
CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2019.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on corporate governance is to conduct its business in a manner, which is ethical and transparent with all stakeholders in the Company, including shareholders, vendors, creditors and employees. The Company believes in adopting the 'best practices' that are followed in the area of Corporate Governance and has consistently endeavored to practice good Corporate Governance. The Company emphasizes the need for full transparency and accountability in all its transactions, in order to protect the interests of its stakeholders.

Ducon firmly believes that all its operations and actions must serve the underlying goal of long term value creation for its shareholders and its investors. Our corporate governance framework ensures that we make timely disclosures and share accurate information regarding our financials and performance, as well as disclosures related to the leadership and governance of Ducon Infratechnologies Limited ('the Company').

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") the Company had executed fresh Listing Agreements with the Stock Exchanges. The Company is in compliances of the remaining part of regulation 17 to 27 read with Schedule V and clauses (b) to (k) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance. The policies and the code are reviewed periodically to ensure their continuing relevance, effectiveness and responsiveness to the needs of our stakeholders.

2. BOARD OF DIRECTORS

Ducon Governance structure broadly comprises the Board of Directors and the Committees of the Board at the apex level and the Management structure at the operational level. This layered structure brings about a harmonious blend in governance as the Board sets the overall corporate objectives and gives direction and freedom to the Management to achieve these corporate objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable profitable growth.

BOARD MEETING AND PROCEDURES

The detailed Agenda, setting out the business to be transacted at the Meeting(s), supported by notes is sent to each Director at least seven days before the date of the Board Meeting(s) and of the Committee Meeting(s).

In some instances, documents are tabled at the meetings and the presentations are also made by the respective executives on the matters related to them at the Board or Committee Meetings. The information as mentioned in Part A of Schedule II of the Listing Regulations, has been placed before the Board for its consideration. The Directors are also provided the facility of video/tele conferencing to enable them to participate effectively in the Meeting(s), as and when required.

Six Board Meetings were held during the year 2018-2019. The Board Meetings are held at the Registered Office of the Company.

The dates on which the Board Meetings were held are as follows:

May 30, 2018, August 14, 2018, August 30, 2018, November 14, 2018, February 14, 2019 and March 30, 2019

The maximum gap between any two meetings was not more than one hundred and twenty days. As mandated by proviso under Regulation 17A (1) of the Listing Regulations as of March 31, 2019, none of the Independent Directors of the Company served as an Independent Director in more than seven listed entities and as per Regulation 26 of Listing Regulations none of Directors is a member of more than ten Committees or acting as Chairperson of more than five Committees across all listed companies in which he/she is a Director. The necessary disclosures regarding Committee positions have been made by the Directors. None of the Directors are related to each other.

Role of Board of Directors

The primary role of the Board is that of trusteeship to protect and enhance shareholder value through strategic direction of the Company. As trustees, the Board has fiduciary responsibility to ensure that the Company has clear goals aligned to shareholder value

and its growth. The Board exercises its duties with care, skill and diligence and exercises independent judgment. It sets strategic goals and seeks accountability for their fulfillment. It also directs and exercises appropriate control to ensure that the Company is managed in a manner that fulfills stakeholders' aspirations and societal expectations.

The Independent Directors have made disclosures confirming that there are no material, financial and/or commercial transactions between Independent Directors and the Company which could have potential conflict of interest with the Company at large.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

The Non-Executive Directors with their diverse knowledge, experience and expertise bring in their independent judgment in the deliberations and decisions of the Board.

Directors of the Company are provided with well-structured and comprehensive agenda papers in advance. All material information is incorporated in the Agenda for facilitating meaningful and focused discussion in the meeting. Minutes of the Board Meetings/Committee Meetings are circulated to the Directors well in advance and confirmed at the subsequent meetings.

The Company has an Executive Chairman and the numbers of Independent Directors are half of the total number of Directors. The Company, therefore, can meet with the requirements of Regulation 17 (1) (a) & (b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the stock exchanges.

As required under Section 149(3) of the Companies Act, 2013, Ms. Ratna Jhaveri, a lady Director, has been appointed as an Independent Director on the Board.

Composition and category

The present strength of Board of Directors is Five. The Board of Directors of your Company presently comprise of an Executive Chairman, Two Executive Directors, Two Non-Executive and Independent Directors. The Independent Directors with their diverse knowledge, experience and expertise bring in their independent judgment in the deliberations and decisions of the Board.

The following table gives details of composition of the Board of Directors and also the number of other Board of Directors of which they are a member/Chairman are as under:

| Name of Director | Category of Directorship | Attendance at last AGM | No. of Board Meetings Attended | No. of other Directorships | Memberships in Audit / Stakeholders Relationship Committee | Chairmanship in Audit/ Stakeholders Relationship Committee | Category of directorship and Names of listed entities where person is a director |
|--|--|------------------------|--------------------------------|----------------------------|--|--|--|
| Mr. Arun Govil DIN: 01914619 | Managing Director | Yes | 1 | 0 | 0 | 0 | Nil |
| *Mr. Viren C. Shah DIN: 02886221 | Non-Executive & Independent Director | No | 4 | 1 | 4 | 1 | Non-Executive Independent Director 1. Dynacons Systems & Solutions Limited |
| Mr. Harish Shetty DIN: 07144684 | Executive Director & Chief Financial Officer | Yes | 6 | 0 | 1 | 0 | Nil |
| Mr. Chandrasekhar Ganesan DIN: 07144708 | Executive Director | Yes | 6 | 0 | 1 | 0 | Nil |

| | | | | | | | |
|------------------------------------|--------------------------------------|----|---|---|---|---|--|
| Mr. Abhinav Anand DIN: 07732241 | Non-Executive & Independent Director | No | 5 | 2 | 3 | 1 | Non-Executive Independent Director 1. Aryaman Financial Services Limited 2. Harish Textile Engineers Limited |
| Ms. Ratna Jhaveri DIN: 07732263 | Non-Executive & Independent Director | No | 5 | 2 | 3 | 2 | Non-Executive Independent Director 1. Mahesh Developers Limited 2. Harish Textile Engineers Limited |

