



DYNACONS
Technologies Ltd.

ANNUAL REPORT
2013-2014

DYNACONS TECHNOLOGIES LIMITED
CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri. Shirish M. Anjaria	Chairman cum Managing Director
Shri. Parag. J. Dalal	Director
Shri. Dharmesh S. Anjaria	Director
Shri. Mukesh P. Shah	Director (Resigned w.e.f. September 24,2013)
Shri. Viren Shah	Director
Shri. Dilip Palicha	Director
Shri. Jitesh Jain	Director (Appointed w.e.f. March 22,2014)

AUDITORS

P. C. Ghadiali & Co.
Chartered Accountants
Mumbai.

Registrar & Transfer Agents

Bigshare Services Pvt. Ltd.,
E-2, Ansa Industrial Estate,
Saki Vihar Road, Saki Naka,
Andheri (E), Mumbai - 400 072.

PRINCIPAL BANKERS

Dena Bank

REGD. OFFICE

78, Ratnajyot Industrial Estate,
Irla Lane, Vile Parle (W),
Mumbai - 400 056.

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NOTICE

Notice is hereby given that the Fifth Annual General Meeting of the members of **Dynacons Technologies Limited** will be held on Tuesday 30th day of September, 2014 at 3.30 P.M. at Karl Residency, 36, Lallubhai Park Road, Andheri (West), Mumbai 400058 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on March 31, 2014 and Profit & Loss Account for the year ended on that date together with Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Dharmesh Anjaria (Din 00445009) who retires by rotation and being eligible, offers himself for re-appointment.
3. Appointment of M/s. Palan & Co., Chartered accountants, as Statutory Auditors of the Company

To consider and, if thought fit, to pass the following Resolution with or without modification(s), if any, as Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, as amended from time to time, Palan & Co., Chartered accountants (Firm's Registration No.133811W), be and are hereby appointed as Statutory Auditors of the Company in place of M/s. P.C. Ghadiali & Co., Chartered accountant to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 8th AGM of the Company to be held in the year 2017 (Subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out of pocket, traveling expenses, etc., as may be mutually agreed between the Board of Directors of the Company & the Auditors."

SPECIAL BUSINESS:**4. Appointment of Mr. Jitesh Jain as independent Director**

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

"RESOLVED that Mr. Jitesh Jain (holding Din: 00282797), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 22nd March, 2014, in terms of Section 260 of the Companies Act, 1956 [corresponding to Section 161(1) of the Companies Act, 2013] and Article 125 of the Articles of Association of the Company and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company till the conclusion of the 10th Annual General Meeting of the Company to be held in the year 2019."

5. Appointment of Mr. Dilip Palicha as an independent Director

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

"RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the act) and the rules framed thereunder, Mr. Dilip P. Palicha (Din 02879480), a Non Executive Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the act and who is eligible for reappointment, be and is hereby appointed as an Independent Director of the Company till the conclusion of the 10th Annual General Meeting of the company to be held in the year 2019."

6. Appointment of Mr. Viren Shah as an independent Director

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

"RESOLVED that pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the act) and the rules framed thereunder, Mr. Viren C. Shah (Din 02886221), a Non Executive Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and who is eligible for reappointment, be and is hereby appointed as an Independent Director of the Company till the conclusion of the 10th Annual General Meeting of the company to be held in the year 2019."

By Order of the Board of Directors

FOR DYNACONS TECHNOLOGIES LTD.

Date : September 03, 2014

Place : Mumbai

Registered Office

78, Ratnajyot Industrial Estate,
Irla lane, Vile Parle (West),
Mumbai - 400056

CIN No : **L72900MH2009PLC191412**

Shirish M. Anjaria

Chairman cum Managing Director

Parag J. Dalal

Director

NOTES:

1. The Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013(the act) in respect of the Item No. 3 to Item No. 6 is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**

A person can act as proxy on behalf of members not exceeding (50) and holding in the aggregate not more than 10% of the total share capital of the company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. Members / Proxies should bring the enclosed attendance slip duly filled in, for attending the meeting, along with the Annual Report.
4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote in their behalf at the Meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, the 24th day of September, 2014 to Tuesday, the 30th day of September, 2014. (both days inclusive).
6. The Members holding the shares in physical form may obtain the nomination form from the company's Registrar & Share transfer agent.
7. Members desirous of getting any information in respect of the content of the annual report are requested to forward the queries to the company at least 10 days prior to the annual general meeting so that the required information can be made available at the company
8. In compliance with the provisions of Section 108 of the Act and the rules framed thereunder, the members are provided with the facility to cast their vote electronically, through the e-voting services provided by National Securities Depository Limited(NSDL), on all the resolutions set forth in the notice
9. Shareholders holding shares in physical form are requested to advise any change of address immediately to Company's Registrar and Share Transfer Agents, Bigshare Services Pvt. Ltd. Shareholders holding shares in electronic form must advise their respective depository participants about change in address and not to the Company.
10. The relevant details as required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges of person seeking re-appointment as Director under item no. 2 and 4 to 6 above is annexed hereto.
11. Members who hold shares in dematerialized form are requested to bring their DP ID and Client ID numbers for easy identification of attendance at the meeting.
12. The Equity Shares of the Company are mandated for trading in the compulsory demat mode. The ISIN Number allotted for the Company's shares is INE741L01018.
13. An Annual listing fees for the year 2014-15 has been paid to Bombay Stock Exchange Ltd & National Stock Exchange Ltd.
14. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):

The instructions for e-voting are as under:
- A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories):
 - i. Open the e-mail and also open PDF file with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
 - ii. Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.
 - iii. Click on Shareholder - Login.
 - iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
 - v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
 - vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
 - vii. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
 - viii. Select "EVEN" (E-Voting Event Number) of Dyancons Technologies Limited. Now you are ready for e-voting as Cast Vote page opens.
 - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

- x. Upon confirmation, the message "Vote cast successfully" will be displayed.
- xi. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
- xii. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to csshrutishah@gmail.com, with a copy marked to evoting@nsdl.co.in.
- xiii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting user manual - Shareholders, available at the downloads section of www.evoting.nsdl.com.

B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/Depositories):

- i. Initial username and password is provided.
- ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) above, to cast vote.

C. Other Instructions:

- i. The e-voting period commences on September 25, 2014 (9:30 am IST) and ends on September 27, 2014 (6:00 pm IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 29, 2014, may cast their vote electronically. The e-voting module shall also be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- ii. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on, Friday, 29th August, 2014.
- iii. Ms. Shruti H. Shah, Practicing Company Secretary (Membership No. 22923), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- iv. The Scrutinizer shall within a period of not exceeding three(3) working days from the conclusion of the e-Voting period unlock the votes in the presence of atleast two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- v. Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Ms. Shruti H. Shah, Practicing Company Secretary (Membership No. 22923), at the Registered Office of the Company not later than September 27, 2014 (6:00 pm IST).

Members have the option to request for physical copy of the Ballot Form by sending an e-mail to investor@dtlindia.com by mentioning their Folio / DP ID and Client ID No. However, the duly completed Ballot Form should reach the Registered Office of the Company not later than September 27, 2014 (6:00 pm IST).

Ballot Form received after this date will be treated as invalid.

A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

- vi. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.dtlindia.com and on the website of NSDL www.evoting.nsdl.com within two days of the passing of the resolutions at the Fifth AGM of the Company on September 30, 2014 and communicated to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

By Order of the Board

FOR DYNACONS TECHNOLOGIES LTD.

Date : September 03, 2014
Place : Mumbai

Shirish M. Anjaria
Chairman cum Managing Director

Parag J. Dalal
Director

Registered Office

78, Ratnajyot Industrial Estate,
Irla Lane, Vile Parle (W),
Mumbai – 400 056

CIN No: **L72900MH2009PLC191412**

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 of the Companies Act, 2013

ITEM NO. 3

M/s. P.C. Ghadiali & Co., Chartered Accountants were appointed as a Statutory Auditors of the Company at the Annual General Meeting (AGM) of the Company held on 30th September, 2013. M/s. P.C.Ghadiali & Co., Chartered Accountants have expressed their unwillingness to offer themselves for re-appointment in the Company as Statutory Auditors of the Company.

M/s. Palan & Co., Chartered Accountants, (Firm's Registration No. 133811W), are proposed to be appointed as the Statutory Auditors of the Company for the financial year 2014-2015 at the Annual General Meeting(AGM) of the Company to be held on 30th September, 2014. In accordance with the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Palan & Co. can be appointed as Auditors for period of three years after commencement of the Companies Act, 2013 i.e. upto March 31, 2017.

The Auditors have informed the Company that their appointment if made would be within the limits prescribed u/s 141 of the Companies Act, 2013 and the Auditors have confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold valid certificate issued by the Peer Review Board of the ICAI.

In view of the above, M/s. Palan & Co. being eligible for appointment and based on recommendation of the Audit committee, the Board has proposed the appointment of M/s. Palan & Co., Chartered Accountants as the Statutory Auditors of the Company for a period of 3 years to hold office from the conclusion of this AGM till the conclusion of 8th AGM of the Company to be held in the year 2017 (Subject to the ratification of their appointment at every AGM)

The Board recommends the resolution at item No.3 for approval by members.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested in item No. 3 of the Notice.

ITEM NO. 4, 5, 6

Pursuant to Clause 49 of the listing Agreement, the Board of Directors of the Company comprises the following Independent Directors and in the opinion of the Board, the below Independent Directors fulfils the conditions specified in this Act for such an appointment:-

Mr. Dilip Palicha, Mr. Viren Shah, Mr. Jitesh Jain

Pursuant to the provisions of Section 149 of Companies Act, 2013(the act), which came into effect from April 1, 2014, The independent directors are not liable to retire by rotation.

All the Non-executive Directors of the Company, have given a declaration to the board that they meet the criteria of independence as provided under Section 149(6) of the act, in the opinion of the board, each of these directors fulfill the conditions specified in the act and rules framed thereunder for appointment as Independent Director. The board has recommended the appointment of these directors as Independent Directors of the Company till the conclusion of the 10th Annual General Meeting of the Company to be held in the year 2019.

In compliance with the provision of Section 149 of the Act, the appointment of these directors as independent directors is now being placed before the members for their approval.

The brief profile of Independent Directors are as under:

Mr. Dilip Palicha

He has vast experience in Management and Administration, Insurance, Expertise in Printing Technology & Animation. He is a Graduate with Certificate in Printing Technology and an Associate of Federation of Insurance Institutes.

Mr. Viren Shah

He has 21 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.

Mr. Jitesh Jain

He is a Chartered Accountant for more than 10 years in Mumbai and by qualification is B. Com., F. C. A., D.I.S.A. He is a senior Chartered Accountant with varied experience in the fields of Bank, Government and Corporate Audits, Project Preparation and Reporting, Management Consultancy and Finance and also has expertise in services like Statutory Audit, Internal Audit, Concurrent Audit, Tax Audit, Stock Audit, Vat Audit, Service Tax Audit, Forensic Audit, Information System Audit & other value added services to various companies - Nationalised Banks, Public Sector Companies, Private Limited Companies, A.O.P, Trusts, Partnership Firms, Limited Liability Partnership Firm etc.

