;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

(vi) Other applicable acts :

- (a) Factories Act, 1948;
- (b) Payment of Wages Act, 1936 and rules made there under;
- (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) The Water (Prevention & Control of Pollution) Act, 1974;
- (i) The Air (Prevention & Control of Pollution) Act, 1981;
- (j) The Environment (Protection) Act, 1986 (Read with the Environment (Protection) Rules) 1986;
- (k) The Hazardous Wastes (Management, Handling And Trans boundary Movement) Rules, 2008.

I/we 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of 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.

Place : Pune
Date : May 17 , 2017

Shaswati Vaishnav
Company Secretary in Practice
ACS 8675
C P No.: 11392

“Annexure B to Board’s Report”

Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on March 31, 2017

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN:-	L28991PN1961PLC139151
ii) Registration Date	29 th March, 1961
iii) Name of the Company:	DUNCAN ENGINEERING LIMITED
iv) Category / Sub-Category of the Company:	Public Company - Limited by Shares
v) Address of the Registered Office:	F 33, Ranjangaon MIDC, Karegaon, Tal. Shirur, Pune-412209
vi) Whether listed company:	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:	Link Intime India Private Limited Block No. 202, Akshay Complex, Off Dhole Patil Road, Near Ganesh Temple, Pune 411001 Tel.: 020 26161629/26160084

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC / Tariff Code of the Product/ service	% to total turnover of the company
1	Automotive tyre tube valve	84818049	16.66 %
2	Fluid power & automation	88412000	83.34 %

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sr. No.	Name and Address of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
1	Oriental Carbon & Chemicals Limited	L24297WB1978PLC031539	Holding	50.0135%	Section 2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) as on March 31, 2016.

i) Category-wise Share Holding

Category Code	Category of shareholder	Number of share-holders	Total number of shares	Number of shares held in dematerialized	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B) (VI)	As a percentage of (A+B+C) (VII)	Number of shares (VIII)	As a percentage (IX) = (VIII)/(IV)*100
(I)	(II)	(III)	(IV)	(V)				
(A)	Promoter and Promoter Group							
1	Indian							
(a)	Individuals/Hindu Undivided Family	0	0	0	0.0000	0.0000	0	0.0000
(b)	Central Government/ State Government(s)	0	0	0	0.0000	0.0000	0	0.0000
(c)	Bodies Corporate	3	2755855	2755855	74.5632	74.5632	0	0.0000

Category Code	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B) (VI)	As a percentage of (A+B+C) (VII)	Number of shares (VIII)	As a percentage (IX) = (VIII)/(IV)*100
(I)	(II)	(III)	(IV)	(V)				
(d)	Financial Institutions / Banks	0	0	0	0.0000	0.0000	0	0.0000
(e)	Any Other (specify)	0	0	0	0.0000	0.0000	0	0.0000
	Sub Total (A)(1)	3	2755855	2755855	74.5632	74.5632	0	0.0000
2	Foreign							
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	0	0	0.0000	0.0000	0	0.0000
(b)	Bodies Corporate	0	0	0	0.0000	0.0000	0	0.0000
(c)	Institutions	0	0	0	0.0000	0.0000	0	0.0000
(d)	Qualified Foreign Investors	0	0	0	0.0000	0.0000	0	0.0000
(e)	Any Other (specify)	0	0	0	0.0000	0.0000	0	0.0000
	Sub Total (A)(2)	0	0	0	0.0000	0.0000	0	0.0000
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	3	2755855	2755855	74.5632	74.5632	0	0.0000
(B)	Public shareholding							
1	Institutions							
(a)	Mutual Funds/UTI	0	0	0	0.0000	0.0000	-	-
(b)	Financial Institutions / Banks	10	2075	1022	0.0561	0.0561	-	-
(c)	Central Government/State Government(s)	0	0	0	0.0000	0.0000	-	-
(d)	Venture Capital Funds	0	0	0	0.0000	0.0000	-	-
(e)	Insurance Companies	0	0	0	0.0000	0.0000	-	-
(f)	Foreign Institutional Investors	0	0	0	0.0000	0.0000	-	-
(g)	Foreign Venture Capital Investors	0	0	0	0.0000	0.0000	-	-
(h)	Qualified Foreign Investors	0	0	0	0.0000	0.0000	-	-
(I)	Any Other (specify)	0	0	0	0.0000	0.0000	-	-
	Sub Total (B) (1)	10	2075	1022	0.0561	0.0561		
2	Non-institutions							
(a)	Bodies Corporate	51	25867	25179	0.6999	0.6999	-	-
(b) (i)	Individuals - shareholders holding nominal share capital up to Rs 1 Lakh	3234	687277	554312	18.5952	18.5952	-	-
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	7	182089	182089	4.9267	4.9267	-	-
(c)	Qualified Foreign Investors	0	0	0	0.0000	0.0000	-	-
(d)	Any Other							
i	Non Resident Indians (Repat)	16	5756	3848	0.1557	0.1557	—	—
ii	Non Resident Indians (Non Repat)	21	7354	6905	0.1990	0.1990	-	-
iii	Foreign Companies	0	0	0	0	0	-	-
iv	market maker/ Clearing Member	16	2640	2640	0.0714	0.0714	-	-
v	Directors / Relatives	0	0	0	0	0	-	-

Category Code	Category of shareholder	Number of share-holders	Total number of shares	Number of shares held in dematerialized	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B) (VI)	As a percentage of (A+B+C) (VII)	Number of shares (VIII)	As a percentage (IX) = (VIII)/(IV)*100
(I)	(II)	(III)	(IV)	(V)				
vi	Hindu Undivided Family	73	27087	27087	0.7329	0.7329		
vii	Trusts	0	0	0	0	0	-	-
	Sub Total (B)(2)	3418	938070	802060	25.3808	25.3808	-	-
	Total Public Shareholding Public Group (B)=(B)(1)+(B)(2)	3428	940145	803082	25.4369	25.4369	-	
	Total (A)+(B)	3431	3696000	3558937	100.0000	100.0000		
(C)	Shares held by custodians and against which Depository Receipts have been issued							
i	Promoter and Promoter group	0	0	0	0.0000	0.0000	0	0.0000
ii	Public	0	0	0	0.0000	0.0000	0	0.0000
	Grand Total(A+B+C)	3431	3696000	3558937	100.0000	100.0000		

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change In share holding During the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / Encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / Encumbered to total shares	
1	Cosmopolitan Investments Ltd	905336	24.4950	0	905336	24.4950	0	0
2	Oriental Carbon and Chemicals Ltd	1848500	50.0135	0	1848500	50.0135	0	0
3	Duncan International (India) Ltd.	2019	0.0546	0	2019	0.05446	0	0
	Total	2755855	74.5632	0	2755855	74.5632	0	0

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

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2755855	74.5632	2755855	74.5632
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	Nil	Nil	Nil	Nil
	At the end of the year	2755855	74.5632	2755855	74.5632

iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Jashwanti Maganlal Desai		54000	1.4610	54000	1.4610
2	Nila Anil Kumar Desai		40000	1.0823	40000	1.0823
3	Biren Dolatrai Nayak		30000	0.8117	30000	0.8117
4	Javahir Jaysukhlal Jagirdar		17187	0.4650	17187	0.4650
5	Anil Kumar Maganlal Desai		16000	0.4329	16000	0.4329
6	Vina Anil Desai		13100	0.3544	13100	0.3544
7	Javahir Jaysukhlal Jagirdar		11802	0.3193	11802	0.3193
8	Angel Global Capital Private Limited		10401	0.2814	10401	0.2814
9	Sanjiv Dolatrai Nayak		10000	0.2706	10000	0.2706
10	Pankil Kumar Shah					
	At the beginning of the year		6009	0.1626	-	-
	Changes during the year					
	Date	Buy/(sale)				
	08.04.16	750			6759	0.1829
	13.05.16	41			6800	0.1840
	03.06.16	800			7600	0.2056
	02.12.16	(7600)			0	0.0000
	06.01.17	7600	-	-	7600	0.2056
	07.02.17	1231			8831	0.2389
	03.03.17	250			9081	0.2457
	10.3.17	300			9381	0.2538
	24.3.17	151			9532	0.2579
	31.03.17	200			9732	0.2633
	At the end of the year		-	-	9732	0.2633

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

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Mr. V S Patil, Chief Financial Officer*				
	At the beginning of the year	5	0.0001	5	0.0001
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the End of the year	-	-	5	0.0001

*Mr. V S Patil retired on 30th September, 2016.

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

Particulars	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	52,500,000	-	52,500,000
ii) Interest due but not paid	-	1,260,655	-	1,260,655
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	53,760,655	-	53,760,655
Change in Indebtedness during the financial year				
Addition	1,095,081	23,544,850	-	24,639,931
Reduction	34,552	15,865,710	-	15,900,262
Net Change	1,060,529	7,679,140	-	8,739,669
Indebtedness at the end of the financial year				
i) Principal Amount	1,055,110	60,000,000	-	61,055,110
ii) Interest due but not paid	5,419	1,439,795	-	1,445,214
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	61,439,795	-	62,500,324

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A Remuneration to Managing Director, Whole-time Director and/or Manager:

Sr. No.	Particulars of Remuneration @	Name of MD/WTD/Manager (Rs.)		Total amount (Rs.)
		Akshat Goenka#	Shantanu Parvati*	
1.	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,714	5,265,066	5,266,780
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	33,000	33,000
(c)	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission- 5 % of net profit**	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil
	Total (A)	1,714	5,298,066	5,299,780
	Ceiling as per the Act (Special Resolution)	8,400,000		8,400,000

appointed on 9.2.2017

* resigned on 31.01.2017

** applicable to Mr. Akshat Goenka only

@ excludes actuarial valuation of retirement benefits

B. Remuneration to other directors:

Amount in Rupees

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount
		J P Goenka	Arvind Goenka	B B Tandon	O P Dubey	N Kaul	Arti Kant	
1.	Independent Directors							
	Fee for attending Board & Committee meetings	-	-	220,000	200,000	140,000	140,000	700,000
	Commission	-	-	Nil	Nil	Nil	Nil	Nil
	Others, please specify	-	-	Nil	Nil	Nil	Nil	Nil
	Total (1)	-	-	220,000	200,000	140,000	140,000	700,000
2.	Other Non-Executive Directors							
	Fee for attending Board & Committee meetings	40,000	140,000	-	-	-	-	180,000
	Commission	Nil	Nil	-	-	-	-	Nil
	Others, please specify	Nil	Nil	-	-	-	-	Nil
	Total (2)	40,000	140,000					180,000
	Total (B)=(1+2)							880,000
	Total Managerial Remuneration							880,000
	Overall Ceiling as per the Act							4,800,000

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(Amount in Rupees)

Sr. No.	Particulars of Remuneration @	Key Managerial Personnel			Total
		Company Secretary	CFO		
		Rajib Gope	Vinayak Patil^	Anurag Jain ^s	
1.	Gross salary				
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	664,773	660,946	1,714	1,327,433
(b)	Value of perquisites u/s17(2) Income-tax Act, 1961	107,129	147,000	Nil	254,129
(c)	Profits in lieu of salary under section17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission- 3 % of Net Profit (applicable to Mr. Anurag Jain)	Nil	Nil	Nil	Nil
5.	Others, please specify-Allowances	Nil	Nil	Nil	Nil
	Total	771,902	807,946	1,714	11,581,562

[^] retired on 30th September, 2016[§] Appointed on 9th February, 2017

@ excludes actuarial valuation of retirement benefits

VII. PENALTIES / PUNISHMENT/COMPOUNDING OF OFFENCES: NONE

Type	Section of The Companies Act, 2013	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

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) of the Company.

