

DIRECTORS' REPORT

Dear Members,

The Directors of your Company take pleasure in presenting the Forty Ninth Annual Report on the business and operations of the Company along with the audited financial statements for the financial year ended 31st March 2020.

FINANCIAL HIGHLIGHTS The financial results of the Company for the year ended 31st March 2020 are summarized below:

(₹ in Million)		
Particulars	2019-20	2018-19
Revenue From Operations	565.40	3703.69
Other Income	53.60	32.75
Total revenue	618.99	3736.43
Earnings Before Interest (Finance Costs), Tax, Depreciation and Amortization - EBITDA (Before Exceptional item)	(563.43)	(99.98)
Less: Exceptional item	1296.81	
Earnings Before Interest (Finance Costs), Tax, Depreciation and Amortization - EBITDA (After Exceptional item)	(1860.24)	
Less: Finance costs	331.43	298.74
Profit/ (Loss) before tax, depreciation and amortization	(2191.67)	(398.72)
Less: Depreciation and amortization expenses	67.78	42.95
Profit/ (Loss) before tax (PBT)	(2259.45)	(441.67)
Less: Tax expenses [net of deferred tax effect and Tax adjustment for Earlier years (net)]	145.94	(150.12)
Profit/ (Loss) after taxation (PAT)	(240.54)	(291.55)
Other Comprehensive Income for the year	(1.21)	(0.80)
Total Comprehensive Income for the year	(2406.60)	(290.74)

Overview & State of the Company's Affairs

During the current financial year, there has been a drop in turnover by 84.73%. The Company has incurred a loss of Rs. 240.66 Crore in comparison to the loss of Rs. 29.16 Crore during the previous year due to which the networth of the Company has been largely eroded

The loss incurred was primarily due to enhanced Working Capital Limits not being made available by Member Banks to the Company that led to the Company not being able to perform on its various contracts. The shortfall in performance by the Company led to some contracts being terminated and Bank Guarantees being invoked leading to severe stress on Company's cash flows. Company was unable to fund and roll over project execution activities resulting in a substantially lower Turnover and was therefore unable to cover the cost and other expenses leading to a default on repayment of dues of Lenders / Banks. Consequently, the lenders have classified the accounts of the Company as non-performing assets as stated in Note No. 52 of the financial statements

Subsequently and as per the applicable guidelines issued by Reserve Bank of India, the Company has submitted its restructuring proposal to Banks which is under their active consideration. Meanwhile through a “Holding Operations” arrangement with the Member Banks, the Company has been focusing on closure of several projects and has been able to collect and return outstanding Bank Guarantees thereby reducing the overall exposure to the Banks.

The Company continues to execute EPC projects in hand in the water and electricity sector. There has been no change in the nature of business of your Company during the year under review.

Dividend & Appropriations

In view of loss incurred by the Company during the current financial year, the Board did not recommend dividend to be paid to the Shareholders of the Company.

UNPAID / UNCLAIMED DIVIDEND AND TRANSFER TO IEPF

Pursuant to the circular issued by Ministry of Corporate Affairs (MCA) with respect to Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with the Companies) Rules, 2012 vide G.S.R. 342 (E) dated May 10, 2012, your Company has uploaded on its website www.technofabengineering.com under Investor Relation Section as well as on the Ministry’s website the information regarding Unpaid / Unclaimed Dividend amount lying with the Company as on 25th Day of September, 2019 (date of last Annual General Meeting). In terms of the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, an amount of Rs. 25,760/- of unpaid / unclaimed dividend were transferred during the year to the Investor Education and Protection Fund.

SUBSIDIARIES

The Company has three subsidiaries viz. Arihant Flour Mills Private Limited, Woodlands Instruments Private Limited and Rivu Infrastructural Developers Private Limited which are wholly owned by the Company. These companies are much smaller and there have not been any material business activities in these companies.

