



Date: September 06, 2024

To,

BSE Limited Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai – 400 001 Scrip Code- 532365	National Stock Exchange of India Limited Exchange Plaza, C— 1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai — 400051 Symbol - DSSL
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Sub.: Annual Report of Dynacons Systems & Solutions Limited for Financial Year 2023-24

Dear Sir,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed herewith Annual Report alongwith Notice convening the 29th Annual General Meeting (AGM) to be held on Monday, September 30, 2024, at 3:00 p.m. through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") of Dynacons Systems & Solutions Ltd for Financial Year 2023-2024.

Kindly take the same on your record and acknowledge receipt of the same.

Thanking You,
Yours truly,

For Dynacons Systems and Solutions Ltd.

Pooja Patwa
Company Secretary &
Compliance Officer
Mem. No.-A60986

Dynacons Systems & Solutions Limited

CIN NO : L72200MH1995PLC093130

Certified ISO 9001:2015, ISO 20000 – 1:2018, ISO – 27001:2022 , CMMI Maturity Level 5

Registered Office : 78, Ratnajyot Industrial Estate, Irla Lane, Vile Parle West, Mumbai - 400 056.

Corporate Office : 3rd Floor, A Wing, Sunteck Centre, Subhash Road, Near Garware Chowk, Vile Parle East, Mumbai - 400 057.

+91-22-66889900 | www.dynacons.com | sales@dynacons.com | 1860-123-4444



ANNUAL REPORT

2024 - 2025

Advancing Efforts for a Greener,
More Equitable Future



DYNACONS
SOLUTIONS THAT EMPOWER

**DYNACONS SYSTEMS & SOLUTIONS LIMITED
CORPORATE INFORMATION**

BOARD OF DIRECTORS

Mr. Shirish M. Anjaria	Chairman cum Managing Director
Mr. Parag J. Dalal	Executive Director
Mr. Dharmesh S. Anjaria	Executive Director
Mrs. Archana Phadke	Director
Mr. Jitesh Jain	Director
Mr. Vijay Doshi	Director

COMPANY SECRETARY

Ms. Pooja Patwa

REGD. OFFICE

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

Registrar & Transfer Agents

Bigshare Services Pvt. Ltd.,
S6-2, 6th Floor, Pinnacle Business Park
Next to Ahura Centre
Mahakali Caves Road,
Andheri East,
Mumbai - 400093

PRINCIPAL BANKERS

HDFC Bank
Yes Bank

AUDITORS

M/s. M S P & Co.
Chartered Accountants
Mumbai.

SECRETARIAL AUDITORS

M/s. HSPN & Associates LLP
Mumbai

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Our Guiding Principles

VISION & MISSION

To be a global comprehensive end-to-end IT infrastructure Solutions Provider providing world-class information technology solutions & services to enable our customers to serve their customers better.

BACKGROUND

Dynacons Systems & Solutions Ltd. is an IT company with global perspectives with its headquarters at Mumbai and branches all over India. Established in 1995, Dynacons undertakes all activities related to IT infrastructure including Infrastructure Design and Consulting Services, Turnkey Systems Integration of large Network and Data Centre Infrastructures including supply of Associated Equipment and Software, Onsite and Remote Facilities Management of Multi Location Infrastructure of Domestic Clients.



ISO-9001:2008



ISO-2000-1:2011



ISO-27001:2013



ISO-14001:2015



CMMI Level 5

Our Technology Partnerships



Our technical partners play a crucial role in enhancing our capabilities and expanding our reach. By collaborating with reliable and innovative partners we can leverage their expertise and resources to develop cutting-edge solutions.

Our Offerings



Recent Recognitions



Best Partner Award for Digital Workplace Solution (DWS)