2. BOARD OF DIRECTORS

A. Composition and Category

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. As on March 31, 2017 Board of Duncan Engineering Limited comprises of seven Directors; a Managing Director; four Non Executive Independent Directors (NE – ID) and two Promoter Directors including the Chairman.

None of the Independent Directors has 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.

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 is a Director.

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.

Compositions of the Board of Directors as on 31st March, 2017:

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

As required under Regulation 17 (1) of SEBI (LODR) Regulations, 2015, a woman Director is also part of the Board.

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 attended	Attendance at Last AGM date 28.7.16
Mr. J P Goenka	2	Yes
Mr. Arvind Goenka	5	Yes
Mr. Akshat Goenka*	1	NA
Mr. O P Dubey	4	Yes
Mr. Nitin Kaul	5	Yes
Mr. B. B. Tandon	5	Yes
Mrs. Arti Kant	4	Yes
Mr. Shantanu Parvati*	4	Yes

*Mr. Shantanu Parvati resigned as Whole-time Director of the Company on 31.1.2017 and Mr. Akshat Goenka was appointed as Managing Director on 9.02.2017.

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

Name of the Director	Category	No. of Directorships held including this listed entity	No. of memberships in Audit / Stakeholder Relationship Committee(s) including this listed entity	No. of post of Chairperson in Audit/ Stakeholder Relationship Committee held in listed entities including this listed entity
Mr. J P Goenka	Promoter, Non Executive Director	3	-	2
Mr. Arvind Goenka	Promoter, Non Executive Director	3	1	-
Mr. Akshat Goenka	Managing Director	2	1	-
Mr. O P Dubey	Non Executive Independent	2	1	2
Mr. Nitin Kaul	Non Executive Independent	2	1	-
Mr. B. B. Tandon	Non Executive Independent	9	6	2
Mrs. Arti Kant	Non Executive Independent	1	3	-

- Directorships in Foreign Companies, Private Companies, companies governed by Section 8 of Companies Act, 2013 and Alternate Directorship are 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 (Annexure X of erstwhile clause 49 of Listing Agreement) from time to time.
- Mr. Shantanu Parvati resigned as Whole-time Director of the Company on 31.1.2017 and Mr. Akshat Goenka was appointed as Managing Director on 9.02.2017.

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

Five Board Meetings were held during the year 2016-17.

Name of the meeting	Dates on which meetings were held
Board Meeting	16 th April 2016, 25 th May, 2016, 29 th July 2016, 10 th November, 2016 and 9 th February, 2017

E. Disclosure of relationship of directors inter se.

Mr. J P Goenka, Chairman of the Company is the father of Mr. Arvind Goenka, Promoter Non-executive Director of the Company. Mr. Akshat Goenka, Managing Director is son of Mr. Arvind Goenka & grandson of Mr. J P Goenka. None of the other Directors have any relationship inter se.

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

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 under investor dropdown.

3. AUDIT COMMITTEE

A. Terms of Reference:

The Audit Committee reviews with Management, the statutory Auditors and the Internal Auditors all aspects of the financial results, effectiveness of internal audit processes, internal financial controls, taxation matters and the Company's risk management strategy.

B. Compositions

The Audit Committee comprises of only Independent Non-Executive Director ('NEDs') and is chaired by Mr. O P Dubey. Mr. B B Tandon, Nitin Kaul & Arti Kant are the member of the Committee. Mr. Arvind Goenka resigned from the Committee on 25th May 2016 and Mr. Shantanu Parvati joined in his place. Mr. Shantanu Parvati resigned on 31st January 2017. Mr. Nitin Kaul was appointed as a member of the Committee on 9th February, 2017.

The Whole Time Director, Chief Financial Officer, Internal Auditors and Statutory Auditors are permanent invitees to the meetings of the Committee, with the Company Secretary acting as its Secretary. The members of the Committee are eminent professionals with necessary knowledge in financial, accounting and business matters. Any other person/ executive, when required, also attend the meetings of the Committee. Draft Minutes of Audit Committee meetings are circulated to all the members within 15 days of the meeting.

C. Meetings and attendance during the year

A total of four Audit Committee Meetings were held during the year on 25th May, 2016, 29th July 2016, 10th November, 2016 and 9th February, 2017.

Name of the member	Number of Meeting held during the tenure	Number of meetings Attended
Mr. O P Dubey	4	4
Mr. Arvind Goenka*	1	1
Mr. B B Tandon	4	4
Mrs. Arti Kant	3	2
Mr. Nitin Kaul	0	0
Mr. Shantanu Parvati**	2	2

*ceased to be a member w.e.f. 25th May 2016 ** ceased to be a member w.e.f. 31st January 2017

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:-

- 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;
- carry out evaluation of every Director's performance along with the Board;
- 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;
- formulate the criteria for performance evaluation of Independent Directors and the Board;
- devise a policy on Board diversity;
- the Members and Chairperson of Board Committees;
- 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.
- Ensure the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

B. Composition

The Nomination & Remuneration Committee comprises of four Directors. Except Mr. Arvinda 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 -

The Committee met twice during the year on 25th May 2016 and 9th February 2017. The attendance of Members at the meeting is given below:

Name of the member	Number of Meeting held during the tenure	Number of meetings Attended
Mr. Arvind Goenka	2	2
Mr. O P Dubey	2	2
Mr. B B Tandon	2	2
Mr. Nitin Kaul	2	2

D. Performance evaluation criteria for Independent Directors

The Committee meets on an annual basis and evaluate inter alia the performance of Independent Directors on the basis of their advice/ recommendation/suggestion to management on the various important matters.

5. REMUNERATION OF DIRECTORS

Managing Director and Management Team

The remuneration paid / payable to the managing Directors is in accordance with the limits fixed by the Remuneration Committee and Board and approved by the Shareholders. The total remuneration paid to Mr. Shantanu Parvati comprises of fixed component consisting of salary and perquisites in accordance with the Company Policy and a performance Bonus linked to Company performance.

The increase in fixed remuneration is dependent upon individual and Company 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.

Mr. Akshat Goenka was appointed Managing Director w.e.f. 9th February 2017. The total remuneration paid to Mr. Akshat Goenka 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.

Details of remuneration of Mr Shantanu Parvati, Whole-time Director from 1st April 2016 to 31st January 2017:

(INR)

SALARY	PERQUISITES	TOTAL
5,265,066	33,000	5,298,066

Details of remuneration of Mr Akshat Goenka, Managing Director from 9th February 2017 to 31st March 2017

SALARY	PERQUISITES	TOTAL
1,714	0	1,714

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 2016-17 is as follows:

Mr. J P Goenka	-	INR.	40,000/-
Mr. Arvind Goenka	-	INR.	140,000/-
Mr. Nitin Kaul	-	INR.	140,000/-
Mr. O P Dubey	-	INR.	200,000/-
Mr. B B Tandon	-	INR.	220,000/-
Mrs. Arti Kant	-	INR.	140,000/-

None of the Non Executive Director of the Company holds any shares in the Company.

None of the Non Executive Directors of the Company entered into any transaction of pecuniary nature with the Company during the year 2016-17.

The Company has so far not issued any stock options to any Director.

Service Contract with the Managing Director

9th February 2017 to 8th February 2022

Mr Akshat Goenka has been 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.

6. STAKEHOLDER'S RELATIONSHIP COMMITTEE:

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 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.

Composition

As on 31st March, 2017, the Committee comprises three members: Mr. J P Goenka, a Non-Executive Director as chairman, Mrs. Arti Kant & Mr. O P Dubey as its members. Mrs. Arti Kant was appointed as member of the Company in place of Shantanu Parvati on 9th February 2017. Company Secretary acts as Secretary to the Committee. The Committee met four times during the year i.e. 25th May, 2016, 29th July 2016, 10th November, 2016 and 9th February, 2017

Name of the member	Number of Meeting held during the tenure	Number of meetings Attended
Mr. J P Goenka	4	2
Mr. O P Dubey	4	2
Mrs. Arti Kant	1	1
Mr. Shantanu Parvati*	3	2

* ceased to be a member w.e.f 31.1.2017

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

There were no shareholder grievances received during the year under review. However, 12 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, 2017.

7. INDEPENDENT DIRECTOR'S MEETING:

During the year under review the Independent Directors met on February 9, 2017, interalia to discuss:

- To review the performance of non-independent directors and the Board as a whole.
- To review the performance of the Chairperson of the company, taking into account the views of executive directors and non – executive directors.
- To 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

8. GENERAL BODY MEETINGS

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

AGM for the Year	Date	Time	Venue
2013-14	August 04, 2014	2:30 p.m.	F 33, Ranjangaon MIDC, Karegaon, Tal. Shirur, Pune 412 209
2014- 15	August 06, 2015	2.30 p.m.	F 33, Ranjangaon MIDC, Karegaon, Tal. Shirur, Pune 412 209
2015-16	July 28, 2016	2:30 p.m.	F 33, Ranjangaon MIDC, Karegaon, Tal. Shirur, Pune 412 209

b. Special resolutions passed in the previous three AGMs

AGM YEAR	MATTER APPROVED BY SPECIAL RESOLUTION
2013 - 14	<ul style="list-style-type: none">● Remuneration to Whole Time Director Mr. Shantanu Parvati.● Revision in Remuneration paid to Whole Time Director Mr. Shantanu Parvati
2014 - 15	<ul style="list-style-type: none">● Loans and borrowings under section 180(1)(c)● Creation of Charge, mortgage ,hypothecation under section 180 (1) (a)● Adoption of new Memorandum & Articles of Association of the Company● Revision in Remuneration paid to Whole Time Director Mr. Shantanu Parvati
2015-16	<ul style="list-style-type: none">● Reappointment of Mr. Shantanu Parvati as Whole-time Director

c. Three special resolutions passed during the year through postal ballots. The details of the voting pattern for all three resolutions:

Category	Mode of Voting	No. of votes in favour	No. of votes against
Promoter & promoter group	E-voting	2753836	0
Public Institutions	-	-	-
Public Non-Institutions :	E-voting	478	0
	Ballot	10	0

d. Postal ballot was conducted by Vaishnav Associates. Mrs Shaswati Vaishnav was appointed as Scrutiniser.

e. Special Resolution proposed to be through postal ballot:

- Change of name of the Company
- Alteration of Memorandum of Association of the Company
- Alteration of Articles of Association of the Company

f. Procedure for postal ballot

- Board Approval:

The Board shall identify businesses to be transacted through postal ballot. Approve the Notice of postal ballot incorporating proposed Resolution(s) and Explanatory Statement thereto; appoint a scrutiniser, appoint an agency in respect of e-voting, decide record date for reckoning Voting Rights, decide on the calendar of events

- Notice of Postal Ballot:

Notice of the postal ballot shall be given in writing to every Member of the company. Notice shall describe clearly the e-voting procedure. Notice shall also clearly specify the date and time of commencement and end of e-voting.

Publish advertisement in news paper. In case of companies having a website, Notice of the postal ballot shall also be placed on the website.

- Declaration of results:

Based on the scrutiniser's report, the Chairman or any other Director authorised by him shall declare the result of the postal ballot on the date, time and venue specified in the Notice, with details of the number of votes cast for and against the Resolution, invalid votes and the final result as to whether the Resolution has been carried or not.

The result along with the scrutiniser's report shall be displayed on the Notice Board of the company at its Registered Office and its Head Office as well as Corporate Office, if any, if such office is situated elsewhere and also be placed on the website of the company, in case of companies having a website.

9. 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 (Clause 41 of the erstwhile Listing Agreement) 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
- No formal presentations were made to the Institutional Investors and analysts during the year under review.

10. GENERAL SHAREHOLDER'S 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 81 years, an Honours Graduate from the University of Calcutta, is an Industrialist hailing from the Goenka family headed by (Late) Sir Badridas Gonenka 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 57 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.

Mr. Goenka is Chairman of the Stakeholder Relationship Committee of the Company.