The financial statements of the subsidiaries and related information are available for inspection by the members at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and public holidays up to the date of the Annual General Meeting (AGM) as required under Section 136 of the Companies Act, 2013. Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of the Company. The financial statements including the consolidated financial statements, financial statements of subsidiaries and all other documents required to be attached to this report have been uploaded on the website of the Company. (www.technofabengineering.com) in Financials page.

As required under the provisions of Section 129 of the Companies Act, 2013, a statement containing the salient features of financial statements of all subsidiaries in Form AOC-1 is annexed with the financial statements as “**Annexure [A]**” and forms part of this Report which covers the performance and financial position of the subsidiary companies.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements for the financial year ended 31 March 2020 have been prepared on the basis of audited financial statements of the Company and its subsidiaries, as approved by their respective Board of Directors keeping in view the provisions of Section 129 of the Companies Act, 2013, applicable Accounting Standards and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”).

RESERVES

During the year, the Board of Directors of your Company has not transferred any amount to the General Reserves of the Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION BETWEEN THE DATE OF END OF FINANCIAL YEAR AND THE DATE OF REPORT

The shareholders are aware that the Company had incurred loss during the previous financial year viz. FY 19. The reason of loss is due to very low turnover. The Company was unable to achieve its targeted turnover as it has been achieving since last several years due to various factors already mentioned in second paragraph to “**Overview & State of the Company’s Affairs**”.

Considering that the Company has been focusing on closing existing projects, recovering outstanding payments, reducing the overall exposure of Banks by returning / reducing outstanding Bank Guarantees, the Management is confident that with the implementation of the Restructuring Plan which is under Consideration with the Lenders, in spite of the Company’s net worth having substantially eroded and the qualifications by the Statutory Auditors, the Company will be able maintain its status of a “Going Concern” in the foreseeable future without any threat of liquidation or closure.

Further it is pertinent to note that the Company possesses the relevant technical qualifications and inherent strengths and will target new business as soon as the Restructuring Plan is implemented laying the foundation for growth in the years to come.

The impact of COVID-19 on the business of the Company is already mentioned in Note 3.20 in the Notes to Accounts annexed with the current Balance Sheet of the Company. However, the COVID situation has worsened after the period of the report and severely impacted the Company’s operations as the offices and several project sites both in India and Overseas remained closed during the lockdowns, some of which continue up until the date of this report.

CHANGE IN NATURE OF BUSINESS

During the year under review, there was no change in the nature of business of the Company.

SHARE CAPITAL

During the year under review, there was no change in the total share capital of the Company. As on March 31, 2020, the paid-up equity share capital of the Company stands at Rs. 10,49,00,000/- comprising of 1,04,90,000 equity shares of Rs. 10/- each fully paid up. As on March 31, 2020, all the shares of the Company are in dematerialized form except 7 shares.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Board of Directors and its composition

The total number of the Board Members as on 31 March 2020 is four comprising of one executive Director and three Independent Directors. Mr. Arjun Gupta was appointed as Managing Director in the meeting of Board of Directors of the Company which was further confirmed by the shareholders through Postal Ballot process by way of passing Special Resolution on 25 February 2019. He was also appointed as Managing Director for the fresh tenure of three years w.e.f. 1 April 2020 to 31 March 2023 in the Annual General Meeting held on 25 September 2019 by way of passing Special Resolution. Mr. Arun Mitter, Mr. Pawan Chopra and Ms. Anju Banerjee was appointed as Independent Directors w.e.f. 25 September 2019 for the next term of five years by way of passing Special Resolution in the Annual General Meeting held on the same date.

As on date, the Company has four Directors. Of the four (4) Directors, one (1) is Executive Director and three (3) are Non-Executive Independent Directors including one Woman Director.

The Composition of the Board is in conformity with the provisions of the Companies Act, 2013 and relevant regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including all amendments thereto. However the Company is in the process of appointing two more Directors to make its strength to six as it falls under the list of top 2000 companies as per the market capitalization as per the list published by NSE only. This is because of the fact that NSE has less 2000 Companies with their shares listed with it.