HPE Solution of the Year 2024



Most Promising Business Leaders of Asia by ET Edge



Banking Deal of the Year from Versa Networks



Best Partner of the Year 2024 from HPE



Best Performance Award from HPE & Nutanix



HPE Aruba Networking Accelerating Next For the Year 2023



Best Nutanix Performance for Driving DX Platform FY 23 Award



Hyperconverged Infrastructure Award



Datacenter Award



Hall of Fame by Channel World Premier 100



Solution Champ



Security Award by Channel World



HPE Champion Award

CSR Activities

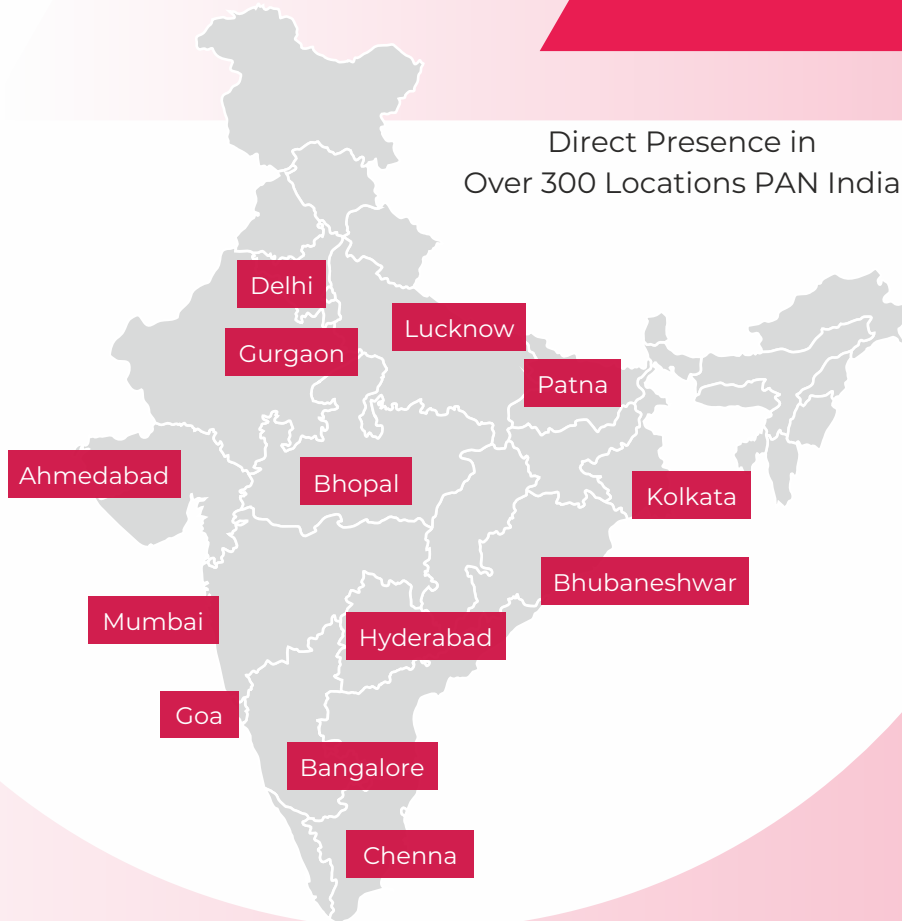


In News



Our Reach

Direct Presence in
Over 300 Locations PAN India



- Ahmedabad
- Akola
- Aurangabad
- Bangalore
- Baroda
- Bhilai
- Bhopal
- Bhubaneswar
- Bikaner
- Bilaspur
- Bokaro
- Calicut
- Chandigarh
- Chandrapur
- Chennai
- Cochin
- Coimbatore
- Cuttack
- Daman
- Dehradun
- Delhi
- Dhule
- Gandhidham
- Goa
- Gurgaon
- Guwahati
- Gwalior
- Hubli
- Hyderabad
- Indore
- Jabalpur
- Jaipur
- Jalgaon
- Jamnagar
- Jamshedpur
- Jodhpur
- Kandla
- Kanpur
- Kochi
- Kolhapur
- Kolkata
- Lucknow
- Ludhiana
- Madurai
- Mangalore
- Miraj
- Mumbai
- Mysore
- Nagpur
- Nanded
- Nashik
- Paino
- Patna
- Pondichery
- Pune
- Raipur
- Rajkot
- Ranchi
- Ratlam
- Ratnagiri
- Roha
- Salern
- Satara
- Sawantwadi
- Solapur
- Surat
- Trichi
- Trivandrum
- Udaipur
- Varanasi
- Vijaywada
- Vishakhapatnam

****Many More**

NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY NINTH ANNUAL GENERAL MEETING OF THE MEMBERS OF DYNACONS SYSTEMS & SOLUTIONS LIMITED WILL BE HELD ON MONDAY, SEPTEMBER 30TH, 2024 AT 03:00 P.M. INDIAN STANDARD TIME (“IST”) BY MEANS OF VIDEO CONFERENCING (“VC”) / OTHER AUDIO-VISUAL MEANS (“OAVM”) IN ACCORDANCE WITH THE RELEVANT CIRCULARS ISSUED BY THE MINISTRY OF CORPORATE AFFAIRS, TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet and Profit & Loss Account for the financial year ended as at March 31, 2024, the Audited Consolidated Financial Statements for the said financial year and the Reports of Board of Directors and Auditors thereon.
2. To confirm the payment of Interim Dividend as the final dividend on Equity shares for Financial Year 2023-2024.
3. To appoint a Director in place of Mr. Dharmesh Anjaria (Din:00445009), who retires from the office of Whole-Time Director, by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. Re-appointment of Mr. Shirish Anjaria (Din:00444104) as Chairman cum Managing Director

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modifications or re-enactment(s) (including corresponding provisions, if any of the Companies Act, 1956) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 17(6)(e)(ii) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and subject to such other consent(s), approval(s), permission(s) as may be necessary in this regard, and as per Article 106 of the Articles of Association of the Company and subject to such conditions as may be imposed by any authority while granting such consent(s), approval(s), permission(s) as may be agreed to by Board of Directors (hereinafter referred as board, which term shall unless repugnant to the context or meaning thereof, be deemed to include any committee thereof and any person authorized by the Board in this behalf), consent of the members be and is hereby accorded for re-appointment of Mr. Shirish M. Anjaria (Din:00444104), as Chairman cum Managing Director of the Company, for a period of 5 (Five) years with effect from February 01, 2025, on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Mr. Shirish M. Anjaria, as Chairman cum Managing Director including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013.

RESOLVED FURTHER THAT any one of the Directors or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be necessary, expedient or proper to give effect to the above resolution."

5. Re-appointment of Mr. Parag Dalal (Din:00409894) as Whole-time Director

To consider and if thought fit to pass, the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modifications or re-enactment(s) (including corresponding provisions, if any of the Companies Act, 1956) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules,

2014, or any other law and subject to such other consent(s), approval(s), permission(s) as may be necessary in this regard and as per Article 90 of the Articles of Association of the Company, and Regulation 17(6)(e)(ii) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and subject to such conditions as may be imposed by any authority while granting such consent(s), approval(s), permission(s) as may be agreed to by Board of Directors (hereinafter referred as board, which term shall unless repugnant to the context or meaning thereof, be deemed to include any committee thereof and any person authorized by the Board in this behalf), consent of the members be and is hereby accorded for re-appointment of Mr. Parag Dalal (Din:00409894), as Whole Time Director of the Company, for a period of 5 (Five) years with effect from February 01, 2025, on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Mr. Parag Dalal, as Whole Time Director including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013.

RESOLVED FURTHER THAT any one of the Directors or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be necessary, expedient or proper to give effect to the above resolution.”

6. Re-appointment of Mr. Dharmesh Anjaria (Din:00445009) as Whole-time Director

To consider and if thought fit to pass, the following resolution as **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modifications or re-enactment(s) (including corresponding provisions, if any of the Companies Act, 1956) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, or any other law and subject to such other consent(s), approval(s), permission(s) as may be necessary in this regard and as per Article 90 of the Articles of Association of the Company, and Regulation 17(6)(e)(ii) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and subject to such conditions as may be imposed by any authority while granting such consent(s), approval(s), permission(s) as may be agreed to by Board of Directors (hereinafter referred as board, which term shall unless repugnant to the context or meaning thereof, be deemed to include any committee thereof and any person authorized by the Board in this behalf), consent of the members be and is hereby accorded for re-appointment of Mr. Dharmesh S. Anjaria (Din:00445009), as Whole Time Director of the Company, for a period of 5 (Five) years with effect from February 01, 2025, on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Mr. Dharmesh S. Anjaria, as Whole Time Director and Chief Financial Officer (“CFO”) including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013.

RESOLVED FURTHER THAT any one of the Directors or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be necessary, expedient or proper to give effect to the above resolution.”

7. Remuneration of Cost Auditors

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and based on the recommendation of the Audit Committee and the approval of the Board of Directors, the Company hereby ratifies the remuneration of Rs.1,50,000/- per annum (Rupees One Lakh Fifty Thousand only) plus applicable taxes and

reimbursement of travel and out of pocket expenses, to be paid to M/s. Sarvottam Rege & Associates, Cost Accountants (Firm Registration No. 104190), appointed as the Cost Auditors of the Company by the Board of Directors to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2025, and for the previous financial years.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and take all such steps as may be necessary or expedient to give effect to this resolution.”

**By Order of the Board of Directors
For Dynacons Systems & Solutions Ltd.**

Shirish M. Anjaria
Chairman cum
Managing Director
DIN: 00444104

Parag J. Dalal
Executive Director
DIN: 00409894

Date: September 02, 2024

Place: Mumbai

Registered Office

78, Ratnajyot Industrial Estate,

Irla Lane, Vile Parle (W),

Mumbai – 400 056

CIN No: L72200MH1995PLC093130

NOTES:

1. The Ministry of Corporate Affairs (“MCA”) has, vide its General Circular dated September 25, 2023, read together with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022 and December 28, 2022 (collectively referred to as “MCA Circulars”), permitted convening the Annual General Meeting (“AGM” / “Meeting”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without physical presence of the members at a common venue. In accordance with the MCA Circulars and applicable provisions of the Companies Act, 2013 (“Act”) read with Rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the AGM of the Company is being held through VC/OAVM. The deemed venue for the AGM shall be the registered office of the Company.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the business under Item No. 4, 5, 6 & 7 of the Notice, is annexed hereto. The relevant details as required under Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/reappointment at the Annual General Meeting for Item no. 3 to 6 is furnished as annexure to the Notice.
3. Pursuant to the provisions of the Companies Act, 2013 (“Act”), a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC/OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
4. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.
5. At the 27th AGM held on September 30, 2022, the members approved re-appointment of M/s MSP & Co., Chartered Accountants Firm (Firm Registration No. 107565W) as Statutory Auditors of the Company to hold office from the conclusion of 27th AGM till the conclusion of the 32nd AGM. M/s. MSP & Co., will complete their present term as Statutory Auditors of the Company on conclusion of the AGM to be held in 2027.