The Board recommends the resolution at item No.4,5,6 for approval by members.

None of the Directors, Key Managerial Personnel of the company and their relatives are in any way, concerned or interested in this item of business except Mr. Dilip Palicha, Viren Shah & Jitesh Jain.

DETAILS OF DIRECTORS RETIRING BY ROTATION AND SEEKING REAPPOINTMENT**(In Pursuance of Clause 49 of the Listing Agreement)**

Particulars	Mr. Dharmesh Anjaria	Mr. Jitesh Jain	Mr. Viren Shah	Mr. Dilip Palicha
Date of Birth	January 5, 1973	July 31, 1977	April 23, 1966	November 5, 1947
Date of Appointment	April 2, 2009	March 22, 2014	January 25, 2011	January 25, 2011
Experience in functional Area	17 years of experience in the IT Industry, Managed Services, Finance, Corporate Affairs and Tax	Senior Chartered Accountant with more than a decades of varied experience in the fields of Bank, Government and Corporate Audits, Project Preparation and Reporting, Management Consultancy and Finance.	21 Years of wide experience across a variety of industries & expertise in Systems Analysis, Design & Administration	Vast experience in Management and Administration, Insurance, Expertise in Printing Technology & Animation.
Qualification	B.Com, A.C.A, AICWA, Intel Certified Integration Specialist	B. Com., F. C. A. D.I.S.A.	Advance Post Graduate in Computer and Systems management & hold a Certificate in Oracle/ SQL & RDBMS Concepts.	Graduate with Certificate in Printing Technology, Associate of Federation of Insurance Institutes.
Directorship in other Companies (Public Limited Companies)	1	-	1	1
Membership of Committees of other public limited companies	-	-	2	2
No. of Share held in the company	2671750	Nil	Nil	Nil

By Order of the Board of Directors**FOR DYNACONS TECHNOLOGIES LTD.****Place :** Mumbai**Date :** September 03, 2014**Shirish M. Anjaria**

Chairman cum Managing Director

Parag J. Dalal

Director

Registered Office78, Ratnajyot Industrial Estate,
Irla lane, Vile Parle (West),
Mumbai - 400056CIN No : **L72900MH2009PLC191412**

DIRECTORS' REPORT

Your Directors are pleased to present the Fourth Annual Report of your Company for the period ended March 31, 2014.

1. Financial Highlights

(₹ In Lacs)

Sr No.	Particulars	Year ended 31/03/2014	Year ended 31/03/2013
1.	Total Income	3188.22	3215.19
2.	Total Expenditure (Excl. Depreciation & Interest)	2992.39	3016.59
3.	Interest	86.28	95.16
4.	Depreciation	93.31	87.97
5.	Profit before Tax	16.24	15.47
6.	Provision for Taxation	6.93	5.00
7.	Profit after tax	9.31	10.47

Management Analysis and Discussions

Company Performance

During the year, your Company earned total revenues of ₹ 3188.22 lacs compared with ₹ 3215.19 lacs during the previous year. The profit before tax stood at ₹ 16.24 lacs. The Company has made a provision of tax totaling to ₹ 6.93 lacs and the profit after tax stood at ₹ 9.31 lacs for the current year.

The Company has continued to build its infrastructure, reach and product portfolio. The diversity in terms of a large bouquet of products lines and vendors and geographical reach has enabled your Company to take maximum advantage of the available growth opportunities.

Review of Operations

The year gone by was a year of recovery for the global economy. Changing economic and business conditions, evolving consumer's preference, rapid technological innovation and adoption and globalization are creating an increasingly competitive market environment that is driving corporations to transform the manner in which they operate. Companies in this environment are now focusing even more on their core business objectives, such as revenue growth, profitability and asset efficiency.

Technology has evolved from merely driving cost efficiency. It is now also driving tangible business value. The ability to define, design, develop, implement and maintain advance technology platforms and business solutions to address business needs has become competitive advantage and a priority for corporations worldwide. As a result, there is an increasing need for highly-skilled professionals in the market to help corporations transform their business, optimize operations and drive innovation by leveraging technology.

Globally the Cloud business has already gained a high degree of acceptance, however customers in India have shown a marked resistance towards moving onto the Cloud due to Data Security & Privacy concerns. Your Company recognizes and appreciates that "IT on Cloud" has the potential to become a significant game-changer. As the demand pattern in India matures, your Company will evaluate appropriate Cloud business strategies and invest in this space accordingly.

While usage of Tablets and Smartphones as consumer devices has rapidly exploded, the PC is expected to remain the primary device for computing and content creation, which would drive the demand for this form factor. The increased availability of products and technology across the geographical spread of the country while providing the necessary financial credit structure that has been key to the explosive growth of this industry.

The company has a strategy planning process and revalidates the strategy themes in order to achieve the business objectives of the company. The corporate performance is measured, monitored and managed on an on-going basis. Your Company leverages its core competencies, alliances and customer relationships to achieve marketplace success by carving out a niche position through an appropriate mix of products, services and cutting edge technology integration.

Your Company's investment and engagement over the years has enabled it to develop a strong foothold catering to Enterprise & Infrastructure projects. The Company continues to focus on both extension of geographic reach in emerging growth markets, developing well-balanced product lines as well as on development & growth of new customer accounts. The Company's focus will be on making strategic alliances with global IT product companies and on expansion of its delivery and support infrastructure across the country. Looking towards the future, your Company will remain focused on agility, innovation and operational excellence.

Strengths

The Company provides the entire spectrum of Information Technology products. The strength of your Company is the brand and products diversification along with wide product range, dedicated group of talented professional who drive its business and relationships with its business partners and manage its support functions.

The inherent strength of your Company derives from its absolute belief in sound, sustainable business practices and an ability to continuously address the diverse needs of its customers. The strengths have enabled your Company to successfully articulate its various differentiated value propositions in the markets in which it operates.

We believe our strong brand, robust quality process and our access to skilled talent base at lower costs of providing services places to us in a unique position to take advantage of the opportunities available.

Quality

Your Company continues to strive towards operational and delivery excellences with a renewed focus on the path of business excellence. Customer satisfaction and excellence in quality are key elements for succeeding in the competitive global market. A strong emphasis is based on quality in every aspect of the company's activities. In line with this philosophy we have designed our quality management program and have defined several key parameters for measurement of quality levels to ensure improvement in the quality of the deliverables. Several initiatives have been taken to implement result oriented quality management models.

Customer Satisfaction and excellence in quality are key elements for succeeding in this competitive market. In order to be able to respond quickly to the customers, your Company continues with various internal initiatives to implement result oriented quality management models, compete effectively, improve organizational flexibility and efficiency, streamline internal processes across all its entities globally and institutionalize a culture of continuous improvement.

Review of key business processes like business planning, reporting and communication has been done to make them more effective in meeting business objectives. Moving forward, your company shall continue to further strengthen its processes by adopting best-in-class standards.

Outlook

The Company believes that the current trends in IT spend both domestically and in the international market presents unprecedented opportunity for growth. Liberalization and opening up of more infrastructure sectors, national e-Governance initiatives and implementation of Mission mode projects, recent policy initiatives to make Indian companies more competitive including new policy on Special Economic Zone, the focus of Indian corporates to benchmark themselves with leading global players in terms of quality of processes and competitiveness, is going to drive an increase in IT spend.

The key growth drivers are organic growth: achieving scale through replication and cross selling, asset growth, customer life-cycle management, focus on replicating successes with new customers, new offering and initiatives; along with transformational initiatives based on providing value-adding, profitable, scalable and sustainable products, solutions, services to our customers.

We believe that with our diverse portfolio of solutions and services, domain expertise and increasing value-add to customers, we are best suited to be a strategic partner to our customers. We have built a strong foundation and with IT spending on a rebound, the outlook for the future is robust.

Your Company is also exploring distribution in other areas such as Telecom products and Consumer Durables, thereby leveraging in its infrastructure and of course optimizing its core competency. The Company is undertaking several key initiatives including enhancement of existing skill sets and domain knowledge for providing implementation and application services to customers on behalf of its vendors and partners.

The Future outlook of the company appears to be very bright, promising and prosperous the IT Industry remains a success story till now. With IT services and information technology enabled services have shown unprecedented growth, the Company 's growth is likely to be very good in future which will be benefited and help to grow gradually and achieve its goals.

Risks and Concerns

The Company's objectives and expectations may be forward looking within the meaning of applicable laws and regulations. The competition from large international and Indian IT companies is increasing in the domestic market space. Actual results may differ materially from those expressed. Important factors that could influence the Company's operations include change in government regulations, tax laws, increased competition, economic and political developments.

The convergence of IT and Telecommunication industries, while provide huge growth opportunities to your Company, also exposes it to increased competition.

Dividend

With a view to plough back the profits of the Company and keeping in mind the expansion of business activities, the Board of Directors consider it prudent and recommend not declaring any dividend for the year ended March 31, 2014.

Directors

Pursuant to Section 149 of the Companies Act, 2013, the Board recommended appointment of Mr. Dilip Palicha, Mr. Viren Shah, and Mr. Jitesh Jain as Independent Directors of the Company, not liable to retire by rotation for a period of five years from the date of its 5th Annual General Meeting subject to approval of the Members of the Company. Mr. Jitesh Jain (holding Din 00282797), was appointed as an Additional Director designated as an Independent Director w.e.f. March 22, 2014. These Directors have given the declarations to the Board that they meet the criteria of independence as provided under Section 149(6) of the said Act and also confirmed that they will abide by the provisions as mentioned in Schedule IV of the Companies Act, 2013.

Mr. Dharmesh Anjaria, Director, retires by rotation and being eligible, has offered himself for re-appointment. The Board recommends the same for your approval.

The Board recommends the resolutions for your approval for the above appointments.

Auditors

M/s. Palan & Co., Chartered Accountants be and are hereby appointed as the auditors of the Company in place of the retiring auditors M/s. P.C. Ghadiali & Company, Chartered accountants to hold the office of the auditors till the conclusion of Next Annual General Meeting on such remuneration as may be determined by the Board of Directors of the Company.

M/s. P.C. Ghadiali & Co., Chartered Accountants have expressed their unwillingness to offer themselves for re-appointment in the Company as Statutory Auditors of the Company.

In accordance with the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Palan & Co. can be appointed as Auditors for further period of three years after commencement of the Companies Act, 2013 i.e. upto March 31, 2017. The Auditors have informed the Company that their appointment if made would be within the limits prescribed u/s 141 of the Companies Act, 2013 and the Auditors have confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold valid certificate issued by the Peer Review Board of the ICAI.

Corporate Governance

As required under Clause 49 of the Listing Agreement with the Stock Exchanges, the report on Management Discussion and Analysis, Corporate Governance as well as the Statutory Auditors' Certificate regarding compliance of conditions of Corporate Governance forms part of the Annual Report.