None of the Director on the Board is a director in more than 8 Public/ Listed Companies or a member of more than 10 Committees or a Chairman of more than 5 Committees across all listed companies in which he/she is a Director. Necessary disclosures regarding Committee positions in other Public Limited Companies as on 31st March, 2020 have been made by all the Directors of the Company.

None of the Company's Directors are disqualified from being appointed as Directors as specified in Section 164(2) of the Companies Act, 2013.

Directors liable to retire by rotationAs per the provisions of the Companies Act, 2013, Mr. Arjun Gupta retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends his re-appointment in the ensuing Annual General Meeting.

The details of Director being recommended for re-appointment as required under Regulation 36 of Listing Regulations is contained in the accompanying Notice convening ensuing Annual General Meeting of the Company. Appropriate Resolution(s) seeking shareholders' approval are also included in the Notice.

Key Managerial Persons (KMPs)During the period under review, there is no change in the Key Managerial Personnel (KMP). The Company had accepted resignation of Mr. Sandeep Kumar Vij, CFO w.e.f. 30 June 2020. The Company has appointed new CFO to fill the casual vacancy caused by the resignation of Mr. Vij by way of appointment of Mr. Shiam Narain Tandon as CFO w.e.f. 31 December 2020.

The Key Managerial Persons as per Section 203 of the Companies Act, 2013 comprises of Mr. Arjun Gupta, Managing Director, Mr. Shiam Narain Tandon, CFO and Mr. Suman Kumar Verma, Company Secretary. Details relating to remuneration of the Directors and KMPs during the financial year ended 31 March 2020 are mentioned in "**Annexure B**" of this Report.

None of the Whole-time Key Managerial Personnel (KMP) of the Company is holding office in any other Company as a Key Managerial Personnel.

Further, none of the Directors / KMP of the Company is disqualified under any of the provisions of the Companies Act, 2013 and relevant Regulations of Listing Regulations.

Declaration by Independent Directors

The Company has received necessary declarations from all the Independent Directors under Section 149(7) of the Act confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 read with Regulation 25 of the Listing Regulations.

QUALITY (QMS), HEALTH, SAFETY AND ENVIRONMENT (HSE)

The Company believes that “Quality is a state of mind” and is committed to a continuous ongoing initiative in this direction and is committed “To provide and maintain safe and healthy work environment for all personnel within the organization and to continually improve in safe working conditions to make incident free work zone.” Your Company is adequately maintaining the system to ensure customer satisfaction in terms of quality and services, protection of Environment, safeguarding the occupational health, safety of all our employees and compliance to applicable legal and other non-regulatory requirements pertaining to environment, health and safety along with continual improvements to the system.

The Company is committed towards ensuring safe working and eliminating hazards and in protecting the environment including reduction in paper & power consumption and proper disposal of construction & electronic waste.

The Company is accredited to ISO 9001:2004 and ISO 14001:2004 for Health, Safety and Environment and OHSAS 18001:2007 for Occupational Health and Safety Assessment series. The Company is in the process of merging these three standards into single document i.e. IMS (integrated Management System) that will combine all the three standards into single standard based on the latest revisions of 2015 standards.

MANAGEMENT DISCUSSION AND ANALYSIS INCLUDING BUSINESS REVIEW

As stipulated under Regulation 34 of the Listing Regulations, the Management Discussion and Analysis for the period under review has been given separately and forms an integral part of this Report which includes a detailed business review of the Company.

PUBLIC DEPOSITS

During the financial year 2019-20, the Company has not accepted any deposit within the meaning of Chapter V of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

CORPORATE GOVERNANCE REPORT

In compliance with the provisions specified in the Listing Regulations, a separate report on Corporate Governance along with the requisite certificate from the Statutory Auditors confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid regulations forms an integral part of this Report. The Auditors’ Certificate does not contain any qualification, reservation and adverse remark.

DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES

In accordance with Section 178 and other applicable provisions if any, of the Companies Act, 2013 read with the Rules issued there under and Part D of Schedule II as specified in the Listing Regulations, the Board of Directors has formulated the Nomination and Remuneration Policy of the Company on the recommendations of the Nomination and Remuneration Committee. The salient aspects covered in the Nomination and Remuneration Policy, covering the policy on appointment and remuneration of Directors including criteria for determining qualifications, positive attributes, independence of a Director and other matters have been outlined in the Corporate Governance Report which forms part of this Report.

The Managing Director of the Company does not receive remuneration from any of the subsidiaries of the Company.

The information required under Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors/ employees of the Company is set out in “Annexure [B]”.

ANNUAL PERFORMANCE EVALUATION OF BOARD AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to the applicable provisions of the Companies Act, 2013 including amendment thereto, the Listing Regulations as amended from time to time and SEBI Circular issued in this connection, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and individual Directors including Independent Directors. The framework is monitored, reviewed and updated by the Board, in consultation with the Nomination and Remuneration Committee based on need and new compliance requirements.

In line with the abovementioned framework, the Independent Directors at their separate meeting held on 14th February 2019 without participation of the Non-Independent Directors and Management, have considered and evaluated the Boards’ performance and performance of the Chairman, Non-Independent Directors and the Board as a whole. The Independent Directors in the said meeting have also assessed the quality, quantity and timeliness of the flow of information between the Company Management and the Board.

During the period under review, the Board in its meeting held on 26 May 2018 has evaluated the performance of each of the Independent Directors without participation of the Director who was subject to evaluation.

The details of evaluation process of the Board, its Committees, Chairman and individual Directors, including Independent Directors have been provided under the Corporate Governance Report which forms part of this Report.

MEETINGS OF THE BOARD AND AUDIT COMMITTEE

During the year, six (6) Board Meetings and Four (4) Audit Committee meetings were held, the details of which are provided in the Corporate Governance Report which forms part of this Annual Report. The maximum interval between the two meetings did not exceed 120 days as prescribed under the Companies Act, 2013 and the Listing Regulations.

The Board of Directors have accepted all the recommendations made by the Audit Committee.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013. The Internal Complaint Committee (“ICC”) has been set up to redress complaints received regarding sexual harassment. During the period under review, no complaint was received by the ICC.

COMPLIANCE WITH THE SECRETARIAL STANDARDS

The Company is in absolute compliance with all notified Secretarial Standards as issued by the Institute of Company Secretaries of India (including amendment(s) and subsequent modification(s) therein).

COMPLIANCE WITH THE LISTING AGREEMENT

The Company has listed its securities on both Bombay Stock Exchange ("BSE") and National Stock Exchange ("NSE"). The Company is in compliance with all applicable Clauses of the listing agreement entered with both respective Stock Exchanges.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31 March 2019, the applicable accounting standards and Schedule III of the Companies Act, 2013, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2019 and of the profit and loss of the Company for the financial year ended 31 March 2019;
- c) 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 and detecting fraud and other irregularities;
- d) the annual accounts have been prepared on a 'going concern' basis;
- e) proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS AND AUDITORS' REPORT:

I. Statutory Auditors

At the Forty Sixth Annual General Meeting ("AGM") of the Company held on 29 September 2017, M/s. G.C. Agarwal & Associates, Chartered Accountants (Firm Registration No. 017851N) were appointed as the Statutory Auditors of the Company to hold office for a period of five (5) consecutive years commencing from the financial year 2017-18 subject to ratification at every AGM on a remunerations including terms of payment to be fixed by the Board of Directors on the recommendation of the Audit Committee. However as per the provisions of Section 40 Companies (Amendment) Act, 2017 which is now in force vide MCA notification No. S.O. 1833 (E) dated 7 May 2018, first proviso of Section 139(1) of the Companies Act, 2013 has been done away with. Therefore the matter relating to ratification of the appointment of Auditors is not being placed before the ensuing Annual General Meeting.