Note: #Memberships/Chairmanships in Audit Committee and Shareholders'/Investors' Grievance Committee of Indian public limited companies have been considered. Other directorships excludes his/her Directorships in the Company, directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act.

The Number of Directorships and the positions held on Board, Committees by the Directors are in conformity with the limits on the number of Directorships and Board committee positions as laid down in the Act and the Listing Agreement and Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015. During the year 2018-2019, information as mentioned in schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration.

* Mr. Viren Shah, resigned from the post of Non-Executive & Independent Director of the Company w.e.f. 13.08.2019 and simultaneously from the post of Chairman of Nomination & Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee and as a member of Audit Committee

Particulars of Director seeking appointment/re-appointment at the Annual general meeting have been given in the annexure to the Notice.

Pursuant to Regulation 34(3) read with Schedule V Part (C)(2)(h) of Listing Regulations the Board of Directors has identified the following requisite skills/expertise and competencies for the effective functioning of the Company which are currently available with the Board.

| Sr. No. | Name of the Director & Designation | Core skills/expertise/competencies |
|---------|---|--|
| 1. | Mr. Arun Govil Managing Director | Chairman of Ducon Group USA. Ducon Group is involved in energy, environment, electronics & infrastructure fields globally. He has single handedly built the Ducon Group from a one man outfit to a global Company in 33 years. He is a dynamic explorer of new vistas of enterprising life and is able to always maintain his own focus with positive attitude regardless of setbacks in life. |
| 2. | *Mr. Viren Shah Non-Executive & Independent Director | Mr. Shah has 26 years of wide experience across a variety of industries & expertise in Systems Analysis, Design & Administration. He is a Post Graduate in Computer and Systems management & holds a Certificate in Oracle/ SQL & RDBMS Concepts. |

| | | |
|----|---|--|
| 3. | Harish Shetty Executive Director & Chief Financial Officer | Having more than 2 decades of experience in accounts, finance and Taxation. Headed the accounts and finance functions of companies across manufacturing, service and EPC sectors. He has thorough knowledge of handling multistate operations and ensuring statutory compliance. |
| 4. | Mr. Chandrasekhar Ganesan Executive Director | Began career with Philips India Ltd and served for 8 ¼ years in Industrial Projects & Automation division and later served for 14 ½ years with Sanmar Engineering Services in Industrial Projects division. Mr. Ganesan has extensively travelled and possesses deep knowledge of coal, cement, power, tyre, steel, oil & petrochemical industries and successfully implemented several multimillion dollar packages in Collaboration with Pebco USA & Chronos Richardson UK in these assignments. |
| 5. | Mr. Abhinav Anand Non- Executive & Independent Director | Mr. Abhinav Anand is a Qualified LLB and having experience in various areas of Corporate Law, Trademark, Contract Law, Constitutional Law. |
| 6. | Ms. Ratna Jhaveri Non- Executive & Independent Director | Post Graduate in finance and having experience in Accounts, Audit and Taxation. Wide experience in the financial service and insurance industry. |

Note-* Mr. Viren Shah, resigned from the post of Non-Executive & Independent Director of the Company w.e.f. 13.08.2019 and simultaneously from the post of Chairman of Nomination & Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee and as a member of Audit Committee

Pursuant to Clause C(2)(i) of Schedule V read with Regulation 34(3) of Listing Regulations, in the opinion of the Board all the independent directors fulfill the conditions as specified in the Listing Regulations and are independent of the management.

3. AUDIT COMMITTEE

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities.

The Company complies with the provisions of Section 177 of the Companies Act, 2013, as well as with the provisions of Regulation 18 read with Part C of the Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to the Audit Committee and its functioning. The members of the Audit Committee and their attendance at committee meetings are as under:

| Name of the Director | Category | No. of Meetings attended |
|----------------------|--------------------------------------|--------------------------|
| *Mr. Viren Shah | Non-Executive & Independent Director | 5 |
| Ms. Ratna Jhaveri | Non-Executive & Independent Director | 5 |
| Mr. Harish Shetty | Executive Director | 6 |

Note- * Mr. Viren Shah, resigned from the post of Non-Executive & Independent Director of the Company w.e.f. 13.08.2019 and simultaneously from the post of Chairman of Nomination & Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee and as a member of Audit Committee

The Committee is presently chaired by Ms. Ratna Jhaveri. Post Graduate in finance and having experience in Accounts, Audit and Taxation. All the members of the Committee except Harish Shetty are Independent Directors having knowledge of Finance, Accounts and Company Law.