Your Company has always practiced sound corporate governance and takes necessary actions at appropriate times for meeting stakeholders' expectations while continuing to comply with the mandatory provisions of corporate governance.

Particulars of the Employees

The information as required under the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, is not applicable as none of the employees are in receipt of remuneration which exceeds the limits specified under the said rules.

Human Resource Management

Your Company firmly believes that its success is inherently linked to the quality of human capital at its disposal. Our Company believes that people and their experience are our biggest assets. Their experience, efforts and dedication are the primary reasons for our consistent growth over the years. In a business model where people are the growth drivers, we are endowed with one of the best talent pool in the industry.

We empower our employees at all stages of their careers and provide opportunities to enable them to excel in their individual capacities. Ensuring a transparent, cohesive, conducive and professional working environment, which rewards its employees on merit, remains among your Company's primary commitments and objectives.

We believe in training our employees and keeping them abreast on the developments in the industry. The main focus area for conducting training programs is team building and to change the attitude of the people towards work and to encourage the employees to come up with innovative ideas.

We have created a favorable work environment that encourages innovation and meritocracy. We have also set up a scalable recruitment and human resources management process. Employee relations during the year were cordial.

The Performance Management System has undergone considerable improvement and has enabled sharpening of the process of setting goals and major initiatives. Ensuring a transparent, cohesive, conducive and professional working environment, which rewards its employees on merit, remains among your Company's primary commitments and objectives.

During the year, the organization structures of all key functions have been reviewed and strengthened so as to facilitate delivery of business goals. We have also set up a scalable recruitment and human resources management process. The Company offers a growth environment along with monetary benefits in line with industry standards.

Fixed Deposits

Your Company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as on the date of the Balance Sheet.

Directors Responsibility Statement

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956 the Directors based on the information and representations received from the operating management confirm that:

- i) In the preparation of the annual accounts, the applicable accounting standards had been followed along with no material departures.
- ii) The Directors had 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 at the end of the financial year and of the profit of the Company for that period.
- iii) The Directors had taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.,
- iv) The Directors had prepared the annual accounts on a going concern basis.

Conservation of Energy, Technology Absorption, Research & Development and Foreign Exchange Earnings and Outgo

Conservation of Energy: the Company's operations involve low energy consumption. However efforts to conserve and optimize the use of energy through improved operational methods and other means will continue.

Technology Absorption: The Technology available and utilized is continuously being upgraded to improve overall performance and productivity.

Research & Development: Your Company believes that research & development is a continuous process for sustained corporate excellence. Our research & development activities help us in product and service improvement, effective time management and are focused to provide unique benefits to our customers. Such methods do not involve any specific cost burden to the Company.

Foreign Exchange Earnings : ₹ Nil (previous year Nil)
Foreign Exchange Outgo : ₹ 0.13 (previous year Nil)

Acknowledgements

Your Directors thank the Company's Investors, Clients, Vendors, Bankers, Business and various governmental as well as regulatory agencies for their continued support and confidence in the management.

Your Directors wish to place on record their deep sense of appreciation of the dedicated and sincere services rendered by employees at all levels during the year. Your Company's consistent growth was made possible by their hard work, solidarity, cooperation and support.

For and on behalf of the Board of Directors

Shirish M. Anjaria
 Chairman cum Managing Director

Parag J. Dalal
 Director

Date : May 29, 2014
Place : Mumbai

CORPORATE GOVERNANCE REPORT

(As required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges.)

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Dynacons firmly 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'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 emphasizes the need for full transparency and accountability in all its transactions, in order to protect the interests of its stakeholders. Dynacons believes that all its operations and actions must serve the underlying goal of long term value creation for its shareholders and its investors.

2. BOARD OF DIRECTORS

Composition and category

The present strength of Board of Directors is **SIX**. The Board of Directors of your Company presently comprise of an Executive Chairman and Managing Director, two Non-Executive Directors and three 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 Company has an Executive Chairman and the numbers of Independent Directors are one-half of the total number of Directors. The Company, therefore, meets with the requirements of Clause 49 (1) (A) of the Listing Agreement with the stock exchanges.

The composition of the Board of Directors and also the number of other Board of Directors of which they are member/Chairman are as under:

Note: Memberships/Chairmanships in Audit Committee and Shareholders'/Investors' Grievance Committee of Indian public limited companies have been considered.

Name of Director	Category of Directorship	Attendance at last AGM	No. of Board Meetings Attended	No. of other Directorship	No. of Membership of other Board Committee
Mr. Shirish M. Anjaria	Chairman and Managing Director	Yes	9	1	-
Mr. Parag J. Dalal	Director	Yes	9	1	-
Mr. Dharmesh S. Anjaria	Director	Yes	9	1	-
Mr. Mukesh P. Shah*	Independent Non Executive	No	2	-	2
Mr. Dilip P. Palicha	Independent Non Executive	Yes	9	1	2
Mr. Viren C. Shah	Independent Non Executive	Yes	8	1	2
Mr. Jitesh Jain@	Independent Non Executive	No	1	-	-

* Mr. Mukesh P. Shah resigned from the directorship of the Company w.e.f. September 24, 2013.

@ Mr. Jitesh Jain was appointed as Independent Director of the Company w.e.f. March 22, 2014

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 Companies Act, 2013 (Act 2013) and the Listing Agreement.

Nine Board Meetings were held during the year 2013-2014. The dates on which the Board Meetings were held are as follows:

April 12, 2013, May 29, 2013, August 13, 2013, September 4, 2013, September 24, 2013, November 14, 2013, December 28, 2013, February 13, 2014 and March 22, 2014.

The Board Meetings were held at the Registered Office of the Company. The brief agenda were sent in advance to the directors. Particulars of Directors seeking appointment/re-appointment at the Annual General Meeting have been given in the annexure to the Notice and Explanatory Statement.

3. AUDIT COMMITTEE

The Company complies with the provisions of Section 177 of the Companies Act, 2013, as well as the listing agreement 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. Mukesh Shah*	Non-Executive & Independent Director	2
Mr. Dilip Palicha	Non-Executive & Independent Director	5
Mr. Viren Shah	Non-Executive & Independent Director	4
Mr. Jitesh Jain*	Non-Executive & Independent Director	1

*Mr. Mukesh Shah had resigned from the Directorship & membership of the Committee w.e.f 24th September, 2013 and Mr. Jitesh Jain was inducted as an Independent Director & Member of Audit committee w.e.f 22nd March, 2014.

The Committee is presently chaired by Mr. Jitesh Jain, Chartered Accountant having more than decades of varied experience in the fields of Bank, Government and Corporate Audits, Project Preparation and Reporting, Management Consultancy and Finance and by qualification he is a B. Com., F. C. A., D.I.S.A. All the members of the Committee are Independent Directors having knowledge of Finance, Accounts and Company Law.

The Audit Committee met five times during the financial year 2013-2014 on the following date: May 29, 2013, August 12, 2013, November 14, 2013, February 13, 2014 and March 22, 2014.

The terms of reference of the Audit Committee includes:-

- 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.
- 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:
 - Matters required to be included in the Director's Responsibility Statement.
 - Any change in accounting policies and practices.
 - Major accounting entries based on exercise of judgement by management
 - Significant adjustment arising out of audit.
 - Compliance with accounting standards.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Qualification in draft audit report.
- 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.
- 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.
- 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.
- 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.
- Reviewing the Company's financial and risk management policies.

4. REMUNERATION COMMITTEE

Brief description of terms of reference

- To approve the annual Remuneration of the Directors and Employees of the Company.
- To review the performance of the Chairman and Managing Director and the Directors after considering the company's performance.
- To review, assess and recommend the remuneration of the Chairman and Managing Director and the Directors, if appointed.

The Remuneration Committee consists of Non Executive Directors with the Chairman being an Independent Director. The members of the Remuneration Committee were Mr. Mukesh Shah, Mr. Viren Shah and Mr. Dilip Palicha. Due to resignation of Mr. Mukesh Shah, the

Committee was re-constituted and Mr. Jitesh Jain was inducted as a Member of Remuneration Committee. The committee is chaired by Mr. Viren Shah. The Remuneration Committee met once during the year. Company Secretary of the Company acted as the Secretary to the Remuneration Committee.

Remuneration Policy

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 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.

Details of Remuneration to the Chairman cum Managing Director for the year ended March 31, 2014:

Name of Director	Postion	Salary
Mr. Shirish Anjaria	Chairman Cum Managing Director	₹ 7,20,000/-

The Company has not issued any Stock options to the Directors. The 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. SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

Functions

The Shareholders Committee is chaired by Mr. Dilip Palicha. The composition of the committee and details of the meetings attended by the Directors are given below:

Name of The Director	Category	No. of Meetings attended
Mr. Mukesh Shah*	Non-Executive & Independent Director	5
Mr. Dilip Palicha	Non-Executive & Independent Director	5
Mr. Viren Shah	Non-Executive & Independent Director	2
Mr. Jitesh Jain*	Non-Executive & Independent Director	1

*Mr. Mukesh Shah had resigned from the Directorship & membership of the Company w.e.f 24th September, 2013 and *Mr. Jitesh Jain was inducted as an Independent Director & Member of Investor Grievance Committee w.e.f 22nd March, 2014.

The committee meets at frequent intervals, to approve inter-alia, transfer/ transmission of Equity shares, issue of duplicate share certificate 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, if approved by the committee are placed at the Board meetings from time to time.

During the year under review, 1 query/complaint was received from shareholders/investors which were replied/resolved to the satisfaction of the investors. Of the above, the complaints/queries outstanding as on March 31, 2014 were Nil. The numbers of pending share transfers as on March 31, 2014 were Nil.

6. 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.

7. GENERAL BODY MEETINGS

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

- **4th AGM** : September 30, 2013 at 3.30 P.M. at Karl Residency, 36, Lallubhai Park Road, Andheri (W), Mumbai -400058.
Number of Special Resolutions passed : Two
 1. Investment by FII including their sub-accounts and NRI/POI for acquisition of shares of the Company
 2. Approval of Issue of shares through preferential basis as per Capital & disclosure requirement as per section 81(1A)

- **3rd AGM** : September 28, 2012 at 3.30 P.M at Karl Residency, 36, Lallubhai Park Road, Andheri (W), Mumbai -400058.
Number of Special Resolutions passed : Nil.

Extra-ordinary General Meeting (EGM) of the Company was held on April 30, 2012 at 4.00 P.M. at 78, Ratnajyot Industrial Estate, Irla lane, Vile Parle (W), Mumbai - 400056 for Appointment of Shirish Anjaria as a Chairman cum Managing Director.

- **2st AGM** : September 29, 2011 at 4.00 P.M at 78, Ratnajyot Industrial Estate, Irla lane, Vile Parle (W), Mumbai - 400056
Number of Special Resolutions passed : Nil.