The Auditors' Report for the financial year 2019-20, contains the following qualifications:

"We draw your attention to Note No. 5 & 6 to the consolidated financial results with regard to multiple significant uncertainties faced by the group such as (a) Non availability of funds from banks and also declaration of loans as NPA (b) Poor recovery from debtors (c) Invocation of performance guarantees / bank guarantees (d) Litigation with debtors. The impact of the above matters, if any, on the consolidated financial statements is presently not ascertainable.

Material Uncertainty Related to Going Concern

We draw attention to Note No. 5 & 6 to the consolidated financial results, which states that the company has significant accumulated losses at the year ended March 31, 2020 and has defaulted in repayment of loan and interest payments. Due to fund constraints and other reasons the company has not been able to complete projects as expected, resulting in invocation of bank guarantees/performance guarantees. These events or conditions, along with other matters, indicates that a material uncertainty exist that may cast significant doubt on the Company's ability to continue as a going concern if the company is not able to raise funds, renegotiate/restructure liabilities.

Our opinion is not modified in respect of this matter.

Emphasis of Matter

We draw attention to Note No. 5 & 6 to the consolidated financial results, which states that the company has defaulted on repayments to various banks due to invocation of various bank guarantees / performance guarantees and poor recovery and litigations with debtors.

Our opinion is not modified in respect of this matter.

This observation has been responded to in the preceding paragraphs.

II. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Naresh Verma & Associates, Company Secretaries to conduct the Secretarial Audit of the Company. The Secretarial Audit Report as per Section 204 of the Companies Act, 2013 read with Regulation 24A of Listing Regulations is annexed herewith as “**Annexure [C]**” to this Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark except the following:

The Company was in Non-Compliance with regard to provisions of Regulation 33 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as it failed to hold its Board meeting for approval of unaudited financial results for the quarter ended 31.03.2019, 30.06.2019, 30.09.2019, 31.12.2019 and 31.03.2020 within the prescribed time. The NSE & BSE also imposed fine for above non-compliance which was duly paid by the company.

The Board has following explanation against the abovementioned qualification by the Secretarial Auditor:

The delay in declaration in financial results as mentioned in the Secretarial Audit Report are due to following major reasons:

- (i) There had been a huge disturbance in the management of the Company due to the unfortunate and sad demise of Late Sh. Avinash C. Gupta, Ex Chairman and Managing Director of the Company;
- (ii) The Company suffered setback due to the termination of projects and invocation of Bank Guarantees; and
- (iii) The lock down due to COVID-19 severely disturbed the Company's operations with its offices and several sites under lockdown.

III. Cost Auditors

The Company is not engaged in the production of such goods or services which are prescribed by the Central Government, for this reason the Company is not required to maintain cost records specified under sub section (1) of section 148 of the Companies Act, 2013 and to appoint Cost Auditors.

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the audit Committee, under section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

REPORTING OF FRAUDS

There have been no instances of fraud reported by the Statutory Auditor and/or Secretarial Auditor of the Company under Section 143(12) of the Companies Act, 2013 and the rules framed thereunder either to the Company or to the Central Government.

DISCLOSURES BY SENIOR MANAGEMENT

Senior Management have made disclosures of interest to the Board relating to all material Financial & Commercial transactions entered between Company and third parties. None of the Senior Managers have been found to be interested in such transactions.

WEB ADDRESS OF THE ANNUAL RETURN OF THE COMPANY

In accordance with Section 134(3)(a) of the Companies Act, 2013 (the “Act”) read with Section 92(3) of the Act, the Annual Return of the Company for the financial year ended 31 March 2020 can be viewed on at www.technofabengineering.com in the investors page.