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

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

Chairman of Shareholders Grievance Committee of Oriental Carbon & Chemicals Limited

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

b) Annual General Meeting

Date and Time : 3rd August 2017 at 2:30 P.M.

Venue : Registered Office

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, 2017 (Unaudited) : 14th August, 2017

For the quarter ending 30th September, 2017 (Unaudited) : 14th November, 2017

For the quarter ending 31st December, 2017 Unaudited) : 14th February, 2018

For the Year ending March 31, 2018 (Audited) : 30th May, 2018

d) Dividend Payment Date : Nil

e) Listing on Stock Exchanges at : BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street
Mumbai 400001, listing fees for 2016-17
paid

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 2016 - 17

Month	Open Price (Rs)	High (Rs)	Low (Rs)	Close Price (Rs)	BSE SENSEX	No. of shares traded
April 2016	74.95	85.00	70.50	81.30	25341.86	6740
May 2016	77.05	91.85	69.00	70.00	25606.62	13726
June 2016	62.00	83.00	62.00	77.05	26667.96	16097
July 2016	77.00	80.00	69.50	77.00	26999.72	13704
August 2016	77.00	79.00	67.70	70.05	28051.86	8354
September 2016	73.45	76.70	65.00	68.95	28452.17	17936
October 2016	68.95	80.80	62.55	72.85	27865.96	26731
November 2016	73.00	83.00	67.50	74.00	27930.21	8685
December 2016	86.35	86.35	67.00	78.95	26662.81	3348
January 2017	78.50	80.00	72.00	75.00	26626.46	7834
February 2017	74.00	81.00	70.10	74.25	27655.95	15721
March 2017	75.00	81.50	71.30	79.95	28743.32	11608

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

No of shares traded 237777

Highest Share Price (Rs) 91.85

Lowest Share Price (Rs) 62.00

Closing price as on March 31, 2017 (Rs) 79.95

i) No securities of the Company were suspended from trading during the year 2016-17.

j) Registrar & Transfer Agents

The Company's Registrar & Transfer Agent is:

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

k) Share Transfer System

Transfer of shares in the physical form can be lodged with Link Intime India Pvt Ltd at the above-mentioned address or sent to the Company which would be forwarded to Link Intime India Pvt Ltd.

The Transfers which are received in physical form are processed within 10-15 days from the date of receipt and the share certificates are returned duly transferred subject to the documentation being valid and complete in all respect.

The Board has delegated the authority for approving transfer, transmission etc of the Company's securities to Shareholders/ Investors Grievances Committee and the Company Secretary.

The Company obtains from Company Secretary in Practice certificate of compliance with share transfer formalities as required under Regulation 40(9) of SEBI (LODR) Regulations 2015 (Clause 47(c) of the Listing Agreement) on a half yearly basis and files a copy of the certificate with the Stock Exchange.

I. Distribution of Shareholding as on March 31, 2017

No. of Shares		No. of Holders	% of Total	Shares Amount Rs.	% of total
From	to				
1	500	1458	42.4949	265110	0.7173
501	1000	514	14.9811	427960	1.1579
1001	2000	769	22.4133	1012750	2.7396
2001	3000	203	5.9166	495790	1.3414
3001	4000	109	3.1769	394670	1.0678
4001	5000	83	2.4191	390700	1.0571
5001	10000	140	4.0804	1013580	2.7424
10001	100000	145	4.2262	3496360	9.4598
100001	*****	10	0.2915	29463260	79.7166
Total		3431	100.0000	36960000	100.0000

Shareholding Pattern as on March 31, 2017

Category	No. of Share Holders	No. of Shares Held	% of Share Capital	No. of Shares Pledge	% of Share Capital
A) Promoters:					
Indian Promoters	3	2755855	74.5632	-	-
Foreign Promoters	-	-	-	-	-
TOTAL Promoters	3	2755855	74.5632	-	-
B) Non Promoters:					
Financial Institution & Bank	10	2075	0.0561	-	-
Bodies Corporate	51	25867	0.6999	-	-
Indian Public	3314	896453	24.2547	-	-
Foreign Nations/ NRIs	37	13110	0.3547	-	-
Other (Clearing Members)	16	2640	0.0714	-	-
Total Non Promoter	3428	9,40,145	25.4368	-	-
TOTAL (A+B)	3431	36,96,000	100.0000	-	-

m. Dematerialisation of Shares and Liquidity

No. of Shares: Physical form : 137063
Demat form : 3558937
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. 96.29% of the Company's shares are dematerialized as on March 31, 2017.

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.

n. 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.

o. Commodity price risk or foreign exchange risk and hedging activities: There is a Foreign Exchange gain of Rs. 2.34 Lac which is 0.10% of material consumed. There are no hedging activities during the year.

p. Plant Location

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

q. 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

11. 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 12 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 under investor dropdown.

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

No such activity during the year.

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

13. **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 Exchanges 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/CEO 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.

14. The Company has complied with corporate governance requirements as specified in regulation 17 to 27 (Clause 49 of erstwhile Listing Agreement). 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

Place : Pune
Date : May 17, 2017

Akshat Goenka
Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE

Certificate on compliance with the conditions of Corporate governance under Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members of Duncan Engineering Limited

We have examined the compliance of conditions of Corporate Governance by Duncan Engineering Limited for the year ended March 31, 2017 as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015("Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above mentioned regulations.

We further 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.

For Vaishnav Associates

Place : Pune
Date : May 17 , 2017

Shaswati Vaishnav
Practicing Company Secretaries
ACS 11392, CP No: 8675

Independent Auditor's Report

TO THE MEMBERS OF DUNCAN ENGINEERING LIMITED
(Formerly known as Schrader Duncan Limited)

Report on the Financial Statements

1. We have audited the accompanying financial statements of Duncan Engineering Limited (Formerly known as Schrader Duncan Limited) ('the Company'), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 judgements 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statement.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

6. 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2017 and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. 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 Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.

8. As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the directors as on 31st March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as stated in Note 26 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the financial statement as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on the audit procedures performed and relying on management representation we report that the disclosures are in accordance with the books of accounts maintained in accordance with books of accounts by the Company as stated in Note 27.14 to the financial Statements.

For Singhi & Co.

Chartered Accountants
Firm Registration No: 302049E

Nikhil Singhi

Partner

Membership No. 061567

Place: Mumbai
Date: 17th May, 2017

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 7 with the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We report that:

- i. In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) As explained to us, fixed assets have been physically verified during the year by the management in phased manner, to be covered in a period of three years and no material discrepancies have been noticed on such physical verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - c) According to the information and explanations given to us and on the basis of our examination of the 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 has been conducted by the management at reasonable intervals during the year in respect of inventory of raw materials, stores and spare parts, work-in-process and finished goods in the Company's possession. The existence of stocks lying with third parties as at 31st March, 2017 has been evidenced based on confirmations or statements of account received in most cases. 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. As informed to us, the Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act.
- iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loan, provided guarantees or security to the parties covered under section 185 of the Act. The Company has not granted loan, provided guarantee and made investment under section 186 of the Act. Accordingly, paragraph 3(iv) of the Order is not applicable.
- v. According to the information and explanation given to us, the Company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Act and the rules framed thereunder.
- vi. We have broadly reviewed the books of accounts maintained by the Company in respect of products where, pursuant to rules made by the Central Government of India, the maintenance of cost records has been prescribed under Sub section (1) of Section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of such 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:
 - a) The Company is generally regular in depositing amounts deducted/accrued in the books of accounts in respect of undisputed statutory dues, including Provident Fund, Employees' State Insurance, Investor Education and Protection Fund, Income tax, Sales tax, Service Tax, Custom Duty, Excise Duty, cess and other statutory dues, as applicable, to the appropriate authorities.

According to the records and information and explanations given to us no undisputed amount payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues is outstanding as at 31st March 2017, for a period of more than six months from the date they became payable.
 - b) There are no dues of Income tax, sales tax, Wealth tax, Service tax, Customs duty, Excise duty and Cess which have not been deposited with the appropriate authorities on account of any dispute, except as mentioned below:

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	713,907	2005-06	High Court, Mumbai
Central Excise Act, 1944	Excise Duty	2,739,813	2009-10	The Additional Commissioner of Central Excise, Mumbai III
Central Excise Act, 1944	Excise Duty	110,413	2012-13	Deputy Commissioner of Central Excise, Pune
Central Sales Tax Act, 1956	Sales Tax & Interest	2,125,410	2012-13	Deputy Commissioner of Sales Tax

- 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 has it issued any debenture during the year.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. According to the information and explanation given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 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 during the year.
- 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.

For Singhi & Co.
Chartered Accountants
Firm Registration No: 302049E

Nikhil Singhi
Partner
Membership No. 061567

Place: Mumbai
Date: 17th May, 2017

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 8 (f) with the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

1. We have audited the internal financial controls over financial reporting of Duncan Engineering Limited (Formerly known as Schrader Duncan Limited) ('the Company') as of 31st March 2017 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

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). 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

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 Companies Act, 2013, 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

6. Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Singhi & Co.
Chartered Accountants
Firm Registration No: 302049E

Nikhil Singhi
Partner
Membership No. 061567

Place: Mumbai
Date: 17th May, 2017

Duncan Engineering Limited
(Formerly known as Schrader Duncan Limited)
Balance Sheet as at 31st March 2017

	Note No.	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
I EQUITY AND LIABILITIES			
(1) Shareholders' funds:			
(a) Share capital	3	36,960,000	36,960,000
(b) Reserves and surplus	4	126,273,341	185,153,136
		163,233,341	222,113,136
(2) Non-current liabilities:			
(a) Long-term borrowings	5	703,159	-
(b) Other Long-term liabilities	6	1,292,611	1,328,661
(c) Long-term provisions	7	3,001,436	4,115,568
		4,997,206	5,444,229
(3) Current liabilities :			
(a) Short-term borrowings	8	145,075,764	185,881,363
(b) Trade payables	9		
i) Total outstanding dues of micro enterprises and small enterprises		6,785,949	19,200,188
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		51,290,590	79,001,183
(c) Other current liabilities	6	30,399,715	26,096,107
(d) Short-term provisions	7	4,257,046	3,011,435
		237,809,064	313,190,276
Total		406,039,611	540,747,641
II ASSETS			
(1) Non-current assets			
(a) Fixed assets:			
(i) Tangible assets	10	206,218,493	236,643,334
(ii) Intangible assets	10	2,167,761	2,567,295
(iii) Capital work-in-progress		1,654,540	581,980
		210,040,794	239,792,609
(b) Non-current investments	11	-	80,402
(c) Long-term loans and advances	12	2,291,163	2,579,988
(d) Other non-current assets	13	124,500	1,854,075
		2,415,663	4,514,465
(2) Current assets			
(a) Current investments	14	3,104	-
(b) Inventories	15	85,606,617	121,462,409
(c) Trade receivables	16	75,689,943	129,015,686
(d) Cash and cash equivalents	17	2,835,236	7,919,599
(e) Short-term loans and advances	12	22,729,497	35,169,257
(f) Other current assets	18	6,718,757	2,873,616
		193,583,154	296,440,567
Total		406,039,611	540,747,641
Summary of significant accounting policies	2		
Contingent liabilities and commitments	27		
Other notes to accounts	28		

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

In terms of our Report of even date attached.