8. CODE OF CONDUCT

The Board of Directors has laid down Code of conduct for all Board Members and Senior Management of the Company.

9. DISCLOSURES

- a) Materially significant related party transactions i.e. transactions of the company of material nature with its Promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large : **None**
- b) Details of non-compliance by the Company, penalties, strictures 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**
- c) 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.
- d) The Company has laid down procedures to inform the Board of Directors about the Risk Management and its minimization procedures. The Audit Committee and the Board of Directors reviewed these procedures periodically as per guidelines of SEBI / Stock Exchange.
- e) 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.
- f) During the financial year 2013-2014, the Company had raised Rs. 1,90,00,000 by allotting 1,90,00,000 Equity shares of Re.1 each through Preferential Issue.

10. MEANS OF COMMUNICATION :

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, presentations and official news releases are posted on the company's website: www.dtlindia.com. The Management Discussion and Analysis Report is a part of the Annual Report for the year.

11. GENERAL SHAREHOLDER INFORMATION

11.1 Annual General Meeting :-

- Date and Time	September 30th 2014 at 3:30 P.M.
- Venue	Hotel Karl Residency, 36, Lallubhai Park Road, Andheri (West), Mumbai – 400058

11.2 Financial Calendar: -

April'14 – March'15

(Tentative calendar -post listing of shares on Stock Exchanges)

Financial Reporting for quarter ending: -

- June 30	Second week of August
- September 30	Second week of November
- December 31	Second week of February
- March 31	Second week of May
- Annual Results	End May

11.3 Book Closure Date

24th September, 2014 to 30 September, 2014. (Both days inclusive)

11.4 Dividend Payment Date

N.A.

11.5 (a) Listing of Equity Shares on Stock Exchanges at:

Name	Code Nos.
The Bombay Stock Exchange Ltd., Mumbai	534674
The National Stock Exchange of India Ltd.	DYNATECH
(b) Listing of Global Depository Receipts	N.A.
(c) Demat ISIN numbers in NSDL & CDSL	INE741L01018

(d) Annual listing fees of the year 2014 - 2015 have been duly paid to all the above stock Exchange.

11.6 Stock Market Data

Month	Bombay Stock Exchange (BSE) (₹)		National Stock Exchange (NSE) (in Rs.) (₹)	
	Month's high price	Month's low price	Month's high price	Month's low Price
Apr-13	0.76	0.38	0.75	0.60
May-13	0.04	0.25	0.60	0.60
Jun-13	0.27	0.22	-	-
Jul-13	0.27	0.18	-	-
Aug-13	0.37	0.26	-	-
Sep-13	0.72	0.38	-	-
Oct-13	1.12	0.73	0.55	0.40
Nov-13	0.96	0.72	0.45	0.35
Dec-13	0.76	0.36	0.50	0.35
Jan-14	0.37	0.31	0.45	0.30
Feb-14	0.42	0.36	0.40	0.25
Mar-14	0.48	0.39	0.60	0.25

11.7 Registrar and transfer Agents:

Bigshare Services Pvt. Ltd.

SEBI Regn. No. INR 00001385
E-2, Ansa Industrial Estate,
Saki Vihar Road, Saki Naka,
Andheri (E), Mumbai- 400 072
Tel : 022-28470652/3
Fax: 022-28475207

11.8 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.

11.9 Distribution of Shareholding as on March 31, 2014

No of Equity Shares	No of Folios	%	Total Holding in ₹	%
1-5000	15620	94.19	13486653	17.20
5001-10000	567	3.42	3938233	5.02
10001-20000	214	1.29	3007669	3.84
20001-30000	84	0.51	2156772	2.75
30001-40000	26	0.16	861789	1.10
40001-50000	12	0.07	550729	0.70
50001-100000	29	0.17	2018115	2.57
100001 & above	32	0.19	52403140	66.82
Total	16584	100	78423100	100

11.10 Shareholding of Directors

Sr.No.	Name of Directors	No. of Shares	Percentage (%)
1	Mr. Shirish Anjaria	2707212	3.45
2	Mr. Dharmesh Anjaria	2671750	3.41
3	Mr. Parag Dalal	2604100	3.32
4	Mr. Dilip Palicha	Nil	Nil
5	Mr. Jitesh Jain	Nil	Nil
6	Mr. Viren Shah	Nil	Nil

11.11 Dematerialization of Shares as on March 31, 2014

Total No. of shares	Shares in physical form	Percentage %	Shares in demat form	Percentage %
7,84,23,100	330,800	0.42	78,092,300	99.58

11.12 Shareholding Pattern as on March 31, 2014

Category	No of Shares held	Percentage of Shareholding
Indian Promoters	28180652	35.93%
Private Corporate Bodies	2703535	3.45%
Indian Public	27989953	35.69%
Clearing Member / Transit	92561	0.12%
NRI/OCBs	19456399	24.81%
Total	78423100	100

11.13 Outstanding GDRs / ADRs**: N.A****11.14 Compliance Officer****: Dharmesh S. Anjaria****11.15 Address for Investor Correspondence****: Bigshare Services Pvt. Ltd.**

SEBI Regn. No. INR 00001385
E-2, Ansa Industrial Estate,
Saki Vihar Road, Saki Naka,
Andheri (E), Mumbai- 400 072
Tel : 28470652/3
Fax: 28475207

Dynacons Technologies Ltd**CIN : L72900MH2009PLC191412**

78,Ratnajyot Ind. Estate,
Irla Lane, Vile Parle (west),
Mumbai – 400 056

Email: investor@dtlindia.com

Cont No. 022-66889900

11.16 Corporate Ethics:

The consistent endeavor of Dynacons Technologies 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.

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.dtlindia.com

Further certified that the Members of the Board of Director and Senior Management personnel have affirmed having complied with the Code applicable to them during the year ended March 31, 2014.

Shirish Anjaria
Chairman cum Managing Director

Date : May 29, 2014
Place : Mumbai

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

The Board of Directors

Dynacons Technologies Ltd.

Mumbai.

We have examined the compliance of the conditions of Corporate Governance by Dynacons Technologies Limited for the year ended 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. 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 & according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We state that such compliance is neither an 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 **P. C. GHADIALI & CO.**
Firm Regn. No. : 103132W
Chartered Accountants

Place : Mumbai
Date : May 29, 2014

C. K. PALAN
Partner
Membership No: 100741

May 29, 2014

**The Board of Directors
Dynacons Technologies Ltd
Mumbai**

Dear Sir,

As required under Clause 49 (V) of the Listing Agreement with Indian Stock Exchanges, we hereby certify that:

- a) We have reviewed the financial statements read with the cash flow statement of Dynacons Technologies Limited for the year ended March 31, 2014 and that to the best of our knowledge and belief, we state that:
 - 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 are fraudulent, illegal or violate the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of Internal Control Systems of the 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.
- d) During the year:
 - i) There were no significant change in internal control over financial reporting;
 - ii) There were no significant change in accounting policies; and
 - iii) There were no instances of fraud of which we have become aware.

For **Dynacons Technologies Ltd**

Shirish M. Anjaria
Chairman cum Managing Director

Parag J. Dalal
Director

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF DYNACONS TECHNOLOGIES LIMITED

Report On The Financial Statements

We have audited the accompanying financial statements of **DYNACONS TECHNOLOGIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, and on the basis of such checks of the books and records of the Company, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956; read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. and
- (e) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For P. C. GHADIALI & CO.

Firm Regn. No. : 103132W
Chartered Accountants

C. K. PALAN

Partner
Membership No: 100741

Place : Mumbai

Date : May 29, 2014

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

DYNACONS TECHNOLOGIES LIMITED

ON THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2014

(Referred to in paragraph (2) of our report of even date)

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The company has a regular programme of physical verification of fixed assets, which in our opinion, is reasonable having regard to the size of the company and the nature of its fixed assets. In accordance with such programme, the management has physically verified fixed assets during the year and no material discrepancies were noticed on such verification.
- (c) The Company has not disposed of any substantial part of its fixed assets so as to affect the going concern assumption.
2. (a) As explained to us, the stocks of equipment and components / spares for maintenance and resale have been verified by the management during the year at reasonable intervals. In our opinion, having regard to the nature and location of stocks, the frequency of the physical verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion, the Company has maintained proper inventory records. The discrepancies noticed between the physical stocks and book records were not material and the same have been properly dealt with in the books of account.
3. According to the information and explanations given to us, the Company has neither granted nor taken any loans, secured or unsecured to or from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, provisions of sub-clauses (a), (b), (c), and (d) of clause 4(iii) of the order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services.
5. (a) In our opinion and according to the information and explanations given to us, the transactions that need to be entered into the Register maintained under Section 301 of the Companies Act, 1956, have been so entered.
- (b) On the basis of our examination of the books of account, the Company has not entered into any transactions exceeding 5 Lacs in respect of any party during the financial year that needs to be entered in the Register maintained under Section 301 of the Companies Act, 1956.

6. The Company has not accepted any deposits from the public and consequently, the directives issued by the Reserve Bank of India, the provisions of Section 58A and 58AA of the Companies Act, 1956, and the rules framed there under are not applicable.
7. In our opinion the Company has an internal audit system commensurate with the size and nature of its business.
8. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for any of the products of the Company.
9. According to the information and explanations given to us and records of the Company examined by us in our opinion :
 - a. The Company is generally regular in depositing the undisputed statutory dues including provident fund, income tax, sales tax as applicable with the appropriate authorities during the year.
 - b. There are no undisputed dues payable in respect of income tax, wealth tax, sales tax and customs duty and cess which have remained outstanding as at 31 March 2014 for a period of more than six months from the date they became payable.
10. The Company does not have any accumulated losses and has not incurred any cash losses during the current financial year and the immediately preceding financial year.
11. Based on the examination of the books of account and related records and according to the information and explanations provided to us, the Company has not defaulted in repayment of dues to the banks and financial Institutions.
12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund, nidhi, mutual benefit fund or a society.
14. In our opinion and according to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Therefore the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003, are not applicable to the Company.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or Financial Institutions.
16. According to the information and explanations given to us, the working capital term loans raised during the year were used for the purpose for which they were raised.
17. Based on the examination of the books of account and related records and according to the information and explanations provided to us, the Company has not utilized funds raised on short-term basis for long term investment and vice versa.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956 .
19. During the year covered by our audit report the Company has not issued any debentures.
20. The Company has not raised any money by public issues during the year.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **P. C. GHADIALI & CO.**
Firm Regn. No. : 103132W
Chartered Accountants

C. K. PALAN
Partner
Membership No: 100741

Place : Mumbai
Date : May 29, 2014

Balance Sheet as at 31 March, 2014

(₹ in Lakhs)