RELATED PARTY TRANSACTIONS

The Company has formulated a Related Party Transactions Policy, which has been uploaded on its website at (www.technofabengineering.com) in the investors Page. It has been the endeavor of the Company to enter into related party transaction on commercial and arms’ length basis with a view to optimize the overall resources of the group. All transaction entered into with Related Parties during the year were in the ordinary course of business of the Company and at arms’ length basis. The Company has not entered into any contract/arrangement/transactions with related parties which could be considered material in accordance with the Policy of the Company on the materiality of related party transactions.

The details of the related party transactions as required under IND AS-24 read with the provisions of Listing Regulations, are set out in Note 46 to the standalone financial statements forming part of this Annual Report.

In accordance with Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 the particulars of contract or arrangements with related parties, referred to in Section 188 of the Act, if any, in the prescribed Form AOC-2 are attached with this report as “**Annexure-[E]**”.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

In accordance with Section 134(3)(g) of the Companies Act, 2013, the particulars of Loans, Guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013, if any, are given in the notes to the Financial Statements.

RISK MANAGEMENT

The Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. The Company periodically assesses risks in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in its strategy, business and operational plans.

The Company, through its risk management process, strives to contain impact and likelihood of the risks within the risk appetite as agreed from time to time with the Board of Directors.

The Board of Directors have already approved and periodically reviews the risk management policy and the risk appetite for the Company. There are no risks which in the opinion of the Board threaten the existence of the Company.

INTERNAL FINANCIAL CONTROLS

In order to align with the requirement of Section 134(5)(e) of the Companies Act, 2013, the Company has in place adequate internal financial controls which provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. In particular, it ensures adequate operating controls, clear policies and detailed procedures of operations, delegation of authorities, safeguarding of assets, prevention and detection of frauds and errors, financial controls on financial reporting and timely preparation of reliable financial

information. Upon review, no material reportable weaknesses were observed during the financial year 2018-19.

Nonetheless your Company recognizes that any Internal control framework, no matter how well designed has inherent limitations and accordingly it is ensured that systems are reinforced on ongoing basis.

WHISTLE BLOWER POLICY (VIGIL MECHANISM)

The Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors have formulated a Whistle Blower Policy (Vigil Mechanism) which is in compliance with the provisions of Section 177 (10) of the Companies Act, 2013 and the Listing Regulations. The policy provides for a framework and process whereby concerns can be raised by its employees against any kind of discrimination, harassment, victimization or any other unfair practice being adopted against them. More details on the Vigil Mechanism and the Whistle Blower Policy of the Company have been outlined in the Corporate Governance Report which forms part of this Annual Report. It is practice of Company to ensure that no employee is victimized for bringing such incident to attention of Management. Directors have not received any complaint regarding harassment, discrimination, violation of Company's Code of Conduct or any other unfair practice during the period under review.

CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVE

The provisions of Section 135 of the Companies Act, 2013 is not applicable to the Company. However, the Company had constituted CSR Committee comprising of Mr. Arjun Gupta, Mr. Pawan Chopra ,Ms. Anju Banerjee and Mr. Arun Mitter. As the provisions were applicable in earlier financial years.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is set out hereunder:

I. Conservation of energy

Though the operations of the Company do not consume high level of energy, adequate measures have been taken by the management to conserve energy to the extent possible through conservation measures. The Company is on a constant look out for newer and efficient energy conservation technologies and introduces them appropriately. As the cost of energy consumed by the Company forms a very small portion of the total cost, the impact of change in energy cost on total cost is insignificant.

II. Technology absorption

The Company being engaged in the business of providing complete engineering, procurement and construction services for auxiliary / balance of plant systems on a complete turnkey basis, constant efforts are made to develop new products/systems to give trouble free service in its line of activities.

III. Foreign exchange earnings and outgo

Foreign Exchange Earnings Rs. 34,31,25,017