The Audit Committee met **Six** times during the financial year 2018-2019 on the following date:

May 30, 2018, August 14, 2018, August 30, 2018, November 14, 2018, February 14, 2019 and March 30, 2019.

The terms of reference of the Audit Committee includes:-

- Recommending the appointment and removal of statutory auditor, fixation of audit fee and also approval for payment for any other services.
- Reviewing with management the quarterly / annual financial statements before submission to the Board focusing primarily on the following:
 - Any change in accounting policies and practices.
 - Compliance with accounting standards.
 - Major accounting entries based on exercise of judgement by management
 - Matters required to be included in the Director's Responsibility Statement.
 - Significant adjustment arising out of audit.
 - Qualification in draft audit report.
- Reviewing the finding of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity of a failure of internal control systems of a material nature and reporting the matter to the Board.
- To ensure proper disclosure in the Quarterly, Half yearly and Annual Financial Statements.
- To review the functioning of the Whistle Blower Mechanism
- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Scrutiny of inter-corporate loans and investments.
- Discussion with statutory auditors before the audit commences nature and scope of audit as well as have post audit discussion to ascertain any area of concern.
- Any related party transaction, i.e., transaction of the management, their subsidiaries or relatives, etc., that may have potential conflict with the interest of Company at large.
- Approval or any subsequent modification of transactions of the Company with related parties and granting omnibus approval to related party transactions which are in the ordinary course of business and on an arm's length basis and to review and approve such transactions.
- Reviewing with the management, statutory and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors any significant findings and follow up thereon.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems. Reviewing the Company's financial and risk management policies.
- Approval of appointment of CFO (i.e., the Whole Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background etc. of the candidate.
- Review and monitor the Auditor's independence, performance and effectiveness of audit process.

4. NOMINATION AND REMUNERATION COMMITTEE

Brief description of terms of reference

The nomination and remuneration committee of the Company is constituted in line with the provisions of Regulation 19 with Part D of the Schedule II of SEBI Listing Regulations, read with Section 178 of the Act.

- To review the performance of the Chairman and Managing Director and the Directors after considering the Company's performance and to review overall compensation policy, service agreements, performance incentive and other employment conditions of Executive Director(s).
- To approve the annual Remuneration of the Directors and Employees of the Company.
- Recommend to the Board the setup and composition of the Board and its committees.
- To review overall compensation policy, service agreements, performance incentive and other employment conditions of Executive Director(s).
- Recommend to the Board the appointment/re-appointment of Directors and Key Managerial Personnel.
- Support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and individual Directors.
- Oversee familiarization programs for Directors.

The Nomination and Remuneration committee consists of Non-Executive Directors with the Chairman being an Independent Director. The members of Committee were Mr. Abhinav Anand, Mr. Viren Shah and Ms. Ratna Jhaveri.

The Committee is chaired by *Mr. Viren Shah. The Nomination and Remuneration committee met once during the year. Company Secretary of the Company acted as the Secretary to the Committee.

The terms of reference of the NRC, is uploaded on the Company's web site at <http://duconinfra.co.in/wp-content/uploads/2016/08/Nomination-Remuneration-Policy.pdf>

Remuneration Policy

The Remuneration of the Executive Director is decided by the Remuneration Committee based on criteria such as industry benchmarks, the company's performance vis-à-vis the industry performance, track record of the Executive Directors.

Remuneration of employees largely consists of basic remuneration and performance incentives. The Company while deciding the remuneration package takes into consideration the employment scenario, remuneration package of the industry and the remuneration package of other Industries. The annual variable pay of Senior Managers is linked to the performance of the Company and their individual performance for the relevant year measured against specific Key Result Areas, which are aligned to the Company's objectives.

The members of the Nomination and Remuneration Committee and their attendance at committee meetings are as under:

| Name of the Director | Category | No. of Meetings attended |
|----------------------|--------------------------------------|--------------------------|
| Mr. Viren Shah | Non-Executive & Independent Director | 1 |
| Ms. Ratna Jhaveri | Non-Executive & Independent Director | 1 |
| Mr. Abhinav Anand | Non-Executive & Independent Director | 1 |

Note: *Mr. Viren Shah, resigned from the post of Non-Executive & Independent Director of the Company w.e.f. 13.08.2019 and simultaneously from the post of Chairman of Nomination & Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee and as a member of Audit Committee.

| Name of Director | Position | Salary |
|---------------------------|--|---------------|
| Mr. Arun Govil | Managing Director | Nil |
| Mr. Harish Shetty | Executive Director and Chief Financial Officer | Rs. 26,33,000 |
| Mr. Chandrasekhar Ganesan | Executive Director | Rs. 26,33,000 |

The Company has not issued any Stock options to the Directors. Independent Directors of the Company have disclosed that they do not hold any Equity Shares of the Company. There has been no pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company during the year under review.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The stakeholders' relationship committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with Section 178 of the Act.

Terms of reference

The Committee is responsible for assisting the Board of Directors in the Board's overall responsibilities relating to attending and redressal of the grievances of the security holders of the Company.