6. The Company has not provided any stock options to the employees for the year under review. However, the Nomination and Remuneration Committee in its meeting held on August 10, 2022, had approved grant of 33,500 stock options under 'Dynacons - Employees Stock Option Plan 2020' (ESOP - 2020), of which The Board in their meeting held on March 29, 2024, had allotted 20,050 equity shares to the eligible Employees of the Company who had exercised their stock options under the Dynacons-Employees Stock Option Plan 2020 ("ESOP-2020"). Further, the Company had received Listing/trading approval from BSE Ltd and National Stock Exchange of India Limited on April 12, 2024. Disclosure pursuant to the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 for the year ended March 31, 2024, is available at the website of the Company at www.dynacons.com. The certificate from the Secretarial Auditors of the Company stating that the Schemes have been implemented in accordance with the SEBI Regulations would be placed at the ensuing Annual General Meeting for inspection by members.
7. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc. authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Company by email through its registered email address to investor@dynacons.com with a copy marked to evoting@nsdl.com
8. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer books of the Company will remain closed from Tuesday, September 24, 2024 to Monday September 30, 2024. (both days inclusive).
9. The Members holding the shares in physical form may obtain the nomination form from the Company's Registrar & Share transfer agent- Bigshare Services Pvt. Ltd. (BSPL) and are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or BSPL for assistance in this regard.
10. 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.
11. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or BSPL, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
12. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
13. Pursuant to Rule 18(3) of the Companies (Management and Administration) Rules, 2014, the Members are requested to provide their e-mail id to their Depository Participants ("DP") in case the shares are held by them in electronic form and with the Company or Registrar and Share Transfer Agent in case the shares are held by them in physical form in order to facilitate easy and faster dispatch of Notices of the general meetings and other communication by electronic mode from time to time.
14. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to the Company's Registrars and Transfer Agents, BSPL in case the shares are held by them in physical form.
15. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSDRTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, members are requested to make service requests by submitting a duly

filled and signed Form ISR – 4, the format of which is available on the Company's website at www.dynacons.com. It may be noted that any service request can be processed only after the folio is KYC Compliant.

16. SEBI vide its notification SEBI/LAD-NRO/GN/2022/66 dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or BSPL, for assistance in this regard.
17. SEBI vide its Circular dated July 31, 2023 issued guidelines for members to resolve their grievances by way of Online Dispute Resolution ('ODR') through a common ODR portal. Members are requested to first take up their grievance, if any, with Bigshare Services Private Limited, Registrar and Share Transfer Agent of the Company. If the grievance is not redressed satisfactorily, the member may escalate the same through: i) SCORES Portal in accordance with the SCORES guidelines, and ii) if the member is not satisfied with the outcome, dispute resolution can be initiated through the ODR Portal at <https://smartodr.in/login>.
18. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.
19. Pursuant to Finance Act 2020, dividend income is taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof. The shareholders are requested to update their PAN with the DP (if shares held in electronic form) and Company/BSPL (if shares held in physical form). Shareholders are requested to note that in case their PAN is not registered, or having invalid PAN or Specified Person as defined under section 206AB of the Income-tax Act ("the Act"), the tax will be deducted at a higher rate prescribed under section 206AA or 206AB of the Act, as applicable.
20. Members who hold shares in dematerialized form are requested to login with their DP ID and Client ID numbers for easy identification of attendance at the meeting.
21. 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 INE417B01040.
22. Annual Listing fees for the year 2023-2024 has been paid to all stock exchange wherein shares of the Company are listed.
23. As per the provisions of Section 72 of the Act and SEBI circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website www.dynacons.com. Members holding shares in physical form may submit the same to BSPL. Members holding shares in electronic form may submit the same to their respective depository participant.
24. As mandated by the Securities and Exchange Board of India ("SEBI"), securities of the Company can be transferred /traded only in dematerialized form. Members holding shares in physical form are advised to avail the facility of dematerialization.
25. SEBI has vide Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 read with SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021 and SEBI/ HO/MIRSD/MIRSD-PoD-1/P/ CIR/2023/37 dated March 16, 2023 ("SEBI Circulars") mandated furnishing of Permanent Account Number ('PAN'), KYC details viz. Contact Details (Postal Address, Mobile Number and E-mail), Bank Details, Nomination etc. by holders of physical securities. The Company had sent letters for furnishing the required details.

Any service request shall be entertained by BSPL only upon registration of the PAN, KYC details and the nomination. Further, in absence of the above information on or after October 1, 2023, the folio(s) shall be frozen by BSPL in compliance with the aforesaid SEBI Circulars. If the folio(s) continue to remain frozen as on December 31, 2025, the frozen folios shall be referred by BSPL/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002.

DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:

1. In compliance with the MCA Circulars and SEBI Circular dated October 7, 2023, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website www.dynacons.com, website of the Stock Exchanges, i.e., National Stock Exchange of India Limited at www.nseindia.com and BSE Limited at www.bseindia.com and is also available on the website of NSDL (agency for providing the Remote e- Voting facility) i.e. www.evoting.nsdl.com
2. For receiving all communication (including Annual Report) from the Company electronically:
 - a) Members holding shares in physical mode and who have not registered/updated their email address with the Company are requested to register/update the same by writing to the Company's Registrar & Share transfer agent- Bigshare Services Pvt. Ltd. (BSPL) with details of folio number and attaching a self-attested copy of PAN card at info@bigshareonline.com.
 - b) Members holding shares in dematerialized mode are requested to register/update their email addresses with the relevant Depository Participant.
26. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
27. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM.
28. **Voting through electronic means:**
 - I. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), and in terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
 - II. The remote e-voting period commences on Wednesday, September 25, 2024 (9:00 a.m. IST) and ends on Sunday, September 29, 2024 (5:00 p.m. IST). During this period, members holding shares either in physical form or in dematerialized form, as on Monday, September 23, 2024 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
 - III. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

- IV. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.
- V. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.com. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
- VI. The details of the process and manner for remote e-voting are explained herein below:
- A. How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

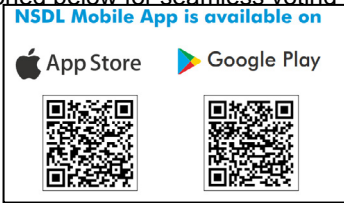
Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on Company Name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company Name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	<p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>  </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c. How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a. Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b. Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