For and on behalf of the Board

For SINGHI & CO.
Chartered Accountants
Firm Reg. No. 302049E

Akshat Goenka
Managing Director

A Goenka
Director

Nikhil Singhi
Partner
Membership No. 061567

Rajib Kumar Gope
Company Secretary

Chandresh Taunk
CFO

Place : Pune
Date: 17th May, 2017

Place : Pune
Date: 17th May, 2017

Duncan Engineering Limited
(Formerly known as Schrader Duncan Limited)
Statement of Profit & Loss for the year ended 31st March 2017

	Note No.	For the Year ended 31st March, 2017 ₹	For the Year ended 31st March, 2016 ₹
I REVENUE :			
Revenue from operations (net)	19	342,130,231	364,730,504
II Other income	20	9,753,417	4,905,803
III Total Revenue (I + II)		351,883,648	369,636,307
IV EXPENSES :			
Cost of raw materials consumed	21	220,099,611	216,742,646
Purchase of stock-in-trade		4,049,468	4,318,180
Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	(5,797,951)	25,393,041
Employee benefits expenses	23	82,082,743	97,440,234
Finance costs	24	21,746,762	19,590,610
Depreciation & amortisation expenses including impairment loss	10	17,946,775	13,188,283
Other expenses	25	47,867,698	44,509,801
Total		387,995,106	421,182,795
V Profit /(Loss) before Tax (III-IV)		(36,111,458)	(51,546,488)
VI Profit /(Loss) from continuing operations before tax		(36,111,458)	(51,546,488)
VII Tax expenses	26	(18,487)	8,550,274
VIII Profit /(Loss) from continuing operations after tax (VI-VII)		(36,092,971)	(60,096,762)
IX Profit /(Loss) from discontinuing operations before tax* (Refer Note 28.1 (b))		(22,786,824)	(9,195,162)
X Tax expenses		-	-
XI Profit /(Loss) from discontinuing operations after tax (IX-X)		(22,786,824)	(9,195,162)
*Loss from disposal of Fixed assets (included in Profit/(Loss) from discontinuing operations before tax) of Rs.38,34,447			
XII Profit /(Loss) for the year (VIII+XI)		(58,879,795)	(69,291,924)
Basic & Diluted Earnings Per Equity Share from continuing operations (Face value ₹ 10/- each)	28.14	(9.77)	(16.26)
Basic & Diluted Earnings Per Equity Share from discontinuing operations (Face value ₹ 10/- each)	28.14	(6.17)	(2.49)
Summary of significant accounting policies	2		
Other notes to accounts	28		
The accompanying notes are an integral part of the financial statements.			

In terms of our Report of even date attached.

For and on behalf of the Board

For SINGHI & CO.
Chartered Accountants
Firm Reg. No. 302049E

Akshat Goenka
Managing Director

A Goenka
Director

Nikhil Singhi
Partner
Membership No. 061567

Rajib Kumar Gope
Company Secretary

Chandresh Taunk
CFO

Place : Pune
Date: 17th May, 2017

Place : Pune
Date: 17th May, 2017

Duncan Engineering Limited
(Formerly known as Schrader Duncan Limited)
Cash Flow Statement for the year ended 31st March 2017

	Year ended 31 st March, 2017 ₹	Year ended 31 st March, 2016 ₹
A. Cash flow from Operating Activities		
Profit / (Loss) before tax	(58,898,282)	(60,741,650)
Adjustments for:		
Depreciation and amortisation expense including impairment loss	18,431,775	46,928,283
Finance costs	22,431,810	24,397,960
Unrealised Foreign Exchange loss / (gain) (net)	(3,250)	1,239,357
(Profit) / Loss on Sale / discard of Fixed Assets	3,962,621	(3,092)
Bad Debts written off	1,088,919	692,925
Advances / others written off	1,558,552	-
Provision for Doubtful Debts	3,948,081	5,614,270
Liabilities no longer required written back	(3,026,435)	(1,336,708)
Dividend on Non-Current Investments	(4,183)	(63,752)
Profit on Sale of Investment	(1,213,803)	-
Provision for Diminution value of investment	1,573	-
Provision for Doubtful debts written back	(1,099,600)	-
Advances Received Written Back	(690,735)	-
Interest income on Deposits	(147,711)	(603,116)
Interest income on IT Refund	(3,282,000)	-
Operating profit / (loss) before working capital changes	(16,942,668)	16,124,477
Increase / (Decrease) in Current and Non Current Liabilities	(32,637,686)	(62,981,129)
(Increase) / Decrease in Inventories	35,855,792	36,207,998
(Increase) / Decrease in Trade receivables	49,348,951	25,629,193
(Increase) / Decrease in Loans and Advances and Other Current and Non Current Assets	12,237,661	9,680,864
Direct Tax Excess Provision written back	18,487	(8,550,274)
Cash generated from operations	64,823,205	(13,348)
Net cash generated from Operating Activities	47,880,537	16,111,129
B. Cash flow from Investing Activities		
Purchase of Tangible / Intangible assets	(9,464,330)	(13,034,087)
Proceeds from Sale of Tangible / Intangible assets (net)	16,284,862	19,044
Proceeds from sale of Investments	1,291,101	-
Decrease in the value of Investments	(1,573)	-
Interest received on deposits	147,711	817,590
Dividend received	4,183	63,752
*Unclaimed Dividend transferred to Investor Education Protection Fund (refer note 3 below)	68,664	253,699
*Movement in Fixed Deposits with Banks (Margin Money) (refer note 3 below)	6,959,712	(3,214,539)
Net cash generated from investing activities	15,290,330	(15,094,541)

Duncan Engineering Limited
(Formerly known as Schrader Duncan Limited)
Cash Flow Statement for the year ended 31st March 2017

	Year ended 31 st March, 2017 ₹	Year ended 31 st March, 2016 ₹
C. Cash flow from Financing Activities		
Receipt of long-term borrowings	1,055,110	-
Receipt of loan from holding company	7,500,000	32,500,000
Increase / (Decrease) in Cash Credit Utilisation	(48,305,599)	(7,229,300)
Interest & finance cost paid	(23,205,940)	(24,761,075)
Net cash used in Financing Activities	(62,956,429)	509,625
Net increase / (Decrease) in cash and cash equivalents (A+B+C)	214,438	1,526,213
Cash and cash equivalents at the beginning of the year	2,138,842	612,629
Cash and cash equivalents at the end of the year	2,353,280	2,138,842
Cash and cash equivalents comprise of:		
(a) Cash on hand	37,975	15,260
(b) Cheques on hand	560,579	325,139
(c) Bank balances:		
In current accounts	1,695,606	1,737,966
In EEFC accounts	59,120	60,477
Total	2,353,280	2,138,842

* Amounts are not available for use by the Company

Notes :

- The above Cash Flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard 3 on "Cash Flow Statement"
- Purchase of Fixed Assets are shown inclusive of movement in Capital Work in Progress.
- Cash and cash equivalents excludes Rs.70,046 (Previous Year Rs.138,710) lying in designated account with Scheduled Bank on account of unclaimed dividend and Rs.536,410 out of which Long Term Rs.124,500 and Short Term Rs.411,910 (Previous Year Rs.7,496,122 out of which Long Term Rs.1,854,075 and Short Term 5,642,047) in Fixed Deposits with Banks (Margin Money) are shown under investing activities. In terms of our Report of even date attached.
- 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 attached.

For and on behalf of the Board

For SINGHI & CO.
Chartered Accountants
Firm Reg. No. 302049E

Akshat Goenka
Managing Director

A Goenka
Director

Nikhil Singhi
Partner
Membership No. 061567

Rajib Kumar Gope
Company Secretary

Chandresh Taunk
CFO

Place : Pune
Date: 17th May, 2017

Place : Pune
Date: 17th May, 2017

Duncan Engineering Limited
(Formerly known as Schrader Duncan Limited)
Notes annexed to and forming part of Balance Sheet

		As at 31 st March, 2017 ₹	As at 31 st March, 2016 ₹
3	Share capital		
	Authorised :		
	5,000,000 (Previous year 5,000,000) Equity shares of Rs. 10/- each	50,000,000	50,000,000
		<u>50,000,000</u>	<u>50,000,000</u>
	Issued, subscribed and paid-up :		
	3,696,000 (Previous year 3,696,000) Equity shares of Rs. 10/- each	36,960,000	36,960,000
		<u>36,960,000</u>	<u>36,960,000</u>

(a) Reconciliation of the number of Equity shares outstanding :

S. No.	Equity shares:	As at 31 st March, 2017 No. of shares	As at 31 st March, 2017 ₹	As at 31 st March, 2016 No. of shares	As at 31 st March, 2016 ₹
1	Number of Equity shares outstanding at the beginning of the year	3,696,000	36,960,000	3,696,000	36,960,000
2	Add: Additional Equity shares issued during the year	-	-	-	-
3	Less: Shares forfeited/ bought back during the year	-	-	-	-
4	Number of Equity shares outstanding at the end of the year	<u>3,696,000</u>	<u>36,960,000</u>	<u>3,696,000</u>	<u>36,960,000</u>

(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

S. No.	Name of shareholder	Balance Sheet as at 31 st March, 2017		As at 31 st March, 2016	
		Number of shares held	Percentage of holding	Number of Shares held	Percentage of holding
1	Oriental Carbon and Chemicals Limited (OCCL)	1,848,500	50.01%	1,848,500	50.01%

(d) Details of share held by shareholders holding more than 5% of the aggregate shares in the company

S. No.	Name of shareholder	As at 31 st March, 2017		As at 31 st March, 2016	
		Number of shares held	Percentage of holding	Number of Shares held	Percentage of holding
1	Oriental Carbon and Chemicals Limited (OCCL)	1,848,500	50.01%	1,848,500	50.01%
2	Cosmopolitan Investment Limited (CIL)	905,336	24.50%	905,336	24.50%

		As at 31 st March, 2017 ₹	As at 31 st March, 2016 ₹
4	Reserves and surplus		
	(i) Capital reserve		
	Balance as per last financial statement	38,206,216	38,206,216
		<u>38,206,216</u>	<u>38,206,216</u>
	(ii) General reserve		
	Balance as per last financial statement	66,031,583	66,031,583
		<u>66,031,583</u>	<u>66,031,583</u>
	(iii) Surplus in statement of profit & loss		
	Balance as per last financial statement	80,915,337	150,207,261
	Less: Net Loss for the year	<u>(58,879,795)</u>	<u>(69,291,924)</u>
		<u>22,035,542</u>	<u>80,915,337</u>
	Total Reserves and surplus (i to iii)	<u>126,273,341</u>	<u>185,153,136</u>

		Non-current portion		Current maturities	
		As at 31 st March, 2017 ₹	As at 31 st March, 2016 ₹	As at 31 st March, 2017 ₹	As at 31 st March, 2016 ₹
5	Long-term borrowings				
	(i) Secured :				
	Vehicle Loan from Bank	703,159	-	351,951	-
		<u>703,159</u>	<u>-</u>	<u>351,951</u>	<u>-</u>
	(ii) Amount disclosed under the head				
	"Other current liabilities" (Note No.6)	-	-	(351,951)	-
		<u>-</u>	<u>-</u>	<u>(351,951)</u>	<u>-</u>
	Total (i) + (ii)	<u>703,159</u>	<u>-</u>	<u>-</u>	<u>-</u>

(a) Nature of Security and Terms of Repayment of Secured Borrowings :

Nature of Security

Secured by hypothecation of vehicle purchase under the secured loan. Repayable in equated monthly installment beginning from 10th March, 2017 carrying interest @9.09% p.a.

Duncan Engineering Limited
(Formerly known as Schrader Duncan Limited)
Notes annexed to and forming part of Balance Sheet

6 Other liabilities

	Long- term		Short - term	
	As at 31 st March, 2017 ₹	As at 31 st March, 2016 ₹	As at 31 st March, 2017 ₹	As at 31 st March, 2016 ₹
Current maturities of long term debt			351,951	-
Interest accrued and due on borrowings	-	-	-	77,148
Advance received from and Credit balance of Customers	-	-	3,609,584	-
Unpaid dividend (Refer Note (a) below)	-	-	70,046	138,710
Statutory dues payable	-	-	4,908,773	5,266,808
Employees benefits payable	-	-	12,021,078	7,686,153
Other Current liabilities	-	-	8,761,089	12,163,106
Other payables:				
Liabilities towards purchase of fixed assets	-	-	12,398	-
Trade deposits	1,292,611	1,328,661	-	-
Others	-	-	664,796	764,182
	1,292,611	1,328,661	30,399,715	26,096,107

(a) 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.