Functions

The Shareholders Relationship Committee is chaired by Mr. Viren Shah. Mr. Darshit Parikh, Company Secretary of the Company is the Compliance Officer of the Company. The composition of the committee constituted and details of the meetings attended by the Directors are given below:

| Name of the Director | Category | No. of Meetings attended |
|---------------------------|--------------------------------------|--------------------------|
| Mr. Chandrasekhar Ganesan | Executive Director | 3 |
| *Mr. Viren Shah | Non-Executive & Independent Director | 3 |
| Mr. Abhinav Anand | Non-Executive & Independent Director | 3 |

Note- * Mr. Viren Shah, resigned from the post of Non-Executive & Independent Director of the Company w.e.f. 13.08.2019 and simultaneously from the post of Chairman of Nomination & Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee and as a member of Audit Committee.

The committee meets at frequent intervals, to approve inter-alia, transfer/transmission of Equity shares, non-receipt of annual Report, attending to complaints of investors routed by SEBI/Stock Exchanges and reviews the status of investors' grievances and redressed mechanism and recommend measures to improve the level of investor services. Details of share transfer/transmission approved by the committee are placed at the Board meetings from time to time.

The Committee in particular looks into:

1. To oversee and review redressal of shareholder and investor grievances, on matters relating to transfer of securities, non-receipt of annual report, non-receipt of dividends/interests.
2. To issue duplicate share/debenture certificate(s) reported lost, defaced or destroyed as per the laid down procedure and to resolve the grievances of security holders of the Company, if any.
3. Attending to complaints of security holders routed by SEBI (SCORES)/Stock Exchanges/RBI or any other Regulatory Authorities.
4. Taking decision on waiver of requirement of obtaining the Succession Certificate/Probate of Will on case to case basis within the parameters set out by the Board of Directors.
5. To monitor transfer of the amounts/shares transferable to Investor Education and Protection Fund.
6. To list the securities of the Company on Stock Exchanges.
7. Any other matters that can facilitate better investor services and relations.

During the year under review, 6 queries/complaint were received from shareholders/investors of which Nil complaints were unreplied/unresolved as on 31.03.2019. The numbers of pending share transfers as on March 31, 2019 were Nil.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) Committee has been constituted in line with the provisions of Section 135 of the Act and the rules made thereunder.

Terms of reference

The terms of reference of the CSR Committee broadly comprises of:

1. Formulating and recommending to the Board of Directors the CSR Policy and monitoring the same from time to time.
2. The Committee will review and evaluate the sustainability agenda, suggest modifications, discuss and recommend action plan to take the CSR activities forward.
3. CSR Committee will monitor the spend on CSR activities by the Company as well as ensure that the Company spends atleast the minimum sum as may be prescribed from time to time pursuant to the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014 or such higher sum as may be decided by the Board of Directors of the Company.
4. Any other matter as may be necessary for implementation of Business Responsibility Policy.

The Corporate Social Responsibility (CSR) committee consists of Executive and Non-Executive Director with the Chairman being an Independent Director. The members of Committee were Mr. Abhinav Anand, Mr. Harish Shetty and Mr. Chandrasekhar Ganesan. The committee is chaired by Mr. Abhinav Anand.

7. RISK MANAGEMENT COMMITTEE

The risk management committee of the Company is constituted in line with the provisions of Regulation 21 of SEBI Listing Regulations. Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The Risk Management committee consists of Non-Executive Directors with the Chairman being an Independent Director. The members of Committee were Mr. Abhinav Anand, Mr. Viren Shah and Ms. Ratna Jhaveri. The committee is chaired by Mr. Viren Shah. The Risk Management committee met once during the year.

The objectives and scope of the Risk Management Committee broadly comprises:

- Oversight of risk management performed by the executive management;
- Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle;
- Defining framework for identification, assessment, monitoring, mitigation and reporting of risks;
- Such other matters as may be delegated by Board from time to time.

Within its overall scope as aforesaid, the Committee shall review risks trends, exposure, potential impact analysis and mitigation plan.

Note-* Mr. Viren Shah, resigned from the post of Non-Executive & Independent Director of the Company w.e.f. 13.08.2019 and simultaneously from the post of Chairman of Nomination & Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee and as a member of Audit Committee.

8. INDEPENDENT DIRECTORS' MEETING

During the year under review, as required under Schedule IV to the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Independent Directors met on March 30, 2019, inter alia, to discuss:

- Evaluation of performance of Non Independent Directors and the Board of Directors as a whole;
- Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

9. FAMILIARIZATION PROGRAMME OF INDEPENDENT DIRECTORS

The Independent directors of Ducon Infratechnologies Limited are eminent personalities having wide experience in the field of business, finance, education, industry, commerce and administration. Their presence on the Board has been advantageous and fruitful in taking business decisions.

Independent Directors are appointed as per policy of the Company, with management expertise and wide range of experience. The Directors appointed by the Board are given induction and orientation with respect to the Company's vision, strategic direction, core values, including ethics, corporate governance practices, financial matters and business operations by having one-to-one meetings.

The new Board members are also requested to access the necessary documents/brochures, Annual Reports and internal policies available at our website www.duconinfra.co.in to enable them to familiarize with the Company's procedures and practices.

Updates on relevant statutory changes encompassing important laws are regularly intimated to the Independent Directors. Their presence on the Board has been advantageous and fruitful in taking Business decisions.

Pursuant to Regulation 25(7) of the Listing Regulations, the Company has put in place a system to familiarize its Independent Directors about the Company, its financial products, the industry and business model of the Company and its subsidiary. Pursuant to Regulation 46 of Listing Regulations the details of Familiarization Programme is uploaded on the Company's website.