- d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. 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 hs@hspnassociates.in, with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting user manual for Shareholders, available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Pallavi Mhatre, Senior Manager at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self- attested scanned copy of Aadhar Card) by email to investor@dynacons.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor@dynacons.com. If you are an Individual shareholder holding

securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

C. Other Instructions:

- i. The remote e-voting period commences on Wednesday, September 25, 2024 (9:00 a.m. IST) and ends on Sunday, September 29, 2024 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Monday, September 23, 2024 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- ii. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- iii. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of September 23, 2024.
- iv. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting.
- v. Mr. Hemant Shetye, Company Secretary (FCS No.2827 and COP 1483) and Designated Partner of HSPN & Associates LLP, Practicing Company Secretaries has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner and he has consented to act as a scrutinizer.
- vi. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two working days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

- vii. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.dynacons.com and on the website of NSDL www.evoting.nsdl.com within two working days of the passing of the resolutions at the Twenty Ninth AGM of the Company on September 30, 2024 and communicated to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

Process for registration of email id for obtaining Annual Report and user id/password for e-voting and updation of bank account mandate for receipt of dividend:

Physical Holding	Send a request to the Registrar and Transfer Agents of the Company, Bigshare Services Private Limited at info@bigshareonline.com providing Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) for registering email address. Following additional details need to be provided in case of updating Bank Account Details: a) Name and Branch of the Bank in which you wish to receive the dividend, b) the Bank Account type, c) Bank Account Number allotted by their banks after implementation of Core Banking Solutions d) 9 digit MICR Code Number, and e) 11 digit IFSC Code f) a scanned copy of the cancelled cheque bearing the name of the first shareholder.
Demat Holding	Please contact your Depository Participant (DP) and register your email address and bank account details in your demat account, as per the process advised by your DP.

D. Instructions for Members for Attending AGM through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) are as under:

- Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- Members are encouraged to join the Meeting through Laptops for better experience.
- Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investor@dynacons.com from September 25, 2024 (9:00 a.m. IST) to September 28, 2024 (5:00 p.m. IST). The same will be replied by the company suitably. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.

Other Instructions

- 29. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than two working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- 30. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.dynacons.com and on the website of NSDL <https://www.evoting.nsdl.com> immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

**By Order of the Board of Directors
For Dynacons Systems & Solutions Ltd.**

Shirish M. Anjaria
Chairman cum
Managing Director
DIN: 00444104

Parag J. Dalal
Executive Director
DIN: 00409894

Date: September 02, 2024

Place: Mumbai

Registered Office

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

CIN No: L72200MH1995PLC093130



EXPLANATORY STATEMENTS:

The following Explanatory Statement, as required under Section 102 of the Companies Act, 2013, set out all material facts relating to the business under Item No. 4 to 7 of the accompanying Notice dated September 02, 2024.

ITEM NO. 4

Mr. Shirish M. Anjaria, who was appointed as Chairman cum Managing Director by the members to hold office upto January 31, 2025 has attained the age of 79 years and hence continuation of his employment as Executive Chairman cum Managing Director requires the approval of members by way of a special resolution. Section 196(3) of the Companies Act, 2013, inter alia, provides that no company shall continue the employment of a person who has attained the age of 70 years, as Managing Director, Whole time director or Manager unless it is approved by the members by passing a special resolution.

Keeping in view that Mr. Shirish M. Anjaria has rich and varied experience in the Industry and has been involved in the operations of the Company since inception, it would be in the interest of the Company to continue the employment of Mr. Shirish M. Anjaria as Executive Chairman cum Managing Director.

Mr. Shirish M. Anjaria is the promoter and founder of Dynacons Systems & Solutions Limited. He is currently the Chairman cum Managing Director of Dynacons Systems & Solutions Limited. He is a business leader with successful & fruitful career of over five decades and has guided the Company through diversification and growth to emerge as a leader in Information Technology industry.

Mr. Shirish M. Anjaria will complete his term as a Chairman cum Managing Director (00444104) on January 31, 2025. The Board of Directors at their Meeting held on September 02, 2024, considered and decided, subject to the approval of members, re-appointment of Mr. Shirish M. Anjaria as Chairman cum Managing Director for a further period of 5 years from the expiry date of his term, on the remuneration determined by the Remuneration Committee of the Board (the Remuneration Committee) at its meeting held on September 02, 2024.

Mr. Anjaria is a graduate in Science and holds a post graduate degree in Law. He is a Certified Associate of the Federation of Insurance Institutes. He has wide experience across industries and has rich exposure in Business Management, Corporate Affairs and customer relations. He has spearheaded the growth of the Company from a start-up to and is currently one of the leading IT Infrastructure Solutions Providers in the country. Under his Chairmanship, Dynacons has forged strategic alliances with global IT majors such as IBM, Intel, HP, Microsoft, Lenovo, Sony, Cisco etc. He was also the founder of the Millenium PC initiative which was recognised by Intel, USA. Mr. Anjaria has attained the age of 79 years, at this crucial juncture, the continued services of Mr. Anjaria is considered essential for guiding the Company to the next level of growth.

The remuneration package of Mr. Shirish M. Anjaria as determined by the Remuneration Committee at its meeting held on September 02, 2024, and approved by the Board of Directors at the Board Meeting held on September 02, 2024, is forming the part of Item no. 4 of the Agenda for this Meeting.

Mr. Shirish Anjaria's appointment as a Chairman cum Managing Director on the Board of the Company was on the basis of his being liable to retire by rotation. He will continue to be the Director of the Company till his turn comes for retirement by rotation. He is eligible to seek re-election at the Annual General Meeting in which he retires by rotation.

The Board of directors will also be at liberty to alter, vary and revise the remuneration from time to time within the limit prescribed under Section 196,197 & 198 of the Companies Act, 2013, or any amendment or statutory modifications thereto.

In the terms of provisions of the Companies Act, 2013, consent of shareholders is required for the appointment of Mr. Shirish M. Anjaria as the Chairman cum Managing Director.

Further, pursuant to Regulation 17(6)(e)(ii) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, consent of the members vide special remuneration is required where annual remuneration payable to more than one Executive Director who are promoter or member of promoter group exceeds five percent of the net profit of listed entity.

Mr. Shirish M. Anjaria, Chairman cum Managing Director along with Mr. Parag J. Dalal, Whole Time Director and Mr. Dharmesh S. Anjaria, Whole Time Director who are also seeking re-appointment are promoters of the Company.

Pursuant to the provisions of Section 196, 197 and 198 of Companies Act, 2013, and Regulation 17(6)(ii) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the Board recommends the resolution for the approval of the members as a Special resolution since Mr. Anjaria has attained the age of 79 years and the remuneration payable to all the Executive Directors & Managing Director is exceeding limits as specified under the said provisions of Companies Act, 2013 and/or SEBI (LODR) Regulations, 2015.