7 Provisions

	Long - term		Short - term	
	As at 31 st March, 2017 ₹	As at 31 st March, 2016 ₹	As at 31 st March, 2017 ₹	As at 31 st March, 2016 ₹
Provision for employee benefits				
Leave Encashment	3,001,436	4,115,568	248,016	342,275
Gratuity	-	-	2,781,878	933,999
Others				
Provision for Sales Tax liability	-	-	1,227,152	1,735,161
	3,001,436	4,115,568	4,257,046	3,011,435

8 Short-term borrowings

(i) **Secured :**

a) **Working capital loans repayable on demand**

Cash Credit from Banks	85,075,764	119,128,558
Bill Discounting	-	14,252,805
	85,075,764	133,381,363

(ii) **Unsecured:**

From other parties - Holding Company	60,000,000	52,500,000
	60,000,000	52,500,000
Total (i + ii)	145,075,764	185,881,363

Details of security for the Secured Short-term borrowings :

Cash credit is secured by primary first exclusive charge on the current assets of the Company and collateral charge on the Company tangible movable / immovable fixed assets of the company at Ranjangaon, Pune and further by Corporate Guarantees of (i) Oriental Carbon & Chemicals Ltd, and (ii) Cosmopolitan Investments Ltd.

9 Trade payables

i) Total outstanding dues of micro enterprises and small enterprises	6,785,949	19,200,188
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	51,290,590	79,001,183
	58,076,539	98,201,371

Duncan Engineering Limited
(Formerly known as Schrader Duncan Limited)
Notes annexed to and forming part of Balance Sheet

10 : Fixed Assets

	Description	Gross Block Cost/Book Value			Depreciation and Amortisation / Impairment Loss						Net Block	
		As At April 1, 2016 ₹	Additions / Adjustments ₹	Deductions ₹	AsAt March 31, 2017 ₹	As At April 1,2016 ₹	For the Year @ ₹	Impairment Loss ₹	Deductions ₹	As at March 31, 2017 ₹	As at March 31,2016 ₹	
(A)	Tangible assets											
	Leasehold land	20,482,770	-	-	20,482,770	1,538,868	219,865	-	-	18,724,037	18,943,902	
	Leasehold building	143,441,328	-	-	143,441,328	25,416,779	3,832,889	-	-	114,191,660	118,024,549	
	Plant and equipments	201,281,123	5,538,642	98,979,237	107,840,528	128,397,058	6,419,339	-	79,620,568	52,644,699	72,884,065	
	Electrical installations	23,964,931	-	2,128,150	21,836,781	11,343,015	3,021,757	-	1,168,165	8,640,174	12,621,916	
	Furniture and fixtures	19,489,251	-	-	19,489,251	10,289,866	2,158,717	-	-	7,040,668	9,199,385	
	Vehicles	4,413,091	1,387,452	1,780,385	4,020,158	2,452,288	798,674	-	1,691,366	2,460,562	1,960,803	
	Air conditioners & coolers	2,667,227	-	-	2,667,227	1,280,620	356,109	-	-	1,030,498	1,386,607	
	Office equipments	11,903,606	641,060	238,878	12,305,788	10,281,499	722,607	-	184,513	1,486,195	1,622,107	
	Sub total	427,643,327	7,567,154	103,126,650	332,083,831	190,999,993	17,529,957	-	82,664,612	206,218,493	236,643,334	
(B)	Intangible assets											
	Computer software	8,448,822	605,039	181,950	8,871,911	5,881,527	901,818	-	79,195	2,167,761	2,567,295	
	Sub total	8,448,822	605,039	181,950	8,871,911	5,881,527	901,818	-	79,195	2,167,761	2,567,295	
	Total (A+B)	436,092,149	8,172,193	103,308,600	340,955,742	196,881,520	18,431,775	-	82,743,807	208,386,254	239,210,629	
	Previous year	421,453,753	14,693,157	54,761	436,092,149	149,992,046	21,928,283	25,000,000	38,809	239,210,629		
	Capital Work-in-Progress									1,654,540	581,980	

@ Includes amount related to Discontinued Operations Rs. 485,000 (Previous Year Rs. 33,740,000)

Duncan Engineering Limited
(Formerly known as Schrader Duncan Limited)
Notes annexed to and forming part of Balance Sheet

	Face Value per Unit	As at 31 st March, 2017 (Nos.)	As at 31 st March, 2016 (Nos.)	As at 31 st March, 2017 ₹	As at 31 st March, 2016 ₹
11 Non-current investments					
Long term investments (Non trade)					
i) Investments in equity shares - quoted (At cost)					
Swan Energy Limited formerly known as Swan Mills Limited 1600 fully paid Equity Shares of Rs. 1 each (2013: 800 fully paid Equity Shares of Rs. 2 each)	1	-	1600	-	1,441
Apollo Tyres Limited	1	-	1000	-	7,002
Ceat Limited	10	-	75	-	1,663
Summit Securities Limited	10	-	4	-	66
Goodyear India Limited	10	-	100	-	6,259
J. K. Tyre & Industries Limited	2	-	280	-	1,411
Dhampur Sugar Limited (Previously known as J. K. Sugar Limited)	10	-	4	-	186
TVS Srichakra Tyres Limited	10	-	100	-	3,795
Falcon Tyres Limited	5	-	600	-	1,573
MRF Limited	10	-	13	-	19,438
Triton Valves Limited	10	-	100	-	16,252
Modi Rubber Limited	10	-	100	-	3,042
J. K. Agri Genetics Limited	10	-	6	-	164
Florence Investech Limited (Demerged from J. K. Agri Genetics Limited)	10	-	4	-	109
Bengal & Assam Company Ltd. (Netfiler Finco Ltd. merged in Bengal & Assam Company Ltd.)	10	-	4	-	1
ii) Investments in equity shares - unquoted (At cost)					
Duncan Services Limited	100	-	360	-	18,000
				-	80,402
Aggregate amount of Quoted Investments				-	62,402
Aggregate amount of Unquoted Investments				-	18,000
Aggregate amount of market value of quoted investment				-	1,256,622

	Long-term		Short-term	
	As at 31 st March, 2017 ₹	As at 31 st March, 2016 ₹	As at 31 st March, 2017 ₹	As at 31 st March, 2016 ₹
12 Loans and advances				
Unsecured (Considered good unless stated otherwise)				
Capital Advances	-	-	152,688	1,136,809
Security Deposits	1,910,760	2,142,260	5,000	41,570
Advances to Suppliers	-	-	876,172	3,316,773
Other Advances to Employees	-	-	339,679	581,532
Advance Income Tax and Tax Deducted at source (Net)	-	-	14,229,563	19,818,401
Balances with Government Authorities	-	-	5,814,876	6,621,403
Prepaid Expenses	380,403	437,728	1,311,519	3,652,769
	2,291,163	2,579,988	22,729,497	35,169,257

	As at 31 st March, 2017 ₹	As at 31 st March, 2016 ₹
13 Other non-current assets		
Fixed Deposit to bank (margin money)	124,500	1,854,075
	124,500	1,854,075

Duncan Engineering Limited
(Formerly known as Schrader Duncan Limited)
Notes annexed to and forming part of Balance Sheet

	Face Value per Unit	As at 31 st March, 2017 (Nos.)	As at 31 st March, 2016 (Nos.)	As at 31 st March, 2017 ₹	As at 31 st March, 2016 ₹
14 Current investments					
Short term investments (Non trade)					
i) Investments in equity shares - quoted (At cost)					
Swan Energy Limited formerly known as Swan Mills Limited 1600 fully paid Equity Shares of Rs. 1 each (2013: 800 fully paid Equity Shares of Rs. 2 each)	1	1600	0	1,441	-
Ceat Limited	10	75	0	1,663	-
Falcon Tyres Limited	10	600	0	-	-
				3,104	-
Aggregate amount of Quoted Investments				3,104	-
Aggregate amount of market value of quoted investment				325,231	-

	As at 31 st March, 2017 ₹	As at 31 st March, 2016 ₹
15 Inventories (Valued at lower of cost or net realisable value)		
a) Raw Materials*	52,596,303	79,557,713
b) Work-in-Progress	11,904,240	14,045,218
c) Finished Goods	17,717,484	22,261,256
d) Scrap	1,098,896	1,553,738
e) Traded Goods	759,876	841,745
f) Stores and Spares	820,971	2,404,810
g) Packing Material	708,847	797,929
	85,606,617	121,462,409

Goods in transit included in above inventories are as under :

Raw Materials	-	843,125
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* Include of Rs.29,26,267 (previous year Rs.20,89,257) held by third parties

16 Trade receivables		
a) (Secured, Considered Good)		
Outstanding for a period exceeding six months	228,178	38,957
Outstanding for a period less than six months	576,822	570,197
b) (Unsecured, Considered Good)		
Outstanding for a period exceeding six months	6,411,234	7,433,505
Outstanding for a period less than six months	68,473,709	120,973,027
c) Unsecured, considered doubtful		
Outstanding for a period exceeding six months	16,716,166	13,867,685
Less: Provision for doubtful debts	(16,716,166)	(13,867,685)
	75,689,943	129,015,686

Duncan Engineering Limited
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Notes annexed to and forming part of Balance Sheet

	As at 31 st March, 2017 ₹	As at 31 st March, 2016 ₹
17 Cash and Bank balances :		
(a) Cash and cash equivalents:		
Balance with Banks:		
In current accounts	1,695,606	1,737,966
In exchange earnest foreign currency accounts	59,120	60,477
Cheques on hand	560,579	325,139
Cash on hand	37,975	15,260
	<u>2,353,280</u>	<u>2,138,842</u>
(b) Earmarked balances with banks:		
Unpaid dividend account	70,046	138,710
	<u>70,046</u>	<u>138,710</u>
(c) Fixed Deposit to bank (margin money)	411,910	5,642,047
	<u>2,835,236</u>	<u>7,919,599</u>
18 Other current assets		
Unsecured, considered good:		
Interest accrued on deposits	10,387	373,817
Interest receivable from government authorities	5,592,000	2,310,000
Assets held for Disposal	900,642	-
Other	215,728	189,799
	<u>6,718,757</u>	<u>2,873,616</u>

Duncan Engineering Limited
(Formerly known as Schrader Duncan Limited)
Notes annexed to and forming part of Statement of Profit & Loss

	For the Year ended 31 st March, 2017 ₹	For the Year ended 31 st March, 2016 ₹
19 Revenue from operations :		
Sale of products :	388,658,521	417,231,887
Less : Discount on sales	<u>(4,270,697)</u>	<u>(7,225,175)</u>
	384,387,824	410,006,712
Other operating revenues		
Sale of scrap	1,648,969	197,494
Gross revenue from operations	386,036,793	410,204,206
Less : Excise duty	<u>(43,906,562)</u>	<u>(45,473,702)</u>
Net revenue from operations	342,130,231	364,730,504
(i) Details of sales (Finished goods)		
Passenger and Truck Valves	16,499,482	6,133,929
Hydraulic and Pneumatic Equipment	348,645,957	379,015,552
Others	<u>20,070,983</u>	<u>27,183,517</u>
	385,216,422	412,332,998
(ii) Details of sales (Traded goods)		
Valve Cores	2,250,536	3,923,965
High Pressure Valves	<u>1,191,563</u>	<u>974,924</u>
	3,442,099	4,898,889
20 Other income		
Dividend on investments	4,183	63,752
Interest income		
- On Deposits	147,711	603,116
- On Income tax refund	3,282,000	703,000
Profit on sale of fixed assets (Net)	-	3,092
Insurance claim received	-	378,003
Profit on sale of Investments	1,213,803	-
Provision no Longer Required Written Back	3,026,435	1,336,708
Advance Received Written Back	690,735	1,033,145
Provision for Doubtful Debts Written Back	1,099,600	-
Net gain on Foreign currency translations and transactions	233,889	-
Miscellaneous Income	<u>55,061</u>	<u>784,987</u>
	9,753,417	4,905,803
21 Cost of raw materials consumed		
Raw material consumed		
Brass	3,966,475	991,846
Rubber	2,520,114	735,135
Hydraulic and Pneumatic Equipment	184,416,929	206,673,507
Other	<u>25,392,235</u>	<u>6,513,402</u>
	216,295,753	214,913,890
Packing material consumed	<u>3,803,858</u>	<u>1,828,756</u>
	220,099,611	216,742,646