10. POLICY FOR REMUNERATION OF NON – EXECUTIVE DIRECTORS

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings and commission as detailed hereunder:

- A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;
- All the remuneration of the Non- Executive/Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- Any remuneration paid to Non- Executive/Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration if the following conditions are satisfied:
 - i) The Services are rendered by such Director in his capacity as the professional; and
 - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

Sitting fees

For the year 2018-2019, the Company paid sitting fees of Rs. 90,000/- to its Non-Executive Directors for attending meetings of the Board and Meeting of Committees of the Board. The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending the Meetings.

The details of sitting fees paid to the Directors for the year 2018-2019 are as under:

| Sr. No. | Name of the Director | Sitting Fees for attending Meeting (Rs.) | Salary & Perquisites (Rs.) | Commission (Rs.) | Total (Rs.) |
|---------|----------------------|--|----------------------------|------------------|-------------|
| 1 | Mr. Abhinav Anand | 30000 | 0 | 0 | 30000 |
| 2 | Ms. Ratna Jhaveri | 30000 | 0 | 0 | 30000 |
| 3 | *Mr. Viren Shah | 30000 | 0 | 0 | 30000 |

Note-* Mr. Viren Shah, resigned from the post of Non-Executive & Independent Director of the Company w.e.f. 13.08.2019 and simultaneously from the post of Chairman of Nomination & Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee and as a member of Audit Committee.

11. PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and of Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration Committees, after taking into consideration various things like inputs received from the Directors, functions of Board's such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

Criteria for Performance Evaluation of Independent Directors includes:

1. Attendance and Participation.
2. Maintaining confidentiality.
3. Acting in good faith and in the interest of the company as a whole.
4. Exercising duties with due diligence and reasonable care.
5. Complying with legislations and regulations in letter and spirit.
6. Openness to ideas, perspectives and opinions and ability to challenge old practices and throwing up new ideas for discussion.
7. Capacity to effectively examine financial and other information on operations of the company and the ability to make positive contribution thereon.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non -Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

12. REPORT ON CORPORATE GOVERNANCE

The quarterly compliance report has been submitted to the Stock Exchanges where the Companies equity shares are listed in the requisite format duly signed by the Compliance Officer.

13. GENERAL BODY MEETINGS

The last Three Annual General Meetings of the Company were held as under:-

- **9th AGM** : September 29, 2018 at 10.30 A.M. at Coral Hall (in basement) Hotel Satkar Grande Wifi Park, Opposite Aplab Company, Wagle Estate, Thane (W) 400604

Number of Special Resolution passed: Nil

None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.

- **8th AGM** : September 29, 2017 at 10.30 A.M. at Coral Hall (in basement) Hotel Satkar Grande Wifi Park, Opposite Aplab Company, Wagle Estate, Thane (W) 400604

Number of Special Resolutions passed: 1

1. Authority to Borrow funds.

Postal ballot: The Postal Ballot notice was issued on 07.06.2017 and the details are as follows:

Details of special resolution proposed to be conducted through postal ballot:

Number of Special Resolution passed: 4

1. Approval of Employee Stock Option Plan 2017 (ESOP 2017)
2. Approval of grant of options to the Employees under ESOP 2017
3. Appointment of Statutory Auditors to fill casual vacancy
4. Amendment of Articles of Association of the Company.

- **7th AGM** : September 30, 2016 at 11.30 A.M. at Coral Hall (in basement) Hotel Satkar Grande Wifi Park, Opposite Aplab Company, Wagle Estate, Thane (W) 400604

Number of Special Resolutions passed: 2

1. Appointment of Mr. Arun Govil (Din no.: 01914619) as a Managing Director of the Company.
2. Authority to Borrow funds.

Details of special resolution proposed to be conducted through postal ballot:

None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.

14. CODE OF CONDUCT

The Board of Directors has laid down Code of conduct for all Board Members and Senior Management of the Company. The copies of Code of Conduct as applicable to the Executive Directors (including Senior Management of the Company) and Non-Executive Directors are uploaded on the website of the Company – www.duconinfra.co.in

15. SHARE CAPITAL AUDIT

The Share Capital Audit as required under Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018 read with SEBI Circular No. D&CC/FITTC/Cir-16/2002 dated December 31, 2002, a Qualified Practicing Company Secretary carries out Capital Audit to reconcile the total admitted equity capital with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and to the Board of Directors.

16. VIGIL MECHANISM / WHISTLE BLOWER POLICY

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

Pursuant to Section 177 of the Companies Act, 2013 and under Regulation 22 of SEBI Listing Regulations, the Company has adopted Vigil Mechanism (Whistle Blower Policy) for the directors and employees of the company to deal with instances of fraud and mismanagement, if any and to ensure that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

The mechanism provides for adequate safeguards against victimization of Directors and employees to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations about a personal situation.