None of the Directors of the Company except Mr. Shirish M. Anjaria, Mr. Dharmesh S. Anjaria and their relatives are concerned or interested in the proposed resolution.

The broad particulars of the Remuneration payable to and the terms of re-appointment of Mr. Shirish M. Anjaria are as under:

Period of Appointment: From 01.02.2025 to 31.01.2030

1. Salary including Commission: Rs. 22,00,000/- per month (Rupees Twenty-Two Lakhs Only)

The following perquisites and other facilities are not the part of the above remuneration.

2. Perquisites: In addition to the above, the Chairman cum Managing Director shall be entitled to all the perquisites listed herein below:
 - a. Housing: The Company shall provide rent free furnished residential accommodation, with free gas, electricity and water as per Company policy. In case no accommodation is provided by the Company, the Chairman shall be entitled to such house rent allowance as may be decided by the Board of Directors from time to time subject however to a limit of 60% of his salary. The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per the Income Tax Rules, 1962.
 - b. Medical Reimbursement: Reimbursement of medical expenses incurred, including premium paid on health insurance policies, whether in India or abroad, for self and family including hospitalization, surgical charges, nursing charges and domiciliary charges for self and for family.
 - c. Leave Travel Concession: For self and family every year incurred in accordance with the rules of the Company applicable to its senior managers.
 - d. Club Fees: Fees of clubs, subject to a maximum of three clubs.
 - e. Personal Accident Insurance / Group Like Insurance: Premium not to exceed Rs. 1,00,000 per annum.
 - f. Provident Fund / Pension: Contribution to Provident Fund and Pension Fund to the extent such contributions, either singly or put together are exempt under the Income Tax Act, 1961. Contribution to Pension Fund will be paid on basic salary and commission.
 - g. Gratuity: Gratuity payable shall be in accordance with the provisions of the Payment of Gratuity Act.
 - h. Use of Car with driver: The Company shall provide the Chairman a car with driver for business and personal use.
 - i. Telephone Facility at Residence: Telephone facility shall be provided at the Chairman's residence. All personal long distance calls shall be billed by the Company to the Chairman.

Other terms and conditions:

- a. In terms of the Section 196, 197 and 198 of the Companies Act, 2013, and any amendments thereof, where in any financial year, during the tenure of the Chairman cum Managing Director, if the Company in the absence of profits or inadequate profits, the Company may pay same remuneration to Mr. Shirish Anjaria, Chairman cum Managing Director of the Company, as approved by the Shareholders in the 29th AGM held on September 30, 2024.

- b. "Family" means the spouse and dependent children of the Chairman cum Managing Director.
- c. Leave with full pay and allowances shall be allowed as per the Company's rules.
- d. Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.
- e. No sitting fees shall be paid to the Chairman cum Managing Director for attending the meetings of the Board of Directors or Committees thereof.
- f. The Chairman shall be liable to retire by rotation.

The Company entered into separate agreement with Mr. Shirish M. Anjaria, which contained inter alia, the above terms and conditions.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the Members.

None of the Directors of the Company except Mr. Parag J. Dalal, Mr. Dharmesh S. Anjaria and Mr. Shirish M. Anjaria are concerned and interested in the Resolutions as set out at Item No. 4,5 and 6, as it relates to their / relative's re-appointment and payment of remuneration.

Item No. 5 & 6

The Board of Directors of the Company (the Board), at its meeting, held on September 02,2024, has subject to the approval of members, re-appointed, Mr. Parag J. Dalal and Mr. Dharmesh S. Anjaria as Whole-time Directors (Executive Directors) for a further period of 5 years from the expiry dates of their respective terms on the remuneration determined by the Remuneration Committee of the Board (the Remuneration Committee) at its meeting held on September 02,2024.

A brief profile of Mr. Parag J. Dalal and Mr. Dharmesh S. Anjaria, nature of their expertise in specific functional areas and names of companies in which they hold Directorship and membership/chairmanship of Board Committee's as stipulated and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges in India, are annexed hereto.

The remuneration package of Mr. Parag J. Dalal & Mr. Dharmesh S. Anjaria, as determined by the Remuneration Committee dated September 02,2024, and approved by the Board of Directors at the Board Meeting held on September 02,2024, is forming the part of the explanatory statement under Item no. 5 & 6 of the Agenda for this Meeting. Mr. Parag J. Dalal's & Mr. Dharmesh S. Anjaria's appointment as a Whole-time director on the Board of the Company was on the basis of them being liable to retire by rotation. They will continue to be the Whole-time directors of the Company till their term comes for retirement by rotation. They are eligible to seek re-election at the Annual General Meeting in which they retire by rotation.

The Board of directors will also be at liberty to alter, vary and revise the remuneration from time to time within the limit prescribed under Section 196, 197 and 198 of the Companies Act, 2013, or any amendment or statutory modifications thereto.

Further, pursuant to Regulation 17(6)(e)(ii) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, consent of the members vide special remuneration is required where annual remuneration payable to more than one Executive Director who are promoter or member of promoter group exceeds five percent of the net profit of listed entity.

Mr. Shirish M. Anjaria, Chairman cum Managing Director along with Mr. Parag J. Dalal, Whole Time Director and Mr. Dharmesh S. Anjaria, Whole Time Director who are also seeking re-appointment are promoters of the Company.

Pursuant to the provisions of Section 196, 197 and 198 of Companies Act, 2013, and Regulation 17(6)(ii) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Board recommends the resolution for the approval of the members as a Special resolution since the remuneration payable to all the Executive Directors & Managing Director is exceeding limits as specified under the said provisions of Companies Act, 2013 and/or SEBI (LODR) Regulations, 2015.

The broad particulars of the Remuneration payable to and the terms of the respective re-appointment of Mr. Parag J. Dalal & Mr. Dharmesh S. Anjaria are as under:

Period of Appointment: From 01.02.2025 to 31.01.2030

1. Salary including Commission: Rs. 19,00,000/- per month (Rupees Nineteen Lakhs Only)

The following perquisites and other facilities are not the part of the above remuneration.

2. Perquisites: In addition to the above, the Whole-Time Director shall be entitled to the all the perquisites listed herein below:
 - a. Housing: The Company shall provide rent free furnished residential accommodation, with free gas, electricity and water as per Company policy. In case no accommodation is provided by the Company, the Whole Time Director shall be entitled to such house rent allowance as may be decided by the Board of Directors from time to time subject however to a limit of 60% of his salary. The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per the Income Tax Rules, 1962.
 - b. Medical Reimbursement: Reimbursement of medical expenses incurred, including premium paid on health insurance policies, whether in India or abroad, for self and family including hospitalization, surgical charges, and nursing charges and domiciliary charges for self and for family.
 - c. Leave Travel Concession: For self and family every year incurred in accordance with the rules of the Company applicable to its senior managers.
 - d. Club Fees: Fees of clubs, subject to a maximum of three clubs.
 - e. Personal Accident Insurance / Group Like Insurance: Premium not to exceed Rs. 1,00,000 per annum.
 - f. Provident Fund / Pension: Contribution to Provident Fund and Pension Fund to the extent such contributions, either singly or put together are exempt under the Income Tax Act, 1961. Contribution to Pension Fund will be paid on basic salary and commission.
 - g. Gratuity: Gratuity payable shall be in accordance with the provisions of the Payment of Gratuity Act.
 - h. Use of Car with driver: The Company shall provide the Whole Time Director a car with driver for business and personal use.
 - i. Telephone Facility at Residence: Telephone facility shall be provided at the Whole Time Director's residence. All personal long distance calls shall be billed by the Company to the Whole Time Director.