Duncan Engineering Limited
(Formerly known as Schrader Duncan Limited)
Notes annexed to and forming part of Statement of Profit & Loss

	For the Year ended 31 st March, 2017 ₹	For the Year ended 31 st March, 2016 ₹
22 Changes in inventories of finished goods, work-in-progress and traded goods		
I Inventories as at the beginning of the year		
Finished Goods	14,148,357	27,309,979
Work-in-Progress	10,377,095	23,939,546
Traded Goods	841,745	1,080,767
Scrap	173,346	-
	<u>25,540,543</u>	<u>52,330,292</u>
I Inventories as at end of the year		
Finished Goods	17,717,484	14,148,357
Work-in-Progress	11,904,240	10,377,095
Traded Goods	759,876	841,745
Scrap	604,566	173,346
	<u>30,986,166</u>	<u>25,540,543</u>
III Movement in excise duty on finished products	<u>(352,328)</u>	<u>(1,396,708)</u>
IV Change in inventories (I - II + III)	<u>(5,797,951)</u>	<u>25,393,041</u>
Work-in-Progress includes		
Passenger and Truck Valves	790,837	626,483
Hydraulic and Pneumatic Equipment	11,113,403	9,750,612
	<u>11,904,240</u>	<u>10,377,095</u>
23 Employee benefit expenses		
Salaries, Wages and Bonus	64,445,548	75,348,700
Contribution to Provident and Other Funds	4,713,979	4,702,378
Gratuity	2,242,166	1,473,711
Employee Welfare Expenses	10,681,050	15,915,445
	<u>82,082,743</u>	<u>97,440,234</u>
24 Finance costs		
Interest	20,511,061	17,834,142
Other borrowing cost	1,235,701	1,756,468
	<u>21,746,762</u>	<u>19,590,610</u>

Duncan Engineering Limited
(Formerly known as Schrader Duncan Limited)
Notes annexed to and forming part of Statement of Profit & Loss

	For the Year ended 31 st March, 2017 ₹	For the Year ended 31 st March, 2016 ₹
25 Other expenses		
General stores and spares consumed	4,037,343	4,745,512
Power and fuel	4,174,025	3,602,819
Water charges	327,461	185,346
Rent	2,182,953	3,158,800
Rates and taxes	3,786,123	907,665
Repairs to machinery	1,166,516	1,872,723
Repairs to buildings	75,750	174,873
Repairs to others	1,836,420	1,503,304
Insurance	609,142	566,831
Commission and discount on sales	1,544,909	3,504,128
Business promotion	760,779	816,816
Freight & forwarding expenses	2,566,669	2,092,851
Travelling and conveyance	5,802,310	5,764,358
Bad Debts written-off	976,480	135,925
Provision for doubtful debts	3,489,870	506,270
Directors' fees	880,000	800,000
Auditors' Remuneration		
As Auditors	728,500	728,500
For Tax audit	150,000	150,000
For Out-of-pocket expenses	18,545	45,096
Legal & professional expenses	3,592,151	3,564,770
Foreign exchange loss (net)	-	1,239,357
Donation	-	10,000
Loss on sale/discard of fixed assets (net)	128,174	-
Advances / others written-off	927,552	-
Miscellaneous	8,106,026	8,433,857
	47,867,698	44,509,801
26 Tax expenses		
Current tax for the year	-	-
Less: Taxation adjustments for earlier years (net)	(18,487)	8,550,274
	(18,487)	8,550,274

Duncan Engineering Limited

(Formerly known as Schrader Duncan Limited)

Notes to the Financial Statements for the year ended 31st March, 2017**Significant Accounting policies and Notes to Accounts****Note 1****Corporate Information**

Duncan Engineering Limited (formerly known as Schrader Duncan Limited) is a manufacturer & trader of tyre valves and accessories, fluid power and automation products. The Company has its manufacturing unit situated in Ranjangaon (near Pune). The Company is a Public Limited Company and is listed on the Bombay Stock Exchange (BSE).

Note 2**Significant Accounting Policies****2.1 Basis of preparation of financial statement**

The financial statements have been prepared under historical cost convention, on accrual basis of accounting and in accordance with the generally accepted accounting principles in India and the provision of the Companies Act, 2013. The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014.

2.2 Use of estimates

The preparation of financial statement in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of Assets and Liabilities on date of the financial statement and reported amount of revenues and expenses during reporting period. Difference between actual results and estimates are recognized in the period in which the results are known/materialized.

2.3 Classification of Assets and Liabilities as Current and Non Current

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current/ non-current classification of assets and liabilities.

2.4 Revenue Recognition**(i) Sale of goods**

Domestic sales are recognized on dispatch of the goods, and are net of Sales Tax/ MVAT. Export sales are recognized on shipment, on the basis of the Bills of Lading.

(ii) Sale of services

Revenue from services is recognized on rendering of services in accordance with the Contractual arrangements.

(iii) Dividend income is recognized when the right to receive payment is established.**2.5 Fixed Assets****(a) Tangible Assets**

Tangible fixed assets are stated at cost less accumulated depreciation/ amortization and impairment loss, if any. Costs comprises of purchase price and any attributable costs of bringing the asset to its working condition for its intended use are capitalized when fixed assets are ready for use.

(b) Intangible Assets

Intangible Assets resulting in future economic benefits where the cost can be reliably measured are capitalized. Intangible assets are stated at cost less accumulated depreciation / amortization and impairment loss.

2.6 Depreciation & Amortization

Depreciation on fixed assets is calculated on pro-rata basis from the date of assets being ready to use. Depreciation on fixed assets is provided on straight line method on useful life basis at the rates and the manner provided in Schedule II of the companies act, 2013 except.

Sr. No.	Asset Classification	Usefullife As per Schedule II	Useful Life considered by Company
1	Vehicles	8	5
2	Intangible Asset (Computer Software)	Not specified	5

Duncan Engineering Limited

(Formerly known as Schrader Duncan Limited)

Notes to the Financial Statements for the year ended 31st March, 2017

Leasehold Improvements are amortized equally over the primary period of the respective leases.

Tangible assets purchased for value not exceeding Rs. 5000/- is fully depreciated in the year of purchase.

2.7 Impairment of Assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or recoverable amount of the cash generation unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exist, the recoverable amount is reassessed and the assets is reflected at the recoverable amount.

2.8 Foreign Currency Transactions

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Monetary items related to foreign currency transactions are restated at year end exchange rates. Exchange differences arising on concluded transactions during the year are debited/credited in the Statement of Profit and Loss.

2.9 Investments

Non-Current Investments are stated at cost. The provision for diminution in the value of non-current investment is made only if such decline is other than temporary. Current Investments are stated at lower of cost and fair value.

2.10 Valuation of Inventory

Inventories are valued at lower of cost and Net realizable value.

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

Cost of work-in-progress includes raw material cost determined on a weighted average basis, labour charges and proportionate factory overheads.

Cost of finished goods includes raw material cost determined on a weighted average basis, labour charges, proportionate factory overheads and excise duty.

2.11 Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Primary Segments are identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Revenue, Expense, Assets and Liabilities, which relate to the Company as a whole and could not be allocated to segments on a reasonable basis, have been classified as unallocated. Secondary segment is identified based on geography by location of customers i.e. in India and outside India. Inter-segment revenue have been accounted for based on the transaction price agreed to between the segments, which is primarily market based.

2.12 Employee Benefits**I. Short Term Employee Benefits**

All employee benefits payable within 12 months of rendering of services are classified as short term employee benefits. All Short term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees.

II. Long Term Employee Benefits

All employee benefits other than short term employee benefits are classified as long term employee benefits. The Company has both defined contribution and defined benefits plan.

a) Defined Contribution Plan**Provident fund**

Each eligible employee and the Company make an equal contribution at a percentage of the salary specified under the Employees Provident Funds and Miscellaneous Provisions Act, 1952. The Company has no further obligations under the plan beyond its periodic contributions. The Company's contribution towards this fund is charged to the Statement of Profit and Loss.

Superannuation

Superannuation Contribution is based on a percentage of basic salary payable to eligible employees for the period of service. The Company's contribution is made to a trust which is managed by Holding Company, and is charged to the Statement of Profit and Loss.

Duncan Engineering Limited

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Notes to the Financial Statements for the year ended 31st March, 2017**b) Defined Benefit Plan**

Gratuity, which is a defined benefit scheme is funded with LIC on projected credit unit method on the basis of an actuarial valuation done at the year end and is charged to the Statement of Profit & Loss.

III. Other Long Term Employee Benefits

Accrued leave is a long term employee benefit. Compensated absences are provided based on actuarial valuation as at Balance Sheet date and is recognized in the Statement of Profit & Loss.

2.13 Taxation**(a) Current Tax**

Current tax is determined as the amount of tax payable in respect of taxable income for the year under the provisions of the Income Tax Act, 1961.

(b) Deferred Tax

Deferred Tax for timing differences between the book and taxable income for the year is accounted for using tax rate and losses that have been incurred or subsequently enacted as of the Balance Sheet date. Deferred Tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future however, where there is unabsorbed depreciation and carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty backed by the convincing evidence of realization of such assets. Deferred tax assets are reviewed as at each Balance Sheet date and are appropriately adjusted to reflect the amount that is reasonably or virtually certain to be realized.

(c) Minimum Alternate Tax (MAT) Credit Entitlement

Minimum Alternate Tax (MAT) Credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

2.14 Borrowing Cost

Borrowing cost directly attributable to the acquisition or construction of qualifying assets are capitalized. Other borrowing costs are recognized as expenses in the period in which they are incurred. In determining the amount of borrowing costs eligible for capitalization during the period, any income earned on the temporary investments of those borrowing is deducted from cost incurred.

2.15 Operating Leases

Lease rent in respect of assets taken on operating lease are charged to Statement of Profit & Loss as per the terms of lease agreements.

2.16 Provisions, Contingent Liability and Contingent assets

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed in the financial statement.

Duncan Engineering Limited
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Notes to the Financial Statements for the year ended 31st March, 2017

	As at 31 st March, 2017 ₹	As at 31 st March, 2016 ₹
Note 27		
Contingent Liabilities:		
(a) 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.	5,422,828	5,494,440
(b) Claims against the Company with respect to Sales Tax Matters not acknowledged as debts.	2,125,410	5,076,342
(c) Claims against the Company with respect to Excise and Service Tax Matters not acknowledged as debts. Appeals filed by the Company with CESTAT, West Zone Bench, and Additional Commissioner of Central Excise Mumbai, is pending disposal.	3,564,133	3,453,720
(d) 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.	3,035,734	3,035,734

There are no litigation against the company which can lead to possible potential liabilities.

Note 27.1

Capital and other commitments:

Estimated amount of Contracts remaining to be executed on capital account (net of advances) and not provided for.	680,480	2,721,213
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Note 28 Other Notes on Accounts

Note 28.1

The Company, in its Board meeting held on 16th April 2016 had decided to discontinue its Tube Valve product line as it was incurring cash losses and the same was not commercially viable and the operations of the Tube Valve product line were closed on 31st May, 2016. Consequently, for the purpose of discontinuing operations, tangible assets, current assets and current liabilities, others etc. related to Tube Valve product line were identified. The company has disclosed information to the extent identifiable in compliance with the requirement of AS-24 on Discontinuing Operation.