17. DISCLOSURES

a) Related party Transactions:

There are no material related party transactions during the year that have conflict with the interest of the Company. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arm's length basis and were approved by the Audit Committee. The Board's approved policy for related party transactions is uploaded on the website of the Company at <http://duconinfra.co.in/wp-content/uploads/2016/08/Policy-On-Related-Party-Transactions.pdf>

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company save and except the payment of sitting fees and commission to Independent Directors. The details of the transactions with Related Party are provided in the notes to the Financial Statements.

b) Disclosure of Accounting Treatment:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historic cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year. Disclosures on transactions with related parties, as required under the Indian Accounting Standard 24, have been incorporated in the Notes to the Accounts. The statement of RPTs is placed before the Audit Committee and the Board on quarterly basis. Omnibus approval was obtained for the transactions of repetitive nature.

c) Management Discussion and Analysis Report:

The Management Discussion and Analysis Report have been provided in the Directors' Report to the Shareholders.

d) Details of non-compliance by the Company, penalties, restrictions imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during the last three years: Nil

e) A qualified Practicing Company Secretary carried out a Reconciliation of Share Capital Audit, the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

f) The Company has established a mechanism called "Whistle Blower Policy" for employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. No person has been denied access to the Chairman of the Audit Committee. The Vigil Mechanism as per Regulation 22 of Listing Regulations ensures standards of professionalism, honesty, integrity and ethical behaviour.

g) The Company has adopted Code of Conduct ('Code') for the Members of the Board and Senior Management Personnel as required under Regulation 17(5) of the Listing Regulations. All the Board Members and the Senior Management Personnel have affirmed compliance of the Code. The Annual Report of the Company contains a declaration to this effect signed by the Managing Director & CFO. Further, the Code of Conduct of the Company applicable to the Board and Senior Management Personnel is also uploaded on the Company's website at the web link http://duconinfra.co.in/wp-content/uploads/2016/08/Code-of-conduct-2015_DTL.pdf

h) Terms of Appointment of Independent Directors

Terms and conditions of appointment of Independent Directors are available on the Company's website at the web link <http://duconinfra.co.in/wp-content/uploads/2016/08/Independent-Directors-TC.pdf>

i) Shareholders

(i) The Company has sent Annual Report through email to those Shareholders who have registered their email ids with Depository Participant.

(ii) Mr. Arun Govil, is retiring by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

(iii) The Company does not have any material listed/unlisted subsidiary companies as defined in Regulation 24 (1) of Listing Regulations. However, the Company has framed the Policy on Material Subsidiaries and the same is uploaded on the Company's website at the web link: <http://duconinfra.co.in/wp-content/uploads/2016/08/POLICY-ON-MATERIAL-SUBSIDIARIES.pdf>

(iv) The disclosure of commodity price risks and commodity hedging activities: Not applicable.

j) Auditors' certificate on corporate governance

As required by Schedule V of the Listing Regulations, the Auditors' certificate on corporate governance is enclosed as an Annexure to the Board's Report.

k) Details of compliance with Mandatory requirements and adoption of non-mandatory requirements

1. The Company has complied with all the applicable mandatory requirements of the Listing Regulations.

2. The Company has not adopted the non-mandatory requirement as specified in the Listing Regulations.

l) Company has not raised funds through preferential allotment or qualified institutions placement under Regulation 32(7A) of the Listing Regulations. However the Company had allotted 2,62,52,017 equity shares pursuant to the Scheme of Amalgamation between Ducon Infratechnologies Limited and Ducon Technologies (I) Private Limited and trading approval for the same had been received from National Stock Exchange of India Limited and BSE Limited on July 23, 2018.

m) No equity shares were suspended from trading during the Financial Year 2018-19.

n) The Company has not issued any outstanding Global Depository Receipts or American Depository Receipts, however the Company had allotted 2,62,52,017 equity shares pursuant to the Scheme of Amalgamation between Ducon Infratechnologies Limited and Ducon Technologies (I) Private Limited and trading approval for the same had been received from National Stock Exchange of India Limited and BSE Limited on July 23, 2018.

o) The certificate dated March 31, 2019, received from Mr. Gaurang Shah, Practicing Company Secretary confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Board/Ministry of Corporate Affairs or any such Statutory Authority.

p) In the financial year 2018-19 the board has accepted all recommendations of its Committees.

q) The details of total fees for all services paid by the Company to the statutory auditor and all entities in the network firm/network entity of which the statutory auditors is a part, are as follows –

| Sr. No. | Particulars | Amount (Rs. in Lakh) |
|---------|----------------------|----------------------|
| 1 | Statutory Audit Fees | 22.00 |
| 2 | Tax Audit Fees | 5.00 |
| 3 | Others | - |
| | Total | 27.00 |

- r) The disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 forms part of the Directors' Report.
- s) The Company has complied with all the requirement of Corporate Governance report as contained in Clause C(2) to (10) of Schedule V read with Regulation 34(3) of Listing Regulations.

18. POLICY FOR PROHIBITION OF INSIDER TRADING

Vide notification No. EBI/LAD-NRO/GN/2018/59 Securities and Exchange Board of India (SEBI) has notified SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 with effect from April 01, 2019. The Company has accordingly amended its Prohibition of Insider Trading Code and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The Company in its Board meeting held on March 30, 2019 has taken necessary initiative to implement the same. The Code also provides for pre-clearance of transactions by designated persons.

19. CEO & CFO CERTIFICATION

In terms of Listing Regulations, the certification by the Chief Financial officer is annexed to this Annual Report.

20. COMPLIANCE ON CORPORATE GOVERNANCE

The quarterly compliance report has been submitted to the Stock Exchanges where the Company's equity shares are listed in the requisite format duly signed by the Compliance Officer. Pursuant to Regulation 17 to 27 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 of the Listing Agreement, the Auditor's Certificate in compliance on conditions of Corporate Governance is published in the Annual Report.