Other terms and conditions:

- a. In terms of the Section 196, 197 and 198 of the Companies Act, 2013, and any amendments thereof, where in any financial year, during the tenure of the Whole-Time Directors, the Company in the absence of profits or inadequate profits, the Company may pay same remuneration to Mr. Parag J. Dalal and Mr. Dharmesh S. Anajria, Whole-Time Directors of the Company, as approved by the Shareholders in the 29th AGM held on September 30, 2024.
- b. "Family" means the spouse and dependent children of the Whole Time Director.
- c. Leave with full pay and allowances shall be allowed as per the Company's rules.
- d. Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.

- e. No sitting fees shall be paid to the Whole Time Director for attending the meetings of the Board of Directors or Committees thereof.
- g. The Whole Time Director shall be liable to retire by rotation.

The Company has entered into separate agreement with Mr. Parag J. Dalal and Mr. Dharmesh S. Anjaria, which contains inter alia, the above terms and conditions.

The Board recommends the Special Resolution set out at Item No. 5 & 6 of the Notice for approval by the Members.

None of the Directors of the Company except Mr. Parag J. Dalal, Mr. Dharmesh S. Anjaria and Mr. Shirish M. Anjaria are concerned and interested in the Resolutions as set out at Item No. 4,5 and 6, as it relates to their / relative's re-appointment and payment of remuneration.

ITEM NO. 7

Pursuant to Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a Cost Auditor to audit the cost records for applicable products of the Company. On the recommendation of the Audit Committee, at its meeting held on September 02, 2024, the Board considered and approved the re-appointment of M/s. Sarvottam Rege & Associates, Cost Accountants (Firm Registration No. 104190) as the Cost Auditor for the fiscal year 2024-25.

Further, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company. The Board on recommendation of Audit Committee have approved a remuneration of Rs. 1,50,000/- per annum plus applicable taxes and reimbursement of out-of-pocket expenses to M/s. Sarvottam Rege & Associates, Cost Accountants (Firm Registration No. 104190) for conducting the Cost Audit for the fiscal year 2024-25 and for the previous financial years.

Accordingly, the consent of the members is sought to ratify the remuneration payable to the Cost Auditor for the Financial Year 2024-25 and for the previous financial years.

Further the Company has received their eligibility and consent to act as cost auditors.

The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for the approval of the Members.

None of the Directors and Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise in the Resolution set out at Item No. 7 of the Notice.

Details of Directors appointment/re-appointment/retiring by rotation, as required to be provided pursuant to the provisions of (i) Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India and approved by the Central Government are provided herein below:

Particulars	Mr. Shirish M. Anjaria	Mr. Parag J. Dalal	Mr. Dharmesh S. Anjaria
Director Identification Number (DIN)	00444104	00409894	00445009
Date of Birth	30/09/1944	23/05/1968	05/01/1973
Date of First Appointment on the Board	26/09/1995	26/09/1995	30/09/1998
Experience in functional Area	Shirish M. Anjaria is a business leader with successful & fruitful career of over five decades. He has wide experience across industries and has rich exposure in Business Management, Corporate Affairs, customer relations and Corporate Social Responsibility Activities. Under his Chairmanship, Dynacons has forged strategic alliances with global IT majors such as IBM, Intel, HP, Microsoft, Lenovo, Sony, Cisco etc. He was also the founder of the Millenium PC initiative which was recognized by Intel, USA.	Mr. Parag J. Dalal has over 30 years of work experience, in the field of Business, Information Technology, Software Development and Services. His areas of focus include Business Strategy, Business Development, Business Continuity Management and emerging technologies like Cloud Computing. He is responsible for the growth of Dynacons on PAN India level across different industries segments including Shipping, Education, Government, Banking and Financial Services. He is also responsible for taking new initiatives such as Transformation through IT and bringing in operational efficiency through the usage of ICT.	Mr. Dharmesh Anjaria has more than 25 years of work experience, is responsible for the Managed Services business of the Company, providing strategic direction on technology initiatives in line with core organizational goals and also handles Finance, Taxation and Corporate Affairs. He has rich exposure in the various facets of business and has a strong record of success in creating robust IT architectures and infrastructures and a proven ability to bring the benefits of IT to solve business issues while managing costs and risks. Mr. Anjaria is also responsible for Global customer management and alliances
Qualification	Graduate in Science and holds a post graduate degree in Law. He is a Certified Associate of the Federation of Insurance Institutes.	Post graduate in Computer Applications and is an Intel Certified Solutions Consultant.	B. Com, ACA, AICWA, Intel Certified Solutions Consultant.
Directorship in other Companies (Public Limited Companies)	Please refer Corporate Governance Report section of the Annual Report 2023-24		
Membership of Committees of other public limited companies (Audit Committee and Shareholder's/ Investor's Grievance Committee only)			

Particulars	Mr. Shirish M. Anjaria	Mr. Parag J. Dalal	Mr. Dharmesh S. Anjaria
Details of Listed Entities from which the person has retired in past three years	Please refer Corporate Governance Report section of the Annual Report 2023-24		
No. of Shares held in the Company			
The number of Meetings of the Board attended during the F.Y. 2023-24			
Remuneration Proposed	Upto Rs. 22,00,000/- per month and any casual emoluments or benefits in addition to their salary or wages	Upto Rs. 19,00,000/- per month and any casual emoluments or benefits in addition to their salary or wages	Upto Rs. 19,00,000/- per month and any casual emoluments or benefits in addition to their salary or wages
Remuneration Paid	Rs. 10,00,000 /- per month	Rs. 9,00,000/- per month	Rs. 9,00,000/- per month
Disclosure of relationship with other Directors, Manager and other Key Managerial Personnel of the Company	The Directors, Mr. Shirish M. Anjaria & Mr. Dharmesh S. Anjaria having father and son relationship are related to each other within the meaning of the term "relative" as per Section 2(77) of the Act and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	There are no inter-se relationships between the Directors mentioned above, and Manager and other Key Managerial Personnel of the Company.	The Directors, Mr. Shirish M. Anjaria & Mr. Dharmesh S. Anjaria having father and son relationship are related to each other within the meaning of the term "relative" as per Section 2(77) of the Act and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
Terms and conditions of re-appointment along with details of remuneration sought to be paid	The re-appointment is for a term of 5(Five) years commencing from February 01, 2025. Details of remuneration sought to be paid is provided in Explanatory Statement for Item No. 4 annexed to the notice.	The re-appointment is for a term of 5(Five) years commencing from February 01, 2025. Details of remuneration sought to be paid is provided in Explanatory Statement for Item No. 5 & 6 annexed to the notice.	The re-appointment is for a term of 5(Five) years commencing from February 01, 2025. Details of remuneration sought to be paid is provided in Explanatory Statement for Item No. 5 & 6 annexed to the notice.