(a) The carrying amounts of total assets and total liabilities attributable to the discontinuing operation, as at March 31, 2017 :

	As at 31 st March, 2017 ₹	As at 31 st March, 2016 ₹
Liabilities		
Non-current liabilities:		
Long-term provisions	-	716,815
Current liabilities :		
Trade payables	-	21,934,813
Other current liabilities	4,737,131	-
Short-term provisions	1,249,396	1,249,396
Total	5,986,527	23,901,024
Assets		
Fixed assets (Tangible Assets)	-	21,205,887
Current assets		
Inventories	494,330	26,615,369
Trade receivables	932,571	38,800,347
Other current assets	900,642	-
Total	2,327,543	86,621,603

Duncan Engineering Limited
(Formerly known as Schrader Duncan Limited)
Notes to the Financial Statements for the year ended 31st March, 2017

	For the Year ended 31 st March, 2017 ₹	For the Year ended 31 st March, 2016 ₹
(b) The amounts of revenue and expenses from ordinary activities attributable to the discontinuing operation, for the year ended March 31, 2017 :		
Revenue	25,447,535	270,403,000
Expenditure		
Cost of raw materials consumed	10,431,347	191,092,062
Changes in inventories of finished goods, work-in-progress and stock-in-trade	12,667,084	3,598,099
Employee benefits expenses	12,175,014	10,275,314
Finance costs	2,036,465	4,807,350
Depreciation & amortisation expenses including impairment loss	485,000	33,740,000
Other expenses (Includes Loss on Disposal of Fixed Assets of Rs. 3,847,447/- arising out of discontinued operations of the said product line.)	10,439,449	36,085,337
Total	48,234,359	279,598,162
Loss before tax	(22,786,824)	(9,195,162)
Loss after tax	(22,786,824)	(9,195,162)
(c) The amounts of net cash flow attributable to the operating, investing and financial activities of the discontinuing operation, for the year ended March 31, 2017 :		
A. Cash flow from Operating Activities		
Profit / (Loss) before tax	(22,786,824)	(9,195,162)
Adjustments for:		
Depreciation and amortisation expense including impairment loss	485,000	33,740,000
Finance costs	2,036,465	4,807,350
(Profit) / Loss on Sale / discard of Fixed Assets	3,834,447	-
Bad Debts written off	112,439	557,000
Advance written off	631,000	-
Provision for Doubtful Debts	458,211	5,108,000
Operating profit / (loss) before working capital changes	(15,229,262)	35,017,188
Increase / (Decrease) in Current and Non Current Liabilities	(17,914,497)	(43,909,716)
(Increase) / Decrease in Inventories	26,121,039	45,736,861
(Increase) / Decrease in Trade receivables	37,867,776	35,057,783
(Increase) / Decrease in Loans and Advances and Other Current and Non Current Assets	(900,642)	-
Cash generated from operations	45,173,676	36,884,928
Net cash generated from Operating Activities	29,944,414	71,902,116
B. Cash flow from Investing Activities		
Proceeds from Sale of Tangible / Intangible assets (net)	16,166,900	-
Net cash generated from investing activities	16,166,900	-
C. Cash flow from Financing Activities		
Interest & finance cost paid	(2,036,465)	(4,807,350)
Net cash used in Financing Activities	(2,036,465)	(4,807,350)
Net increase / (Decrease) in cash and cash equivalents (A+B+C)	44,074,849	67,094,766

The Company has recognised loss on assets of Rs.3,834,447 arising out of disposal / discontinued operations of said product line

In view of the above discontinued operation, Company has retrenched 57 workmen and provided a liability of Rs.3,429,413 during the current financial year based on statutory dues payable. The labour union has approached the Hon'ble High Court, Bombay against closure of the tube valve product line and the Company does not expect any addition liability in this regard.

Duncan Engineering Limited

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Notes to the Financial Statements for the year ended 31st March, 2017**Note 28.2****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:

Particulars	2016-2017 ₹	2015-2016 ₹
a) Principal amount and the interest due remaining unpaid at the end of the accounting year		
- Principal	6,785,949	19,200,188
- Interest due there on	-	164,607
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	-	-
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 2014-15	161,322	161,322
- Financial Year 2015-16	164,607	164,607
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	325,929	325,929

The above information regarding Micro and Small Enterprises has been determined on the basis of information available with the Company.

Year ended March 31, 2017 ₹	Year ended March 31, 2016 ₹
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Note 28.3**Disclosures under Accounting Standards 15****(A) Defined Contribution Plans**

The Company has recognised the following amounts in the Statement of Profit and Loss for the :

Contribution to Provident Fund	4,290,508	4,042,593
Contribution to Employee's Superannuation Fund	122,442	211,590
Contribution to Employee's State Insurance Scheme	427,240	-
Contribution to Labour Welfare Fund	11,304	14,185
	4,851,494	4,268,368

(B) Defined Benefit Plans**(a) Gratuity**

Valuations in respect of Gratuity (funded) has been carried out by independent actuary, as at the Balance Sheet date, based on the following assumptions:

Discount Rate (Per annum)	7.60%	8.00%
Rate of increase in Compensation levels	5.00%	6.00%
Rate of Return on Plan Assets	8.25%	8.50%
Expected Average remaining working lives of employees in number of Years	19.06	20.05

(i) Changes in present value of obligation

Present value of Obligation as at beginning of the year	7,496,283	7,290,208
Interest Cost	440,428	526,808
Current Service Cost	1,096,983	1,096,983
Benefits paid	(3,981,854)	(1,540,615)
Actuarial (Gains) / Loss	1,572,525	122,899
Present value of Obligation as at the end of the year	6,624,365	7,496,283

Duncan Engineering Limited

(Formerly known as Schrader Duncan Limited)

Notes to the Financial Statements for the year ended 31st March, 2017

	Year ended March 31, 2017 ₹	Year ended March 31, 2016 ₹
(ii) Changes in Fair value of plan assets		
Present value of plan assets as at beginning of the year	6,562,284	4,820,571
Expected return on Plan Assets	415,664	472,170
Actuarial gain / (loss) on Plan Assets	6,975	(199,191)
Actual Company Contribution	933,999	2,469,637
Mortality Charges and Taxes	(94,581)	0
Benefits paid	(3,981,854)	(1,000,903)
Fair value of Plan Assets as at the end of the year	3,842,487	6,562,284
(iii) Percentage of each category of plan assets to total fair value of plan assets		
Administered by Life Insurance Corporation of India	100%	100%
(iv) Reconciliation of the Present Value of Defined Present Obligations and the Fair value of Assets		
Present value of Funded Obligation as at the end of the year	6,624,365	7,496,283
Fair value of Plan Assets as at the end of the year	3,842,487	6,562,284
(Asset)/ Liability recognised in the Balance Sheet	2,781,878	933,999
(v) Expenses recognised in the Statement of Profit and Loss		
Current Service Cost	1,096,983	1,096,983
Interest Cost	440,428	526,808
Expected Return on Plan Asset	(415,664)	(472,170)
Net Actuarial (Gain) / Loss	1,565,550	322,090
Total Expenses recognised in the Statement of Profit and Loss	2,687,297	1,473,711
(vi) Experience adjustments		
On Plan Liabilities Gain / (Loss)	1,931,932	122,899
On Plan Assets Gain / (Loss)	(19,571)	222,522

(C) Disclosure as required under Para 120(n);

Amounts recognised in current year and previous four years

	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Present value of defined benefit obligation	6,624,365	7,496,283	7,290,208	4,945,836	5,102,491
Fair Value of Plan Assets	3,842,487	6,562,284	4,820,571	4,635,758	2,919,057
Surplus/ (Deficit) in the Plan	2,781,878	933,999	2,469,637	310,078	2,183,434
Experience adjustments on Plan Liabilities Gain/ (Loss)	1,931,932	122,899	(974,015)	(10,417)	(1,006,704)
Experience adjustments on Plan Assets Gain/ (Loss)	(19,571)	222,522	(17,249)	(10,975)	(56,123)

- (D)** The Liability for leave encashment and compensated balances as at year end is Rs.3,249,452/- (Previous Year Rs. 4,457,843/-).

Duncan Engineering Limited

(Formerly known as Schrader Duncan Limited)

Notes to the Financial Statements for the year ended 31st March, 2017

	Year Ended March 31, 2017 ₹	Year Ended March 31, 2016 ₹
Note 28.4		
CIF Value of Imports:		
Raw materials	32,763,720	40,072,198
Traded Goods	2,803,649	3,041,511
Stores and Spares	-	154,679
Capital Goods	-	176,089
	<u>35,567,368</u>	<u>43,444,477</u>

Note 28.5**Expenditure in foreign currency:**

Travelling Expenses	374,112	72,157
	<u>374,112</u>	<u>72,157</u>

Note 28.6**Earnings in Foreign Currency:**

FOB value of exports	6,142,069	6,207,364
	<u>6,142,069</u>	<u>6,207,364</u>

Note 28.7**Details of Consumption and Purchases****(a) Details of Raw Material Consumed ***

Brass	3,966,475	991,846
Rubber	2,520,114	735,135
Hydraulic and Pneumatic Equipment	184,416,929	206,673,507
Others	25,392,235	6,513,402
	<u>216,295,753</u>	<u>214,913,890</u>

(b) Details of consumption of imported and indigenous items:

Raw Materials, Packing Material and outside Contracts consumed during the year:

	Year ended March 31, 2017		Year ended March 31, 2016	
	₹	%	₹	%
Raw Material Consumed:				
Imported	49,324,153	22.80%	41,804,691	29.95%
Indigenous	166,971,600	77.20%	173,109,199	70.05%
	<u>216,295,753</u>	<u>100.00%</u>	<u>214,913,890</u>	<u>100.00%</u>
Stores and Spares Consumed:				
Imported	-	-	328,800	29.02%
Indigenous	4,037,343	100.00%	4,745,512	70.98%
	<u>4,037,343</u>	<u>100.00%</u>	<u>5,074,312</u>	<u>100.00%</u>

* The value of consumption of raw materials has been arrived at on the basis of Opening Stock plus Purchases less Closing Stock. The consumption, therefore, includes adjustments for raw materials written-off, shortage /excess etc.