Particulars	Note No.	As at 31 March, 2014	As at 31 March, 2013
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	784.23	594.23
(b) Reserves and surplus	2	1,808.72	1,799.41
		<u>2,592.95</u>	<u>2,393.64</u>
2 Non-current liabilities			
(a) Deferred tax liabilities (net)	3	80.99	77.16
(b) Long-term provisions	4	4.07	3.56
		<u>85.06</u>	<u>80.72</u>
3 Current liabilities			
(a) Short-term borrowings	5	660.75	656.69
(b) Trade payables	6	380.64	125.01
(c) Other current liabilities	7	16.57	13.33
		<u>1,057.96</u>	<u>795.03</u>
TOTAL		<u><u>3,735.98</u></u>	<u><u>3,269.40</u></u>
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
Tangible assets	8	<u>373.22</u>	<u>356.92</u>
		373.22	356.92
(b) Non-current investments	9	500.00	500.00
(c) Long-term loans and advances	10	998.73	989.68
(d) Other Non-current Assets	11	<u>1.73</u>	<u>2.53</u>
		<u>1,873.68</u>	<u>1,849.14</u>
2 Current assets			
(a) Inventories	12	590.36	496.28
(b) Trade receivables	13	1,138.02	719.05
(c) Cash and cash equivalents	14	128.75	197.93
(d) Short-term loans and advances	15	0.75	0.50
(e) Other current assets	16	<u>4.43</u>	<u>6.51</u>
		<u>1,862.30</u>	<u>1,420.26</u>
TOTAL		<u><u>1,862.30</u></u>	<u><u>1,420.26</u></u>
Notes on Financial Statements	1-24	<u><u>3,735.98</u></u>	<u><u>3,269.40</u></u>

As per our report of even date attached

For and on behalf of the Board of Directors

For **P. C. Ghadiali & Co.**

Firm Regn. No. : 103132W

Chartered Accountants

Shirish Anjaria

Chairman cum Managing Director

Parag Dalal

Director

C. K. Palan

Partner

Membership No: 100741

Dharmesh Anjaria

Director

Place : Mumbai**Date :** May 29, 2014

Statement of Profit and Loss for the year ended 31 March, 2014

(₹ in Lakhs)

Particulars	Note	For the year ended 31 March, 2014	For the year ended 31 March, 2013
1 INCOME			
(a) Revenue from operations (gross)	17	3,183.81	3,204.58
(b) Other income	18	4.41	10.61
2 Total revenue		3,188.22	3,215.19
3 EXPENSES			
(a) Purchases of Traded Goods	19	3,011.53	2,895.55
(b) Changes in inventories of finished goods, work-in-progress and Stock-in-trade	20	(94.08)	51.54
(c) Employee benefits expense	21	39.30	37.48
(d) Finance costs	22	86.28	95.16
(e) Depreciation and amortisation expense		93.31	87.97
(f) Other expenses	23	35.65	32.02
4 Total expenses		3,171.98	3,199.72
5 Profit / (Loss) before tax		16.24	15.47
6 Tax expense:			
(a) Current tax expense		3.10	3.06
(b) Less : MAT Credit		0.00	0.99
(c) Deferred tax		3.83	0.96
		6.93	5.01
7 Profit / (Loss) for the year		9.31	10.47
8 Earnings per share (of ₹ 1/- each):			
Basic and Diluted (in ₹)		0.01	0.02
Notes on Financial Statements	1-24		

As per our report of even date attached

For **P. C. Ghadiali & Co.**
Firm Regn. No. : 103132W
Chartered Accountants

For and on behalf of the Board of Directors

Shirish Anjaria
Chairman cum Managing Director

Parag Dalal
Director

C. K. Palan
Partner
Membership No: 100741

Dharmesh Anjaria
Director

Place : Mumbai
Date : May 29, 2014

Cash Flow Statement for the Year Ended March 31, 2014

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
A CASHFLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and extraordinary item	16.24	15.47
Add: Depreciation	93.31	87.97
(Profit)/Loss on sale of Fixed Assets	2.16	1.16
Interest Paid	86.28	95.16
	<u>181.74</u>	<u>184.29</u>
Operating profit before working Capital	197.97	199.76
Changes in current assets and Liabilities (Increase)/Decrease in Inventories	(94.08)	51.54
(Increase)/Decrease in Trade & Other Receivable	(424.58)	162.71
Increase/(Decrease) in current Liabilities & Provision	260.35	(136.93)
	<u>(258.31)</u>	<u>77.32</u>
Cash Generated from Operations	(60.34)	277.09
Taxes Paid	0.80	4.68
Net Cash Flow from operating activities	<u>(59.54)</u>	<u>281.77</u>
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (Net)	(111.76)	(74.30)
Net Cash Used for Investing Activities	<u>(111.76)</u>	<u>(74.30)</u>
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Share Capital	190.00	0.00
Interest Paid	(86.28)	(95.16)
Net cash From Financing Activities	<u>103.72</u>	<u>(95.16)</u>
Net Increase in Cash and Cash Equivalents (A+B+C)	(69.18)	102.94
Cash and Cash Equivalents (Opening Balance)	197.93	94.99
Cash and Cash Equivalents (Closing Balance)	128.75	197.93
	<u>(69.18)</u>	<u>102.94</u>

Notes

- Components of cash and cash equivalents include bank balances in current account as disclosed under Note 14 of the accounts.
- Cash flow statements has been prepared under the "Indirect Method" as set out in According Standard issued (AS-3) "Cash Flow Statements" by The Institute of Chartered Accountants of India.
- Previous years figure have been regrouped, rearranged and reclassified wherever necessary to correspond with the figures of the current year as per revised schedule VI.

As per our report of even date attached

For **P. C. Ghadiali & Co.**
Firm Regn. No. : 103132W
Chartered Accountants

For and on behalf of the Board of Directors

Shirish Anjaria
Chairman cum Managing Director

Parag Dalal
Director

C. K. Palan
Partner
Membership No: 100741
Date : May 29, 2014
Place : Mumbai

Dharmesh Anjaria
Director

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

SIGNIFICANT ACCOUNTING POLICIES

Company Overview

Dynacons Technologies Limited is an Information Technology company engaged in providing a comprehensive range of products to customers.

SIGNIFICANT ACCOUNTING POLICIES :

1. Basis of preparation of financial statements

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 Sec 211(3C) of the Companies Act, 1956(" the 1956 Act") (which continues to be applicable in respect of Section 133 of the Companies Act ,2013 ("the Companies Act") in terms of General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs and the relevant provisions of the Companies Act, 1956/2013 Act, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2. Use of Estimates

The preparation of financial statements requires the management of the company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Example of such estimates include provision for doubtful debts, provision for income tax, accounting for contract costs expected to be incurred to complete software development and the useful lives of fixed assets and intangible assets. Contingencies are recorded when it is probable that a liability will be incurred and the amount can be reasonably estimated. Actual results could differ from such estimates.

3. Revenue Recognition

Revenue relating to equipment supplied is recognized on delivery to the customers and acknowledgement thereof, in accordance with the terms of the individual contracts. Revenue from the sale of software products is recognised when the sale has been completed and the title has been passed to the client.

4. Expenditure Recognition

Expenses are accounted on the accrual basis and provisions for all known losses and liabilities are made. Provisions are made for future unforeseeable factors, which may affect the ultimate profit.

5. Other Income

Interest income is accounted on accrual basis. Dividend income is accounted when the right to receive it is established.

6. Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances, (with original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

7. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

8. Research & Development Expenditure

Revenue expenditure incurred on research is charged to revenue in the year it is incurred. Assets used for research are included in Fixed Assets. Development Expenditure are capitalized only if future economic benefits are expected to flow.

9. Fixed Assets & Intangible Assets

Fixed Assets are stated at their cost less accumulated depreciation. Fixed assets are capitalised at the cost of acquisition including all expenses directly attributable to bringing the asset to its working condition for intended use. Capital Work-in-Progress comprises the costs of fixed assets that are not ready for the intended use at the Balance Sheet date and includes advances paid to acquire fixed assets. No depreciation has been calculated on the same. Fixed Assets which are not in active use and scrapped, due to technological obsolescence or otherwise, are written off. Intangible Assets are recorded at the consideration paid for their acquisition. Cost of an internally generated asset comprises all expenditure that can be directly attributed, or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use.

10. Depreciation

Depreciation on Fixed Assets is provided using the straight-line method at the rates provided and in the manners specified in Schedule XIV of the Companies Act, 1956. Depreciation on assets purchased/sold during the year has been provided on pro rata basis. Individual assets costing less than Rs. 5,000/- are depreciated in full in the year of purchase. Intangible assets are amortized on a straight-line basis over their respective individual estimated useful lives, generally not exceeding ten years.

11. Inventories

Inventories are valued at the lower of the cost and the net realizable value. A periodic review is made of slow-moving stock and appropriate provisions are made for anticipated losses, if any. Cost is determined using the first-in first-out method.

12. Investments

Trade investments are the investments made to enhance the company's business interests. Investments being long term in nature are carried at cost, and provision is made to recognise any decline, other than temporary, in the value of such investment. Earnings from investments are accounted for on an accrual basis.

13. Foreign Currency transactions

Sales and Expenditure in foreign currency are accounted at the exchange rate prevalent as of the date of the respective transactions. The exchange differences, if any, arising on foreign currency transactions are recognized as income or expense in the year in which they arise. Current Assets and Current Liabilities denominated in foreign currency are translated at the exchange rate prevalent as at the date of the Balance Sheet. The resulting difference is also recorded in the Profit and Loss Account.

14. Retirement Benefits to employees**i. Post-employment benefit plans****Defined contribution plan**

Payment to defined contribution retirement benefit schemes shall be charged as an expense as they fall due.

Defined Benefit plan

For defined benefit schemes, the cost of providing benefits is determined using Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognized in full in the profit & loss account for the period in which they occur. Past service cost is recognized to the extent the benefits are already vested, and otherwise is amortized on a Straight-Line method over the average period until the benefits become vested. The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligations as adjusted for unrecognized past service cost.

ii. Short-term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange of services rendered by employees is recognized during the period when the employee renders the service. These benefits include performance incentives, paid annual leave, medical allowance, etc.

15. Income Tax

The tax expense for the year comprises of Current Tax and Deferred Tax. Current Taxes are measured at the amounts expected to be paid using the applicable tax rates and tax laws. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences, subject to the consideration of prudence. Deferred tax assets and liabilities are measured using the tax rates enacted or substantively enacted by the balance sheet date.

16. Borrowing Costs

Borrowing Costs that are directly attributable to the acquisition of qualifying assets are capitalised for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

17. Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the note 24.1. Contingent assets are not recognised in the financial statements.

18. Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

19. Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

20. Impairment

At each Balance Sheet date, the company reviews the carrying amounts of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and the value in use. In assessing the value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to the present value using a pre-discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognized immediately as income in the profit and loss account.

21. Leases

Operating Lease

Leases where the lessor effectively retains substantially all the risks and rewards of ownership of the leased asset are classified as operating leases. Operating lease charges are recognized as an expense in the profit and loss account on a straight-line basis over the lease term.

Finance Lease

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. The lower of fair value of asset and present value of minimum lease rentals is capitalized as fixed assets with corresponding amount shown as lease liability. The principle component in the lease rentals is adjusted against the lease liability and interest component is charged to profit and loss account.