**By Order of the Board of Directors
For Dynacons Systems & Solutions Ltd.**

Shirish M. Anjaria
Chairman cum
Managing Director
DIN: 00444104

Parag J. Dalal
Executive Director
DIN: 00409894

Date: September 02, 2024

Place: Mumbai

Registered Office

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

CIN No: L72200MH1995PLC093130

Directors Report

Your Directors are pleased to present the **Twenty Ninth** Annual Report on the business and operations of the Company for the year ended March 31, 2024.

1. Financial Highlights

(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	Year ended 31/03/2024	Year ended 31/03/2023	Year ended 31/03/2024	Year ended 31/03/2023
Gross Income	1,02,882	80,644	1,02,885	80,677
Profit Before Finance Cost and Depreciation and Amortisation Expenses	8,252	5,683	8,237	5,692
Provision for Depreciation and Amortisation Expenses	152	136	152	136
Profit Before Finance Cost	8,100	5,547	8,086	5,555
Finance Cost	879	1,087	879	1,087
Net Profit Before Tax	7,221	4,460	7,207	4,468
Provision for Tax	1,825	1,123	1,825	1,123
Net Profit After Tax	5,396	3,338	5,382	3,345
Balance of Profit brought forward	7,958	4,672	7,969	4,675
Balance available for appropriation	13,290	7,958	13,288	7,969

2. Management Analysis and Discussions

Company performance:

In the financial year under review your Company has delivered exceptional performance, marked by significant milestones and robust growth across all business segments. The company recorded a strong increase in revenues, driven by strategic investments in cutting-edge technologies and expansion into new markets. Our relentless focus on innovation and customer-centric solutions enabled us to strengthen our leadership position in the industry.

In FY 2024, your company delivered a strong performance, achieving substantial revenue growth and a remarkable increase in profitability. Even amidst a challenging global environment, the company's unwavering focus on operational excellence fueled significant improvements in financial outcomes, underscoring its resilience and strategic execution. On a standalone basis, revenues reached ₹1,02,882 lakhs, up 28% from ₹80,644 lakhs in the previous year, with profit before tax rising to ₹7,221 lakhs compared to ₹4,460 lakhs. After accounting for a tax provision of ₹1,825 lakhs, profit after tax stood at ₹5,396 lakhs, a 62% increase. On a consolidated basis, revenues were ₹1,02,885 lakhs, also reflecting a 28% growth, with profit after tax at ₹5,382 lakhs, up 61% year-over-year.

During this period, we refocused on our industry and technology expertise, emphasized and refreshed the core values that define who we are as a company, and doubled down on customer centricity and employee empathy. Beyond the surface-level statistics, we find satisfaction in the comprehensive nature of our growth, which has been broad-based across all our industry sectors and major markets. The growth was fueled by accelerated spending on digital transformation initiatives, cloud adoption, and higher outsourcing. This exceptional performance can be attributed to the Company's strong partnerships with clients, its agile organizational structure, and a stable management team. Additionally, investments in talent development and the development of new capabilities have enhanced the Company's ability to increase client wallet share. Improved execution has also contributed to higher levels of customer satisfaction.

Advanced manufacturing, new technologies like AI, new energy, data and business models are changing the future of work and are compelling new skillsets to be built for the future. As enterprises globally prepare to respond to these mega trends, we see multiple opportunities for your company. These transitions will require substantial investment in technology across industry sectors. Your company is making significant investments and building capabilities to partner with customers during this phase of rapid technological shifts. As we continue to evolve and adapt in a dynamic business

environment, our dedicated team remains the cornerstone of our success, ensuring that Dynacons is well-positioned for sustainable growth and long term value creation. Additionally, we're pleased to observe a steady increase in the number of digital transformation projects in our portfolio, further illustrating our commitment to staying ahead in a rapidly evolving business landscape.

Industry Overview

The global environment around the world continues to go through significant shifts. Post the pandemic, which resulted in supply chain shocks, there was an economic slowdown especially in developed markets. While initial signs of stability began to emerge, the military conflicts have further intensified this year and continue to impact the global supply chains. After two years of recessionary fears, persistently high inflation, and unprecedented monetary tightening, the global macro-outlook looks relatively better now with improving growth, disinflation, and monetary easing in sight. Across industries globally, there are multiple mega trends that are shaping priorities of businesses: AI, New Energy, Supply Chain and Talent.

The System Integration and IT Services industry in India has witnessed significant growth over the past decade, driven by the country's digital transformation journey, rapid technological advancements, and increasing demand for IT solutions across various sectors. As businesses embrace digitalization, the need for integrated IT systems that can seamlessly connect diverse technologies and applications has become crucial. The industry plays a pivotal role in enabling enterprises to enhance operational efficiency, streamline processes, and foster innovation. With the government's push towards Digital and AI, the demand for system integration services, particularly in sectors like, banking, public sector, healthcare and manufacturing, has surged.

India's IT services sector, already a global leader in outsourcing, has expanded its scope to offer a wide range of services, including cloud computing, cybersecurity, data analytics, and artificial intelligence. The country's vast pool of skilled IT professionals, coupled with competitive pricing, has made it a preferred destination for global IT services. Moreover, the growing adoption of emerging technologies such as Artificial Intelligence (AI), Internet of Things (IoT), blockchain, and 5G is opening up new opportunities for system integrators to offer innovative solutions that address complex business challenges. As the industry evolves, Indian IT service providers are increasingly focusing on building strong partnerships and ecosystems to deliver end-to-end solutions that drive digital transformation and business growth.

In a rapidly evolving digital landscape, businesses across the globe are grappling with the implementation of exciting yet bewildering new technologies. The IT services market is a robust and expanding sector within the global IT industry. As digital transformation accelerates across various sectors, IT services continue to play an integral role in businesses of all sizes. The increasing complexity of technology infrastructure and the growing demand for cloud-based solutions emphasized the global need for reliable IT services that enable efficient operations, enhance cybersecurity, and support the evolution of work models.

Artificial Intelligence (AI) is rapidly transforming IT services, with a growing synergy between AI and data centers due to the increased demand for high-performance computing and storage capabilities required to support AI training and applications. The global spending on data centers reached a record 236 billion U.S. dollars in 2023 and is projected to increase to a new record of 260 billion U.S. dollars in 2024 driven in part by advancements in AI technology as published by Statista.

The IT services market spans various segments, including managed services, security services, and cloud computing. Among these, cloud computing stands out as the fastest-growing segment, driven by the increasing use of remote servers and networks for data management and processing. The momentum behind cloud migration remains strong as clients continue to pursue transformative projects. In response to heightened uncertainty in the business landscape, companies are more open to IT investments and rethinking their business models. These changes are designed to boost efficiency while enhancing agility and resilience.

