

DCS/AMAL/MD/IP/664 /2016-17

January 04, 2017

The Company Secretary  
**Ducon Infratechnologies Ltd.**  
Ducon House, A/4, MIDC Wagle Industrial Estate,  
Road No. 1, Thane (W) – 400604.

Sir/Madam,

**Sub: Observation letter regarding the Draft Scheme of Arrangement of Ducon Infratechnologies Limited and Ducon Technologies (India) Private Ltd.**

We are in receipt of the Draft Scheme of Arrangement between Ducon Technologies (India) Private Limited and Ducon Infratechnologies Limited. As required under SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015; SEBI vide its letter dated January 03, 2017 has inter alia given the following comment(s) on the draft scheme of arrangement:

- “Company shall ensure that it incorporates the following information suitably in the scheme of arrangement to be filed before High Court:
  - i. As per Para 19(A)(6)(b) of Annexure-I of the SEBI circular, the listed entity is required to submit complaints report within 7 days of expiry of 21 days from the date of filing of draft scheme with the stock exchanges and hosting the draft scheme along with all other documents on the website of the exchanges and the listed entity .i.e September 28, 2016. However the company vide letter dated October 06, 2016 filed the complaint report with the Exchange.
  - ii. Adjudication proceedings has been initiated against Mr. Arun Govil, promoter of the company, in the matter of Dynacons Technologies Limited. In this regard, the company has appointed M/s. Crawford Bayley & Co., to represent Mr. Arun Govil in the matter.
  - iii. The Company is in non-compliance with the Regulation 17(1) and 25(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, regarding appointment of Independent Directors.”
- “Company shall ensure that additional information, if any, submitted by the Company, after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges.”
- “Company shall duly comply with various provisions of the Circulars.”

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble High Court.

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Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble High Court, the listed company shall submit to the stock exchange the following:

- Copy of the High Court approved Scheme;
- Result of voting by shareholders for approving the Scheme;
- Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
- Copy of the observation letter issued by all the Stock Exchanges where Company is listed.
- Status of compliance with the Observation Letter/s of the stock exchanges;
- The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- Complaints Report as per Annexure II of this Circular.
- Any other document/disclosure as informed by the Exchange.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,

  
Nitin Pujari  
Manager

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