22. Earnings per share

The Company reports basic and diluted earnings per equity share in accordance with Accounting Standard 20 'Earnings per share'. Basic earnings per equity share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit for the year by the weighted average number of equity shares during the year as adjusted to the effects of all dilutive potential equity shares, except where results are anti dilutive.

Notes forming part of the financial statements for the financial year ended 31st March, 2014

(₹ in Lakhs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
1 SHARE CAPITAL		
(a) Authorised Share Capital 80,000,000 Equity shares of ₹ 1/- each (Previous Year 60,000,000 Equity shares of ₹ 1/- each.)	800.00	600.00
(b) Issued, Subscribed and Paid up : 78,423,100 Equity shares of ₹ 1/- each (Previous Year 59,423,100 Equity shares of ₹ 1/- each.)	784.23	594.23

1.1 Pursuant to the Scheme of Arrangement the Equity Share Capital of the Company has been reorganised in the year 2010-11

1.2 The reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31 Mar, 2014	As at 31 Mar, 2013
	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	59,423,100.00	59,423,100.00
Additions during the year	19,000,000.00	-
Equity Shares at the end of the year	78,423,100.00	59,423,100.00

1.2 The details of Shareholders holding more than 5% shares :

Name of the Shareholder	As at 31 March, 2014	As at 31 March, 2013
Dynacons Systems & Solutions Limited No. of Shares % held	15,000,000 19.13%	15,000,000 25.24%
Arun Govil No. of Shares % held	19,000,000 24.23%	- -

1.3 As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents the both legal and beneficial ownership of shares.

1.4 The company has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the Company, holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount. The distribution will be in proportionate to the number of equity shares held by the shareholders.

1.5 No bonus shares have been issued to equity share holders since incorporation

1.6 No equity share shares been bought back since incorporation

2	RESERVES & SURPLUS		
(a)	General reserve		
	As per last Balance Sheet	1,769.18	1,769.18
(b)	Surplus in Statement of Profit and Loss		
	As per last Balance Sheet	30.23	19.76
	Add: Profit for the year	9.31	10.47
	Closing Balance	39.54	30.23
	Total	1,808.72	1,799.41
3	DEFERRED TAX LIABILITY NET		
	Deferred Tax Liability		
	Related to fixed assets	81.62	77.79
	Deferred Tax Assets		
	Disallowances under the Income Tax Act, 1961	0.63	0.62
	Total	80.99	77.16
4	LONG TERM PROVISIONS		
(a)	Provision for employee benefits:		
	Provision for other defined benefit plans (Refer Note 21.1)	4.07	3.56
	Total	4.07	3.56
5	SHORT TERM BORROWINGS		
	Secured		
	Working Capital Loans		
	From banks	660.75	656.69
	Total	660.75	656.69
5.1	Working capital loans include Discounting of Bills Limits and are secured by hypothecation of invoices and delivery challans duly acknowledged by the customers along with Bill of Exchange duly accepted by the Drawee		
6	TRADE PAYABLES		
	Micro, Small and Medium Enterprises	-	-
	Others	380.64	125.01
	Total	380.64	125.01
7	OTHER CURRENT LIABILITIES		
	Statutory remittances	6.40	4.56
	Payable to Staff	10.17	8.77
	Total	16.57	13.33

8 FIXED ASSETS

Notes forming part of the financial statements for the period ended 31 March, 2014

(₹ in Lakhs)

Sr. No	Particulars	Gross Block				Depreciation				Net Block	
		As at 01-04-2013	Addition during the year	Deduction during the year	As at 31-03-2014	As at 01-04-2013	Addition during the year	Deduction during the year	As at 31-03-2014	WDV as on 31-03-2014	WDV as on 31-03-2013
I	Tangible Assets										
1	Furnitures & Fixtures	2.22	-	-	2.22	1.53	0.14	-	1.67	0.55	0.69
2	Vehicles (Cars)	12.25	-	-	12.25	6.44	1.16	-	7.60	4.65	5.81
3	Office Equipment	2.97	-	-	2.97	0.67	0.14	-	0.81	2.16	2.30
4	Computer	512.94	135.96	105.96	542.94	164.82	91.86	79.60	177.08	365.87	348.12
	Total (Current Year)	530.37	135.96	105.96	560.38	173.45	93.31	79.60	187.15	373.22	356.92
	Total (Previous Year)	510.10	137.93	117.66	530.37	138.35	87.97	52.87	173.45	356.92	371.75

9 NON-CURRENT INVESTMENTS**A. Trade Investments****In Equity Shares - Unquoted, fully paid up**

Ganpati Intradex Pvt Ltd	500.00	500.00
(50,00,000 (Previous year 50,00,000) Equity Shares of ₹ 10 each, fully paid up)		
Aggregate value of Unquoted Investments		

Total	500.00	500.00
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10 Long Term Loans And Advances

(Unsecured and considered good)

Advance income tax (Net of provisions)	2.52	4.68
Other loans and advances	996.21	985.00

Total	998.73	989.68
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11 OTHER NON-CURRENT ASSETS

Duties & Taxes	1.73	2.53
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Total	1.73	2.53
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12 INVENTORIES

Stock-in-trade	590.36	496.28
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Total	590.36	496.28
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13 TRADE RECEIVABLES

(Unsecured and Considered Good)

Over six months	11.86	18.07
Other Trade receivables	1,126.16	700.97

Total	1,138.02	719.05
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14	CASH AND CASH EQUIVALENTS		
	Cash on hand	10.92	5.47
	Balances with banks :		
	In current accounts	4.90	68.56
	In deposit accounts	112.93	123.90
	Total	128.75	197.93
14.1	Maturity Profile of Fixed Deposits with Bank are as set out below :		
		Maturity Profile	
		less than 3 months	3-12 months
	Bank Deposits	112.93	-
15	SHORT TERM LOANS AND ADVANCES (Unsecured and Considered Good)		
	Loans and advances to employees	0.75	0.50
	Total	0.75	0.50
16	OTHER CURRENT ASSETS (Unsecured and Considered Good)		
	Duties & Taxes	4.43	6.51
	Total	4.43	6.51
17	REVENUE FROM OPERATIONS		
	Sale of Information Technology Products	3,183.81	3,204.58
	Total	3,183.81	3,204.58
18	Other Income		
	Interest income	4.41	8.42
	Commission Received	-	2.19
	Total	4.41	10.61
18.1	Interest income comprises:		
	Interest from banks on: deposits	4.41	8.42
	Total - Interest income	4.41	8.42
19	PURCHASES OF TRADED GOODS		
	Purchases of Information Technology Products	3,011.53	2,895.55
	Total	3,011.53	2,895.55

20 Changes in inventories of finished goods, work -in -progress and stock- in- trade

Inventories at the end of the year:

Finished goods	590.36	496.28
	<u>590.36</u>	<u>496.28</u>

Inventories at the beginning of the year:

Finished goods	496.28	547.82
	<u>496.28</u>	<u>547.82</u>
	<u>(94.08)</u>	<u>51.54</u>

21 EMPLOYEE BENEFITS EXPENSE

Salaries and wages

39.30	37.48
<u>39.30</u>	<u>37.48</u>

21.1 As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below :

	Particulars	31 Mar,2014 Amount (₹)	31 Mar,2013 Amount (₹)
I.	Assumptions :		
	Discount Rate	9.31%	8.25%
	Salary escalation rate	4.00%	4.00%
II.	Table Showing Change in Benefit Obligation :		
	Liability at the beginning of the year	2.09	2.15
	Interest Cost	NIL	NIL
	Current Service Cost	0.01	0.06
	Past Service Cost (Non Vested Benefit)	NIL	NIL
	Past Service Cost (Vested Benefit)	NIL	NIL
	Benefit Paid	NIL	NIL
	Balance	2.10	2.09
	Actuarial (gain)/loss on obligations	NIL	NIL
	Liability at the end of the year	2.10	2.09
III.	Amount Recognized in the Balance Sheet		
	Liability at the end of the year	2.10	2.09
	Fair Value of Plan Assets at the end of the year	NIL	NIL
	Difference	2.10	2.09
	Unrecognized Past Service Cost	NIL	NIL
	Amount Recognized in the Balance Sheet	2.10	2.09
IV.	Expenses Recognized in the Income Statement		
	Current Service Cost	0.01	0.06
	Interest Cost	NIL	NIL
	Expected Return on Plan Assets	NIL	NIL
	Net Actuarial Gain/(Loss) To Be Recognized	NIL	NIL
	Past Service Cost (Non Vested Benefit) Recognized	NIL	NIL
	Past Service Cost (Vested Benefit) Recognized	NIL	NIL
	Expense Recognized in P & L	0.01	0.06

22 FINANCE COST

Interest expense

86.28	95.16
<u>86.28</u>	<u>95.16</u>

Total

23	Other Expenses		
	Auditors Remuneration - For Services as Auditors	1.21	1.01
	Bank Charges	11.02	8.63
	Business Promotion Expenses	0.64	3.10
	Communication Expenses	0.41	1.38
	Conveyance and Travelling Expenses	0.86	1.24
	Electricity Expenses	2.18	1.67
	Insurance Charges	-	0.30
	Legal and Professional charges	2.15	1.65
	Loss on sale/write-off of Assets	2.16	1.16
	Membership and Subscriptions	0.05	0.13
	Miscellaneous Expenses	5.57	1.72
	Motor Car Expenses	3.67	3.09
	Printing and Stationary Expenses	0.58	0.54
	Rates & Taxes	1.18	1.51
	Rent Charges	1.20	1.20
	Repairs & Maintenance - Building	0.19	0.17
	Repairs & Maintenance - Others	0.30	0.52
	Staff Welfare Expenses	0.54	0.49
	Transportation Expenses	1.73	2.51
	Total	35.65	32.02

24. Additional Information to the financial statements**24.1 Contingent Liabilities**

- a) Claims against the Company not acknowledged as debts: NIL
- b) Guarantees given by the company's bankers : NIL

24.2 Auditors Remuneration

Particulars	2014	2013
Audit Fees & Consultancy	₹ 1.21	₹ 0.28

24.3 Segment Information

The company operates in the single segment of Information Technology Products.

24.4 Related Party Disclosures

- a. The names of related parties and the nature of relationship are as under:

S. P. Corporation	Firm in which Directors have substantial interest.
Shirish M. Anjaria	Chairman cum Managing Director
Parag J. Dalal	Director
Dharmesh S. Anjaria	Director
Trigem Infosolutions Limited	Company in which Directors have substantial interest.
Dynacons System & Solution Limited	Company in which Directors have substantial interest.