28.8 Segment Reporting

The following tables present the revenue, profit, assets and liabilities information relating to the Business/Geographical segment for the year ended 31st March, 2017

Information about Business Segment - Primary

Reportable Segments	Automotive Tyres Valves & Accessories (Exclusive of Discontinuing Operations of Tube Valve Product Line)		Fluid Power & Automation		Total	
	For the Year ended 31st March, 2017 Rs.	For the Year ended 31st March, 2016 Rs.	For the Year ended 31st March, 2017 Rs.	For the Year ended 31st March, 2016 Rs.	For the Year ended 31st March, 2017 Rs.	For the Year ended 31st March, 2016 Rs.
Revenue						
External Sales (Net of Discount and Excise Duty)	35,791,868	34,152,027	306,338,363	330,578,477	342,130,231	364,730,504
Unallocated Revenue	-	-	-	-	-	-
Inter Segment Revenue	-	-	-	-	-	-
Total Revenue from operations	35,791,868	34,152,027	306,338,363	330,578,477	342,130,231	364,730,504
Result						
Segment Result	2,994,660	(27,987,490)	12,670,198	37,314,447	15,864,858	9,326,957
Other un-allocable expenditure net off					(30,029,559)	(41,282,835)
Finance costs					(21,746,757)	(19,590,610)
Profit / (Loss) before Exceptional Item and Tax					(36,111,458)	(51,546,488)
Exceptional items					-	-
Profit / (Loss) from continuing operations before Tax					(36,111,458)	(51,546,488)
Less: Provision for Taxation(Including Deferred Tax)					(18,487)	8,550,274
Profit / (Loss) from continuing operations after Tax					(36,092,971)	(60,096,762)
Profit / (Loss) from discontinuing operations before Tax					(22,786,824)	(9,195,162)
Less: Provision for Taxation(Including Deferred Tax)					-	-
Profit / (Loss) from discontinuing operations after Tax					(22,786,824)	(9,195,162)
Profit / (Loss) for the year					(58,879,795)	(69,291,924)
Other Information						
Segment Assets from Continuing Operations	50,904,664	151,106,938	300,898,459	240,460,304	351,803,123	391,567,242
Segment Assets from Discontinuing Operations	2,327,543	86,621,603	-	-	2,327,543	86,621,603
Unallocated Corporate Assets					51,908,945	62,558,796
Total Assets	53,232,207	237,728,541	300,898,459	240,460,304	406,039,611	540,747,641
Segment Liabilities from Continuing Operations	4,353,338	8,947,030	67,307,477	90,725,248	71,660,815	99,672,278
Segment Liabilities from Discontinuing Operations	5,986,527	23,901,024	-	-	5,986,527	23,901,024
Unallocated Corporate Liabilities					165,158,928	195,061,203
Total Liabilities	10,339,865	32,848,054	67,307,477	90,725,248	242,806,270	318,634,505
Capital Expenditure	15,000	2,790,380	7,472,866	11,852,778	7,487,866	14,643,158
Unallocated Capital Expenditure					684,327	49,999
Total Capital Expenditure	4,894,145	4,062,181	10,208,723	6,124,935	8,172,193	14,693,157
Depreciation					15,102,868	10,187,116
Unallocated Depreciation					2,843,907	3,001,167
Total Depreciation					17,946,775	13,188,283

Duncan Engineering Limited
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Notes to the Financial Statements for the year ended 31st March, 2017

Information about Secondary Business Segments

Reportable Segments	India		Outside		Total	
	For the Year ended 31st March, 2017	For the Year ended 31st March, 2016	For the Year ended 31st March, 2017	For the Year ended 31st March, 2016	For the Year ended 31st March, 2017	For the Year ended 31st March, 2016
External Sales (Net of Discount and Excise Duty)	335,988,162	358,523,140	6,142,069	6,207,364	342,130,231	364,730,504
Carrying amount of segment assets	404,884,930	540,737,641	1,154,681	10,000	406,039,611	540,747,641
Additions to fixed assets	8,172,193	14,693,157	-	-	8,172,193	14,693,157

Notes:

- The company was organized into two main business segments -
 - Automotive Tyres Valves & Accessories- comprising of tyre tube valves and accessories.
 - Fluid Power & Automation- comprising of pneumatic equipment and hydraulic products.

Segments have been identified and reported taking into account, the nature of products and services, the differing risks and returns, the organization structure and the internal financial reporting systems.
- The segment revenue in the geographical segments considered for disclosure are as follows:
 - Revenue within India includes sales to customers located within India and earnings in India.
 - Revenue outside India includes sales to customers located outside India and earnings outside India.
- Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

Duncan Engineering Limited

(Formerly known as Schrader Duncan Limited)

Notes to the Financial Statements for the year ended 31st March, 2017**Note 28.9****Related Party Disclosures (As identified by the Management)****A) Relationships :**

- (i) Holding Company
Oriental Carbon and Chemicals Limited *

- (ii) Promoter :
Duncan International (India) Ltd, Kolkata

- (iii) Key Management Personnel:
Shantanu Parvati - Managing Director (Resigned w.e.f. 31st January, 2017)
Akshat Goenka - Managing Director (Joined w.e.f. 9th February, 2017)

* Oriental Carbon and Chemicals Limited and Cosmopolitan Investments Limited has given Corporate Guarantees to Bank (State Bank of India) against all credit facilities.

Related Party Disclosures (As identified by the Management)**B) The following summarized the transactions entered into with related parties:**

(Rupees)

Nature of transactions During the year	Holding Company		Promoter		Key Management personnel			
	Oriental Carbon & Chemicals Ltd, Delhi		Duncan International (India) Ltd		Akshat Goenka Managing Director from 09th Feb, 2017		Mr. Shantanu Parvati Managing Director upto 31st Jan, 2017	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Sales of Goods	795,301	1,036,214						
Remuneration					1,714	-	4,889,553	6,900,000
Loan taken during the year	17,000,000	32,500,000	-	-				
Repayment of Loan during the year	9,500,000	-	-	-				
Expenses incurred on behalf of the company	1,039,117	1,967,431	514,430	623,958				
Interest on inter Corporate Deposit	6,544,850	3,744,492	-	-				
Year End Balances								
Payable	61,805,364	54,417,787		30,535				
Receivable	-		10,713					

Note 28.10**Prior Period Expenses**

During the year Company has debited Prior period expenses to the statement of Profit & Loss, details of which are as under :-

	Particulars	For the Year ended March 31, 2017 ₹	For the Year ended March 31, 2016 ₹
1.	Commission & Discount on Sale	940,152	43,735
2.	Employee Welfare Expenses	206,661	1,209
3.	Business promotion	138,204	-
4.	Power and fuel	233,000	-
5.	Miscellaneous Expense	30,099	53,704
	Total	1,548,116	98,648

Duncan Engineering Limited
(Formerly known as Schrader Duncan Limited)
Notes to the Financial Statements for the year ended 31st March, 2017

Note 28.11

Deferred Tax:

The Deferred Tax balances are set out as below

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Deferred Tax Liabilities		
Depreciation & amortisation expenses including impairment loss	19,678,872	25,381,729
Total (a)	19,678,872	25,381,729
Less : Deferred Tax Assets		
Voluntary Retirement Scheme	-	839,665
Disallowance u/s 43B of the Income Tax Act, 1961	3,265,587	4,748,329
Unabsorbed depreciation / loss carried forward as per provisions of the Income Tax Act, 1961	16,413,285	19,793,735
Total (b)	19,678,872	25,381,729
Net Deferred Tax Liability (a-b)	-	-

* on grounds of prudence the Company has considered deferred tax asset only to the extent of liability.

Note 28.12

Foreign currency exposure not hedged by a derivative instrument or otherwise :

Currency	Cross Currency	Trade Payables As at 31st March, 2017		Trade Payables As at 31st March, 2016	
		Foreign Currency	₹	Foreign Currency	₹
USD	INR	58,852	3,815,859	149,768	10,116,714
EURO	INR	4,486	310,659	22,842	1,686,440
Currency	Cross Currency	Advance from Customers As at 31st March, 2017		Advance from Customers As at 31st March, 2016	
		Foreign Currency	₹	Foreign Currency	₹
USD	INR	2,604	168,812	-	-
Currency	Cross Currency	Trade Receivable As at 31st March, 2017		Trade Receivable As at 31st March, 2016	
		Foreign Currency	₹	Foreign Currency	₹
USD	INR	16,490	1,069,203	147	10,000
EURO	INR	300	20,774	-	-
Currency	Cross Currency	Advance to Suppliers As at 31st March, 2017		Advance to Suppliers As at 31st March, 2016	
		Foreign Currency	₹	Foreign Currency	₹
GBP	INR	400	32,352	-	-

Duncan Engineering Limited

(Formerly known as Schrader Duncan Limited)

Notes to the Financial Statements for the year ended 31st March, 2017**Note 28.13****Specified Bank Notes (SBN)**

During the year, the Company had specified bank notes or other denomination notes ('ODN') as defined in the MCA notification G.S.R. 308(E) dated 31 March 2017 on the details of Specified Bank Notes ('SBN') held and transacted during the period from 8 November 2016 to 30 December 2016. the denomination-wise SBNs and other notes as per the notification is given below.

Particulars	SBNs	ODNs	Total
Closing cash in hand as on 08 Nov 2016	22,000	14,833	36,833
(+) Withdrawal from bank accounts	-	-	-
(+) Permitted receipts	-	105,000	105,000
(-) Permitted payments	-	80,795	80,795
(-) Amounts Deposited in Banks	22,000	-	22,000
Closing cash on hand as in 30 Dec 2016	-	39,038	39,038

Amounts in the above table are absolute numbers

Note 28.14**Basic and Diluted Earnings per share :**

The company reports basic and diluted earnings per equity share in Accordance with AS-20, '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.

	As at March 31, 2017	As at March 31, 2016
Profit /(Loss) from continuing operations	(36,092,971)	(60,096,762)
Profit /(Loss) from discontinuing operations	(22,786,824)	(9,195,162)
Weighted Average Number of Equity Shares	3,696,000	3,696,000
Earnings per Equity Share - Basic (from continuing operations)	(9.77)	(16.26)
Earnings per Equity Share - Diluted (from continuing operations)	(9.77)	(16.26)
Earnings per Equity Share - Basic (from discontinuing operations)	(6.17)	(2.49)
Earnings per Equity Share - Diluted (from discontinuing operations)	(6.17)	(2.49)
Nominal value of an Equity Share	10.00	10.00

Note 28.15

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.

Note 28.16

Previous year figures have been regrouped/rearranged wherever necessary to conform to this year classification.

In terms of our Report of even date attached.

For and on behalf of the Board

For SINGHI & CO.

Chartered Accountants
Firm Reg. No. 302049E

Akshat Goenka

Managing Director

A Goenka

Director

Nikhil Singhi

Partner
Membership No. 061567

Rajib Kumar Gope

Company Secretary

Chandresh Taunk

CFO

Place : Pune

Date: 17th May, 2017

Place : Pune

Date: 17th May, 2017

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DUNCAN ENGINEERING LIMITED

CIN: L28991PN1961PLC139151

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

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

Email: complianceofficer@duncanengg.com, Website : www.duncanengg.com

ANNUAL GENERAL MEETING ON 3rd AUGUST, 2017

PROXY FORM

Name of the member(s) _____

Registered address _____

E-mail ID _____

Folio / DP ID & CL ID No. _____

I / We being the member(s) of _____ shares of the above named Company, hereby appoint:

(1) Name: _____ Address: _____

E-mail ID: _____ Signature: _____ or failing him

(2) Name: _____ Address: _____

E-mail ID: _____ Signature: _____ or failing him

(3) Name: _____ Address: _____

E-mail ID: _____ Signature: _____

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Annual General Meeting of the Company to be held on 3rd day, August, 2017 at 2:30 p.m. and at any adjournment thereof in respect of following resolutions:

Resolution No.	Resolution	Number of equity shares	Optional*	
			For	Against
1.	Adoption of the Audited Financial Statements for the Financial Year 31 st March, 2017 and Report of Board of Directors and Auditors thereon.			
2.	Re-Appointment of Mr. J P Goenka (DIN: 0136782), who retires by rotation.			
3.	Re-Appointment of Statutory Auditors and fixing their remuneration.			
4.	Appointment of Mr. Akshat Goenka (DIN : 07131982), as Director of the Company.			
5.	Appointment of Mr. Akshat Goenka as Managing Director of the Company.			

Signed this _____ day of _____, 2017

Signature of member

Signature of Proxy holder

Affix
Revenue
Stamp
Re. 1

Notes:

1. This form of proxy in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
 2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the Annual General Meeting.
 - *3. It is optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he / she thinks appropriate.
 4. Please complete all details including details of member(s) in above box before submission.
-

Route Map to the Venue of Annual General Meeting



Duncan Engineering Limited

Ranjangaon Plant



New FRL series



Rotary Actuator

DUNCAN ENGINEERING LIMITED

Registered Office: F-33, MIDC, Ranjangaon, Karegaon,
Tal-Shirur, Pune - 412 209, Maharashtra, India
www.duncanengg.com