21. MEANS OF COMMUNICATION:

The Board recognizes the importance of two-way communication with shareholders and giving a balanced report of results and progress and responding to questions and issues raised in a timely and consistent manner. The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board. These are widely published in Leading newspapers and local language newspapers. After adoptions by the Board of Directors in their Board Meeting the financial results, official news releases are posted on the company's website: www.duconinfra.co.in. The Management Discussion and Analysis Report is a part of the Annual Report for the year. The annual report has been sent in electronic form to shareholders, who have provided their email id. Physical copies of the annual report have been provided to such shareholders based on a request received from them for this purpose.

Our Company does online filing with National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) through web based application: NEAPS (NSE Electronic Application Processing System) and BSE Listing Centre.

The Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Part A of Schedule III of the Listing Regulations including material information having a bearing on the performance / operations of the Company or other price sensitive information.

The Board of Directors has approved a policy for determining materiality of events and making disclosures to Stock Exchanges.

22. GENERAL SHAREHOLDER INFORMATION

22.1 Annual General Meeting:-

| | |
|-----------------|---|
| - Date and Time | September 28, 2019 at 11.00 A.M. |
| - Venue | Coral Hall Hotel Satkar Grande Wifi Park, Opposite Aplaab Company, Wagle Estate, Thane (W) 400604 Land Line No: +9122 25819999 |

As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2, particulars of Directors seeking appointment/re-appointment at this AGM are given in the Annexure to the Notice of this AGM.

- 22.2 Financial Calendar: -** **April'18 – March'19**
- 22.3 Book Closure Date** As mentioned in the Notice of this AGM
- 22.4 Dividend Payment Date** N.A.
- 22.5** (a) Listing of Equity Shares on Stock Exchanges at:

Name **Code Nos.**

The BSE Ltd.
25th Floor, P. J. Towers,
Dalal Street, Mumbai - 400 001

534674

National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex
Bandra (East), Mumbai - 400 051

DUCON

- (b) Listing of Global Depository Receipts N.A.
- (c) Demat ISIN numbers in NSDL & CDSL INE741L01018
- (d) Annual listing fees for the year 2018-2019 have been duly paid to all the above Stock Exchanges.
- (e) Corporate Identification Number (CIN) L72900MH2009PLC191412

22.6 Stock Market Data

| Month | Bombay Stock Exchange (BSE) (in Rs.) | | | National Stock Exchange (NSE) (in Rs.) | | |
|------------|---|----------------------|------------------------------|---|----------------------|------------------------------|
| | Month's high price | Month's low price | Volume (No. of shares) | Month's high price | Month's low price | Volume (No. of shares) |
| April-2018 | 36.10 | 29.00 | 762210 | 36.25 | 28.95 | 4211509 |
| May-2018 | 32.80 | 26.15 | 503593 | 32.95 | 27.25 | 2409417 |
| June-2018 | 30.60 | 19.05 | 619053 | 30.80 | 19.20 | 4078894 |
| July-2018 | 26.50 | 18.20 | 1169364 | 26.45 | 18.10 | 6181817 |
| Aug-2018 | 22.65 | 18.30 | 1154055 | 22.70 | 17.80 | 9562987 |
| Sep-2018 | 19.50 | 14.25 | 617482 | 19.30 | 13.65 | 3043132 |
| Oct-2018 | 15.90 | 12.53 | 324251 | 15.85 | 12.60 | 1666425 |
| Nov-2018 | 16.85 | 11.35 | 487301 | 16.85 | 12.65 | 1753971 |
| Dec-2018 | 14.69 | 11.56 | 553869 | 14.90 | 11.40 | 1575897 |
| Jan-2019 | 13.27 | 8.51 | 886958 | 13.10 | 8.65 | 3181252 |
| Feb-2019 | 15.00 | 9.51 | 529750 | 14.40 | 9.35 | 2831258 |
| Mar-2019 | 13.90 | 9.25 | 720838 | 13.85 | 9.50 | 3914115 |

22.7 Registrar and transfer Agents:

Bigshare Services Pvt. Ltd.
SEBI Regn. No. INR 00001385
1st Floor, Bharat Tin Works Bldg,
Opp. Vasant Oasis, Makwana Road
Marol, Andheri East
Mumbai - 400059
Tel: 022-62638200/206
Fax: 022-62638299

22.8 Share Transfer System:

The Company's shares shall be traded on the Stock Exchanges compulsorily in Demat mode. Shares in physical mode which are lodged for transfer at Share Transfer Agent are processed and subject to exercise of option under compulsory transfer-cum-demat procedures. Share Certificates are either dematted or returned within the time prescribed by the authorities.