- b. The transactions with the related parties are as under:

Party	Nature of Payment	2014 (₹ /lakhs)	2013 (₹ /lakhs)
M/s S.P. Corporation	Rent for Premises	₹ 1.20	₹ 1.20
M/s S.P. Corporation	Reimbursement of Expenses	₹ 0.27	₹ 0.17
Mr. Shirish M. Anjaria	Remuneration	₹ 7.20	₹ 7.20
Dynacons System & Solution Limited	Investment in Share Capital	₹ 150.00	₹ 150.00
Dynacons System & Solution Limited	Amount receivable / (payable) as at year end	NIL	₹ 5.12

24.5 Earnings per Share (Basic and Diluted)

Particulars	Units	Year Ended March 31, 2014	Year Ended March 31, 2013
Profit after Tax	(₹ /lakhs)	9.31	10.47
No of Equity Shares	Nos.Lakhs	78.423,100	59.423,100
Earnings Per Share (of paid up Value of ₹ 1 each)	₹	0.01	0.02

24.6 Lease Commitments

Operating Lease

The company has taken office premises on lease under cancelable operating lease agreements that are renewable on a periodic basis at the option of both the lessor and the lessee. Rental payments under such leases are ₹ 1.20 (Previous year ₹ 1.20).

24.7 Foreign Exchange Exposure:

The company has not entered in any forward contract for hedging or otherwise in respect of foreign currencies during the year, and there are no such contracts outstanding at the end of the year.

As of the Balance Sheet date, the Company has net foreign currency exposure that are not hedged by a derivative instrument or otherwise, amounting to ₹ 0.13. (Previous year ₹ NIL).

24.8 Other Notes

- a) In the opinion of the Board of Directors, Current Assets, Loans and Advance have the value at which these are stated in the Balance Sheet, if realised in the ordinary course of business and the provisions for all known liabilities is adequate and not in excess of or less than the amount reasonably necessary.
- b) Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

AS PER OUR REPORT OF EVEN DATE

As per our report of even date

For **P. C. Ghadiali & Co.**
Firm Regn. No. : 103132W
Chartered Accountants

For and on behalf of the Board of Directors

C. K. Palan
Partner
Membership No: 100741

Shirish Anjaria
Chairman cum Managing Director

Parag J . Dalal
Director

Place : Mumbai
Date : May 29, 2014

Dharmesh Anjaria
Director

Book-Post

If undelivered, please return to:



DYNACONS
Technologies Ltd.

78, Ratnajyot Industrial Estate, Irla Lane,
Vile Parle (W), Mumbai - 400 056.

ATTENDANCE SLIP

DYNACONS TECHNOLOGIES LIMITED

CIN: L72900MH2009PLC191412

REGISTERED OFFICE: 78, RATNAJYOT INDUSTRIAL ESTATE, IRLA LANE, VILE PARLE (W), MUMBAI - 400056

D.P.Id	
Client Id/ Folio No.	
No. of Shares	

NAME AND ADDRESS OF THE REGISTERED SHAREHOLDER

I Certify that I am a registered shareholder/ proxy for the registered shareholder of the Company.

I hereby record my presence at the ANNUAL GENERAL MEETING of the Company at Hotel Karla Residency, 36, Lallubhai Park Road, Andheri (West), Mumbai – 400058 on Tuesday, September 30, 2014 at 3.30 p.m.

Note: Please complete this and have it over at the entrance of the hall.

Signature

PROXY FORM

DYNACONS TECHNOLOGIES LIMITED

CIN: L72900MH2009PLC191412

REGISTERED OFFICE: 78, RATNAJYOT INDUSTRIAL ESTATE, IRLA LANE, VILE PARLE (W), MUMBAI - 400056

Name of the member(s)		Email ID
Registered Address		Folio No./ Client ID

I/We, being the member(s) of _____ shares of Dynacons Technologies Ltd, hereby appoint:

- 1) _____ of _____ having e-mail id _____ or failing him
2) _____ of _____ having e-mail id _____ or failing him
3) _____ of _____ having e-mail id _____

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Fifth Annual General Meeting of the Company, to be held at Hotel Karla Residency, 36, Lallubhai Park Road, Andheri (West), Mumbai –400058 on Tuesday, September 30, 2014 at 3. 30 p.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above Proxy to vote in the manner as indicated in the box below

Item No.	Resolutions	For	Against
1	Adoption of Balance Sheet as at March 31, 2014, the Profit and Loss Account for the year ended on that date and the reports of Board of Directors and Auditors thereon		
2	To appoint Mr. Dharmesh Anjaria as a Director liable to retire by rotation.		
3	To Appoint M/s. Palan & Co., Chartered Accountants, as Statutory Auditors of the Company.		
4	To Appoint Mr. Jitesh Jain as Independent, Non Executive Director of the Company.		
5	To Appoint Mr. Viren Shah as Independent, Non Executive Director of the Company.		
6	To Appoint Mr. Dilip Palicha as Independent, Non Executive Director of the Company.		

Affix a
1 Rupee
Revenue
Stamp

Signed this day of 2014

Signature of shareholder:

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Note:

(1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

(2) A Proxy need not be a member of the Company.

(3) A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

**(4) This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

(5) Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.

(6) In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated

BALLOT FORM

DYNACONS TECHNOLOGIES LIMITED

CIN: L72900MH2009PLC191412

REGISTERED OFFICE: 78, RATNAJYOT INDUSTRIAL ESTATE, IRLA LANE, VILE PARLE (W), MUMBAI - 400056

1. Name of the First Named Shareholder (In block letters):
2. Postal address:
3. Registered folio No./*Client ID No. (*Applicable to investors: holding shares in dematerialized form)
4. Class of Share:
5. I hereby exercise my vote in respect of Ordinary/Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner

Item No.	Resolutions	For	Against
1	Adoption of Balance Sheet as at March 31, 2014, the Profit and Loss Account for the year ended on that date and the reports of Board of Directors and Auditors thereon		
2	To Appoint Mr. Dharmesh Anjaria as a Director liable to retire by rotation.		
3	To Appoint M/s Palan & Co., Chartered Accountants, as Statutory Auditors of the Company.		
4	To Appoint Mr. Jitesh Jain as Independent, Non Executive Director of the Company.		
5	To Appoint Mr. Viren Shah as Independent, Non Executive Director of the Company.		
6	To Appoint Mr. Dilip Palicha as Independent, Non Executive Director of the Company.		

Place:

Date:

(Signature of the shareholder)

Note: Please read the instruction carefully before exercising your vote

INSTRUCTIONS

1. This Ballot Form is provided for the benefit of members who do not have access to e-voting facility.
 2. A member can opt for only one mode of voting i.e. either through e-voting or by ballot. If a member casts vote by both modes, then voting done through e-voting shall prevail and ballot shall be treated as invalid.
 3. For detailed instructions on e-voting, please refer to the notes appended to the notice of the AGM.
 4. The scrutiniser will collate the votes downloaded from the e-voting system and votes cast through ballot to declare the final result for each of the resolutions forming a part of the notice of the AGM
- Process and manner for Members opting to vote by using the Ballot Form:
1. Please complete and sign the Ballot Form (no other form or photocopy thereof is permitted) and send it so as to reach the scrutiniser Ms. Shruti H. Shah, Practising Company Secretary, (Membership No. 22923) at the Registered Office of the Company on or before the date of the AGM. Alternatively, the Ballot can also be deposited in the box to be made available at the venue during the AGM.
 2. The Ballot Form should be signed by the member as per the specimen signature registered with the Company / Depositories. In case of Joint holding, the form should be completed and signed by the first named member and in his / her absence, by the next named joint holder. A Power Of Attorney (POA) holder may vote on behalf of a member, mentioning the registration no. of POA registered with the Company or enclosing an attested copy of POA
 3. In case the shares are held by companies, trusts, societies, etc. the duly completed Ballot Form should be accompanied by a certified true copy of the relevant Board Resolution / Authorization.
 4. Votes should be cast in case of each resolution, either in favour or against by putting the tick (✓) mark in the column provided in the ballot.
 5. The voting rights of shareholders shall be in proportion of the shares held by them in the paid up equity share capital of the Company as on 29th August, 2014 and as per the register of members of the Company.
 6. A member may request for a duplicate Ballot Form, if so required.
 7. Unsigned, incomplete, improperly or incorrectly tick marked Ballot Forms will be rejected. A form will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the scrutiniser to identify either the member or as to whether votes are in favour or against or if signature cannot be verified.
 8. The decision of the scrutiniser on the validity of the Ballot Form and any other related matter shall be final.
 9. The results declared along with the Scrutiniser's report, shall be placed on the Company's website www.dtlindia.com within two working days of the passing of the resolutions at the AGM of the Company on September 30, 2014, and communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

NOTICE

Notice is hereby given that the Fifth Annual General Meeting of the members of **Dynacons Technologies Limited** will be held on Tuesday 30th day of September, 2014 at 3.30 P.M. at Karl Residency, 36, Lallubhai Park Road, Andheri (West), Mumbai 400058 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on March 31, 2014 and Profit & Loss Account for the year ended on that date together with Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Dharmesh Anjaria (Din 00445009) who retires by rotation and being eligible, offers himself for re-appointment.
3. Appointment of M/s. Palan & Co., Chartered accountants, as Statutory Auditors of the Company

To consider and, if thought fit, to pass the following Resolution with or without modification(s), if any, as Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, as amended from time to time, Palan & Co., Chartered accountants (Firm's Registration No.133811W), be and are hereby appointed as Statutory Auditors of the Company in place of M/s. P.C. Ghadiali & Co., Chartered accountant to hold office from the conclusion of this Annual General Meeting(AGM) till the conclusion of the 8th AGM of the Company to be held in the year 2017(Subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out of pocket, traveling expenses, etc., as may be mutually agreed between the Board of Directors of the Company & the Auditors."

SPECIAL BUSINESS:**4. Appointment of Mr. Jitesh Jain as independent Director**

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

"RESOLVED that Mr. Jitesh Jain(holding Din: 00282797), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 22nd March, 2014, in terms of Section 260 of the Companies Act, 1956 [corresponding to Section 161(1) of the Companies Act, 2013] and Article 125 of the Articles of Association of the Company and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company till the conclusion of the 10th Annual General Meeting of the Company to be held in the year 2019."

5. Appointment of Mr. Dilip Palicha as an independent Director

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

"RESOLVED that pursuant to the provisions of Sections 149,152 and other applicable provisions, if any, of the Companies Act, 2013(the act) and the rules framed thereunder, Mr. Dilip P. Palicha (Din 02879480), a Non Executive Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the act and who is eligible for reappointment, be and is hereby appointed as an Independent Director of the Company till the conclusion of the 10th Annual General Meeting of the company to be held in the year 2019."

6. Appointment of Mr. Viren Shah as an independent Director

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

"RESOLVED that pursuant to the provisions of sections 149,152 and other applicable provisions, if any, of the Companies Act, 2013(the act) and the rules framed thereunder, Mr. Viren C. Shah (Din 02886221), a Non Executive Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and who is eligible for reappointment, be and is hereby appointed as an Independent Director of the Company till the conclusion of the 10th Annual General Meeting of the company to be held in the year 2019."

By Order of the Board of Directors

FOR DYNACONS TECHNOLOGIES LTD.

Date : September 03, 2014

Place : Mumbai

Registered Office

78, Ratnajyot Industrial Estate,
Irla lane, Vile Parle (West),
Mumbai - 400056

CIN No : **L72900MH2009PLC191412**

Shirish M. Anjaria

Chairman cum Managing Director

Parag J. Dalal

Director

NOTES:

1. The Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013(the act) in respect of the Item No. 3 to Item No. 6 is annexed hereto.
 2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**

A person can act as proxy on behalf of members not exceeding (50) and holding in the aggregate not more than 10% of the total share capital of the company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
 3. Members / Proxies should bring the enclosed attendance slip duly filled in, for attending the meeting, along with the Annual Report.
 4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote in their behalf at the Meeting.
 5. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, the 24th day of September, 2014 to Tuesday, the 30th day of September, 2014. (both days inclusive).
 6. The Members holding the shares in physical form may obtain the nomination form from the company's Registrar & Share transfer agent.
 7. Members desirous of getting any information in respect of the content of the annual report are requested to forward the queries to the company at least 10 days prior to the annual general meeting so that the required information can be made available at the company
 8. In compliance with the provisions of Section 108 of the Act and the rules framed thereunder, the members are provided with the facility to cast their vote electronically, through the e-voting services provided by National Securities Depository Limited(NSDL), on all the resolutions set forth in the notice
 9. Shareholders holding shares in physical form are requested to advise any change of address immediately to Company's Registrar and Share Transfer Agents, Bigshare Services Pvt. Ltd. Shareholders holding shares in electronic form must advise their respective depository participants about change in address and not to the Company.
 10. The relevant details as required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges of person seeking re-appointment as Director under item no. 2 and 4 to 6 above is annexed hereto.
 11. Members who hold shares in dematerialized form are requested to bring their DP ID and Client ID numbers for easy identification of attendance at the meeting.
 12. The Equity Shares of the Company are mandated for trading in the compulsory demat mode. The ISIN Number allotted for the Company's shares is INE741L01018.
 13. An Annual listing fees for the year 2014-15 has been paid to Bombay Stock Exchange Ltd & National Stock Exchange Ltd.
 14. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):

The instructions for e-voting are as under:
- A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories):
 - i. Open the e-mail and also open PDF file with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
 - ii. Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.
 - iii. Click on Shareholder - Login.
 - iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
 - v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
 - vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
 - vii. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
 - viii. Select "EVEN" (E-Voting Event Number) of Dyancons Technologies Limited. Now you are ready for e-voting as Cast Vote page opens.
 - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

- x. Upon confirmation, the message "Vote cast successfully" will be displayed.
- xi. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
- xii. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to csshrutishah@gmail.com, with a copy marked to evoting@nsdl.co.in.
- xiii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting user manual - Shareholders, available at the downloads section of www.evoting.nsdl.com.

B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/Depositories):

- i. Initial username and password is provided.
- ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) above, to cast vote.

C. Other Instructions:

- i. The e-voting period commences on September 25, 2014 (9:30 am IST) and ends on September 27, 2014 (6:00 pm IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 29, 2014, may cast their vote electronically. The e-voting module shall also be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- ii. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on, Friday, 29th August, 2014.
- iii. Ms. Shruti H. Shah, Practicing Company Secretary (Membership No. 22923), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- iv. The Scrutinizer shall within a period of not exceeding three(3) working days from the conclusion of the e-Voting period unlock the votes in the presence of atleast two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- v. Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Ms. Shruti H. Shah, Practicing Company Secretary (Membership No. 22923), at the Registered Office of the Company not later than September 27, 2014 (6:00 pm IST).

Members have the option to request for physical copy of the Ballot Form by sending an e-mail to investor@dtlindia.com by mentioning their Folio / DP ID and Client ID No. However, the duly completed Ballot Form should reach the Registered Office of the Company not later than September 27, 2014 (6:00 pm IST).

Ballot Form received after this date will be treated as invalid.

A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

- vi. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.dtlindia.com and on the website of NSDL www.evoting.nsdl.com within two days of the passing of the resolutions at the Fifth AGM of the Company on September 30, 2014 and communicated to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

By Order of the Board
FOR DYNACONS TECHNOLOGIES LTD.

Date : September 03, 2014
Place : Mumbai

Shirish M. Anjaria
Chairman cum Managing Director

Parag J. Dalal
Director

Registered Office

78, Ratnajyot Industrial Estate,
Irla Lane, Vile Parle (W),
Mumbai – 400 056

CIN No: **L72900MH2009PLC191412**

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 of the Companies Act, 2013

ITEM NO. 3

M/s. P.C. Ghadiali & Co., Chartered Accountants were appointed as a Statutory Auditors of the Company at the Annual General Meeting (AGM) of the Company held on 30th September, 2013. M/s. P.C. Ghadiali & Co., Chartered Accountants have expressed their unwillingness to offer themselves for re-appointment in the Company as Statutory Auditors of the Company.

M/s. Palan & Co., Chartered Accountants, (Firm's Registration No. 133811W), are proposed to be appointed as the Statutory Auditors of the Company for the financial year 2014-2015 at the Annual General Meeting (AGM) of the Company to be held on 30th September, 2014. In accordance with the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Palan & Co. can be appointed as Auditors for period of three years after commencement of the Companies Act, 2013 i.e. upto March 31, 2017.

The Auditors have informed the Company that their appointment if made would be within the limits prescribed u/s 141 of the Companies Act, 2013 and the Auditors have confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold valid certificate issued by the Peer Review Board of the ICAI.

In view of the above, M/s. Palan & Co. being eligible for appointment and based on recommendation of the Audit committee, the Board has proposed the appointment of M/s. Palan & Co., Chartered Accountants as the Statutory Auditors of the Company for a period of 3 years to hold office from the conclusion of this AGM till the conclusion of 8th AGM of the Company to be held in the year 2017 (Subject to the ratification of their appointment at every AGM)

The Board recommends the resolution at item No.3 for approval by members.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested in item No. 3 of the Notice.

ITEM NO. 4, 5, 6

Pursuant to Clause 49 of the listing Agreement, the Board of Directors of the Company comprises the following Independent Directors and in the opinion of the Board, the below Independent Directors fulfil the conditions specified in this Act for such an appointment:-
Mr. Dilip Palicha, Mr. Viren Shah, Mr. Jitesh Jain

Pursuant to the provisions of Section 149 of Companies Act, 2013 (the act), which came into effect from April 1, 2014, The independent directors are not liable to retire by rotation.

All the Non-executive Directors of the Company, have given a declaration to the board that they meet the criteria of independence as provided under Section 149(6) of the act, in the opinion of the board, each of these directors fulfill the conditions specified in the act and rules framed thereunder for appointment as Independent Director. The board has recommended the appointment of these directors as Independent Directors of the Company till the conclusion of the 10th Annual General Meeting of the Company to be held in the year 2019.

In compliance with the provision of Section 149 of the Act, the appointment of these directors as independent directors is now being placed before the members for their approval.

The brief profile of Independent Directors are as under:

Mr. Dilip Palicha

He has vast experience in Management and Administration, Insurance, Expertise in Printing Technology & Animation. He is a Graduate with Certificate in Printing Technology and an Associate of Federation of Insurance Institutes.

Mr. Viren Shah

He has 21 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.

Mr. Jitesh Jain

He is a Chartered Accountant for more than 10 years in Mumbai and by qualification is B. Com., F. C. A., D.I.S.A. He is a senior Chartered Accountant with varied experience in the fields of Bank, Government and Corporate Audits, Project Preparation and Reporting, Management Consultancy and Finance and also has expertise in services like Statutory Audit, Internal Audit, Concurrent Audit, Tax Audit, Stock Audit, Vat Audit, Service Tax Audit, Forensic Audit, Information System Audit & other value added services to various companies - Nationalised Banks, Public Sector Companies, Private Limited Companies, A.O.P., Trusts, Partnership Firms, Limited Liability Partnership Firm etc.

The Board recommends the resolution at item No.4,5,6 for approval by members.

None of the Directors, Key Managerial Personnel of the company and their relatives are in any way, concerned or interested in this item of business except Mr. Dilip Palicha, Viren Shah & Jitesh Jain.

DETAILS OF DIRECTORS RETIRING BY ROTATION AND SEEKING REAPPOINTMENT**(In Pursuance of Clause 49 of the Listing Agreement)**

Particulars	Mr. Dharmesh Anjaria	Mr. Jitesh Jain	Mr. Viren Shah	Mr. Dilip Palicha
Date of Birth	January 5, 1973	July 31, 1977	April 23, 1966	November 5, 1947
Date of Appointment	April 2, 2009	March 22, 2014	January 25, 2011	January 25, 2011
Experience in functional Area	17 years of experience in the IT Industry, Managed Services, Finance, Corporate Affairs and Tax	Senior Chartered Accountant with more than a decades of varied experience in the fields of Bank, Government and Corporate Audits, Project Preparation and Reporting, Management Consultancy and Finance.	21 Years of wide experience across a variety of industries & expertise in Systems Analysis, Design & Administration	Vast experience in Management and Administration, Insurance, Expertise in Printing Technology & Animation.
Qualification	B.Com, A.C.A, AICWA, Intel Certified Integration Specialist	B. Com., F. C. A. D.I.S.A.	Advance Post Graduate in Computer and Systems management & hold a Certificate in Oracle/ SQL & RDBMS Concepts.	Graduate with Certificate in Printing Technology, Associate of Federation of Insurance Institutes.
Directorship in other Companies (Public Limited Companies)	1	-	1	1
Membership of Committees of other public limited companies	-	-	2	2
No. of Share held in the company	2671750	Nil	Nil	Nil

By Order of the Board of Directors**FOR DYNACONS TECHNOLOGIES LTD.**

Place : Mumbai
Date : September 03, 2014

Shirish M. Anjaria
Chairman cum Managing Director

Parag J. Dalal
Director

Registered Office

78, Ratnajyot Industrial Estate,
Irla lane, Vile Parle (West),
Mumbai - 400056
CIN No : **L72900MH2009PLC191412**



DYNACONS
Technologies Ltd.

FORM-A

ANNUAL AUDIT REPORT TO BE FILED WITH THE STOCK EXCHANGE

1.	Name of the Company	Dynacons Technologies Ltd.
2.	Annual financial statements for the year ended	March 31, 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed by- • Managing Director	 (Shirish Anjaria)
	• CFO	Company does not have CFO
	• Audit Committee Chairman	 (Jitesh Jain)
	• Auditor of the company	For P.C. Ghadiali & Co. Firm Regn. No.: 103132W Chartered Accountant  C.K. Palan Partner Mem. No. 100741



For **Dynacons Technologies Ltd.**

Dharmesh Anjaria
Director

Concept to Commissioning *and beyond...*

78, Ratnajyot Industrial Estate, Irla Lane, Vile Parle (W), Mumbai - 400 056.

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