22.9 Distribution of Shareholding as on March 31, 2019

| No. of Equity Shares | No. of Folios | % of Total | Total Holding in Rupees | % of Total |
|----------------------|---------------|---------------|-------------------------|---------------|
| 1-5000 | 18547 | 93.72 | 13857601 | 13.24 |
| 5001-10000 | 695 | 03.51 | 5154886 | 04.92 |
| 10001-20000 | 299 | 01.51 | 4254646 | 04.07 |
| 20001-30000 | 101 | 00.51 | 2493414 | 02.38 |
| 30001-40000 | 42 | 00.21 | 1508172 | 01.44 |
| 40001-50000 | 28 | 00.14 | 1248755 | 01.19 |
| 50001-100000 | 55 | 00.28 | 3692353 | 03.53 |
| 100001-999999999 | 23 | 00.12 | 72465290 | 69.23 |
| Total | 19790 | 100.00 | 104675117 | 100.00 |

22.10 Shareholding of Directors

| Sr.No. | Name of Directors | No. of Shares | Percentage (%) |
|--------|---------------------------|---------------|----------------|
| 1. | # Mr. Arun Govil | 73442569 | 70.16 |
| 2. | *Mr. Viren Shah | Nil | Nil |
| 3. | Mr. Harish Shetty | Nil | Nil |
| 4. | Mr. Chandrasekhar Ganesan | Nil | Nil |
| 5. | Mr. Abhinav Anand | Nil | Nil |
| 6. | Ms. Ratna Jhaveri | Nil | Nil |

Note-* Mr. Viren Shah, resigned from the post of Non-Executive & Independent Director of the Company w.e.f. 13.08.2019 and simultaneously from the post of Chairman of Nomination & Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee and as a member of Audit Committee

#Mr. Arun Govil's 20,64,324 shares were invoked from June 20,2019 to June 27,2019 and his shareholding as on the date of Directors Report is 7,13,78,245 shares i.e. 68.19% of the total share capital of the Company.

22.11 Dematerialization of Shares as on March 31, 2019

| Total No. of shares | Shares in physical form | Percentage % | Share in demat form | Percentage |
|---------------------|-------------------------|--------------|---------------------|------------|
| 10,46,75,117 | 3,02,690 | 0.29 | 10,43,72,427 | 99.71 |

22.12 Categories of Shareholders as on March 31, 2019

| Category | No of Shares held | Percentage of Shareholding |
|-----------------------|-------------------|----------------------------|
| Clearing member | 397544 | 00.38 |
| Corporate Bodies | 1601010 | 01.53 |
| Corporate Bodies NBFC | 3750 | 00.00 |
| Foreign Promoters | 63442569 | 60.61 |
| Nationalised Banks | 7980 | 00.01 |
| NRIs | 1422068 | 01.36 |
| Partnership Firm | 200 | 00.00 |
| Public | 37799496 | 36.11 |
| Trusts | 500 | 00.00 |
| Total | 104675117 | 100.00 |

22.13 Capital of the Company : The authorized and paid-up capital of your Company is Rs. 150,000,000 and Rs. 10,46,75,117 respectively

22.14 Outstanding GDRs / ADRs : **N.A**

22.15 Company Secretary & Compliance Officer : **Mr. Darshit Parikh**

22.16 Address for Investor Correspondence : **Bigshare Services Pvt. Ltd.**
SEBI Regn. No. INR 00001385
1st Floor, Bharat Tin Works Bldg,
Opp. Vasant Oasis, Makwana Road
Marol, Andheri East
Mumbai-400059
Tel: 022-62638200/206
Fax: 022- 62638299

Ducon Infratechnologies Ltd.
CIN: L72900MH2009PLC191412
Ducon House, Plot No. A/4,
Road No. 1, MIDC,
Wagle Industrial Estate,
Thane-400604
Email: cs@duconinfra.co.in
Cont No. 022- 41122114

22.17 Corporate Ethics:

The consistent endeavor of Ducon Infratechnologies Ltd. is to enhance the reputation of the Company and irrespective of the goals to be achieved, the means are as important as the end. The Company has adopted "the Code of Conduct for prevention of Insider Trading", which contains policies prohibiting insider trading. As per SEBI / Stock Exchanges Guidelines, the Company has also promulgated Code of Conduct to be followed by Directors and Management.

CFO/CEO CERTIFICATION
The Board of Directors
Ducon Infratechnologies Ltd.
Thane

We, hereby to the best of our knowledge and belief certify that:

- a) We have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which is fraudulent, illegal or violates the Company's code of conduct.
- c) We hereby declare that all the members of the Board of Directors and Executive Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- d) 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 Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- e) We have disclosed, based on our evaluation wherever applicable to the Auditors and the Audit Committee that;
 - i) There has not been any significant change in internal control over financial reporting;
 - ii) All the significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statement; and
 - iii) There were no instances of significant fraud of which we are become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Ducon Infratechnologies Ltd.**

Harish Shetty
Director
DIN: 07144684

Place : Thane
Dated: August 31, 2019

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

The Board of Directors
Ducon Infratechnologies Ltd.
Thane.

We have examined the compliance of the conditions of Corporate Governance by Ducon Infratechnologies Limited for the year ended 31st March, 2019 as per Regulations 17-27, clauses (b) to (i) of Regulations 46(2) and paragraphs C, D and E of Schedule V of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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, and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2019.

We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.

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

For **M/s. Hitesh Shah & Associates**
Firm Regn. No. : 103716W
Chartered Accountants

Hitesh Shah
Partner
Membership No: 040999

Place : Mumbai
Dated: August 31, 2019



DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to certify that the Company has laid down Code of Conduct for all Board Members and Senior Management of the Company and the copies of the same are uploaded on the website of the Company - www.duconinfra.co.in

As per Regulation 17(5) and Regulation 26(3) of Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed Compliance with the Code of Conduct for the year ended March 31, 2019.

For **Ducon Infratechnologies Ltd.**

Harish Shetty
Director
DIN: 07144684

Date : August 31, 2019
Place: Thane