India's IT services market is closely tied to the country's overall economic growth. With a GDP growth rate of over 7%, India is one of the world's fastest-growing major economies. This has led to a growing demand for IT services from businesses across a range of industries. In conclusion, India's IT services market is experiencing significant growth as

businesses across the country look to adopt new technologies to stay competitive. With a growing demand for cost-effective, innovative, and specialized services, the market is likely to continue to evolve in the coming years.

Our remarkable business performance over the past year underscores our intrinsic resilience and adaptability. This success can be attributed to two pivotal factors. First, our market share has expanded due to our exceptional capabilities and elevated customer satisfaction levels. Second, our increased participation in our customers' growth and transformation initiatives, which represent a burgeoning segment of their technology investments, has also played a substantial role. Our swift responsiveness, agility, and capacity to embrace change have remained the bedrock of our achievements.

Business Overview

During FY 2024, customers shifted their focus toward projects deemed essential for business operations, particularly those promising quicker ROI. Digital, AI, and Cloud technologies have become fundamental to business success, driving the demand for comprehensive enterprise transformation and ongoing innovation. The rapid pace of technological change is erasing the boundaries between industries, making cross-industry expertise increasingly vital. In this environment, adaptation is crucial for survival. Organisations today are faced with transformative business opportunities due to advances in software and computing technology. These organizations are dealing with the challenge of having to reinvent their core offerings, processes and systems rapidly and position themselves as 'digitally enabled'.

Information Technology (IT) services are the invisible gears driving the machinery of modern organizations. The IT industry in India has played a key role in putting India on the global map and India is now the global centre for IT. The industry has played a major role in transforming India's image from a slow-moving bureaucratic economy and offering traditional outsourced data entry, to a land of strengthening its digital capabilities and deploying emerging technology solutions and becoming a global player in providing world class technology solutions and business services.

The government of India has also undertaken some major initiatives to promote the IT and information technology enabled services (ITeS) sector in India. Both Central and State governments in India have taken steps towards developing technology solutions to digitally enable citizen services. The government plans to focus on areas such as cybersecurity, hyper-scale computing, artificial intelligence and blockchain. Our company has been a leader in the IT industry, across various technology cycles. At each of these defining moments, we refocused our investments, reinvented ourselves, and helped clients transform their businesses to stay ahead of the technology curve.

Dynacons undertakes all activities related to IT infrastructure including infrastructure design and consulting services, turnkey systems integration and set up of large Network and Data Centre infrastructures including supply of associated equipment and software; Hyper Converged Infrastructure (HCI) solutions, Setup of Private and Public Cloud, Software Defined Network (SD WAN) and Software Defined Storage (SDS) solutions, Network Infrastructure design and setup for ISPs, VDI Solutions, onsite and remote facilities management of multi- location infrastructure of domestic clients. The Company has built a strong customer base, variety of talent and a competent service delivery infrastructure.

Dynacons provides all service models such as IaaS (Infrastructure as a Service), PaaS (Platform as a Service) and SaaS (Software as a Service). Dynacons' Enterprise Services offerings include a wide spectrum of Enterprise IT Services including Infrastructure Managed Services, Breakfix Services, Managed Print Services, Cloud Computing, Systems Integration Services, and Applications Development and Maintenance. The Company provides end-to-end technology and technology related services to corporations across industry verticals. The Company has deep domain knowledge across industry sectors and technology expertise across traditional and new age technologies.

The key engagement themes we saw during the year were around cost optimization and cloud transformation. Demand was led by vendor consolidation, cloud migration and transformation, customer and employee experience enhancement, operating model transformation, business process optimization, supply chain initiatives, sustainability, AI enablement i.e. creating a cloud and data foundation for AI, and early-stage AI-infused transformational engagements.

In the ever-evolving landscape of enterprise digital transformation, there's a relentless focus on cloud integration, network modernization, enhanced customer experiences, and the reimagining of business models. These initiatives underscore our clients' commitment to staying ahead of technological advancements, transforming into intelligent enterprises,

launching cutting-edge products and services, orchestrating interconnected ecosystems, and delivering immersive, hyper-personalized experiences.

Our mission is to empower clients to accelerate and expand their technology-driven innovations, enabling them to differentiate themselves in the market and drive sustained growth. We support their adaptation to dynamic environments, leveraging technology to enhance efficiency, agility, and resilience while balancing growth with stability. Recognizing technology adoption as a crucial driver of business growth and transformation, we are laser-focused on addressing client needs by developing new capabilities that enable seamless technology integration. Our commitment is unwavering in enhancing our talent pool, forging strategic partnerships with leading technology providers, expanding the innovation ecosystem, and delivering state-of-the-art solutions.

In the past year, we have rigorously transformed our organization to function with the agility and responsiveness of a startup. Our aim is to swiftly adapt to the evolving external landscape, accelerating the pace at which we generate and implement novel ideas. We aspire to become a globally esteemed entity, renowned for delivering premier business solutions through cutting-edge technology and top-notch talent. Driven by our core values that influence our strategies and actions, we remain resolutely focused on this objective.

Your company has been at the forefront of a major surge in digital technology adoption, propelled by the quest to optimize cost efficiency, enhance adaptability, and offer tailored experiences to both customers and employees. Enterprises are actively pursuing technological innovations not only to excel in a fast-paced environment but also to gain a substantial competitive advantage. Their primary goal is to transform the future of work, learning, and business operations, while fortifying their resilience and safeguarding their technological infrastructure.

Dynacons has meticulously cultivated a formidable customer base, harnessed a diverse array of technical expertise, and established a highly efficient service delivery architecture. Our organization excels in providing a comprehensive suite of IT Infrastructure Solutions and Services, spanning Data Centre and Cloud, Network and Security, Digital Workplace solutions, and Managed Services. We are committed to delivering superior outcomes across these domains, ensuring that our clients benefit from advanced solutions tailored to their precise requirements.

Furthermore, Dynacons is distinguished by its profound industry acumen, encompassing both time-tested and avant-garde technologies. Our in-depth knowledge across various sectors equips us to deliver bespoke solutions and strategic insights that address the nuanced requirements of diverse industries. This comprehensive understanding allows us to craft solutions that are not only innovative but also precisely aligned with the dynamic demands of the technological landscape, ensuring that our clients remain at the forefront of industry advancements.

Dynacons is committed to accelerating revenue growth by adopting advanced, technology-driven business models. Our goals include diversifying income streams, serving a wide range of customer segments, and strengthening our existing client relationships. We actively pursue new opportunities within our clients' businesses, continually working to enhance their value propositions. Our proactive strategy involves making strategic investments in innovative capabilities and introducing new solutions to capitalize on emerging growth areas.

Our broad range of services spans the entire IT infrastructure lifecycle, from Planning and Building to Running and Monitoring. The name of our Company, Dynacons, reflects our dynamic essence and drives our entire approach. Central to our mission is a dynamic growth trajectory guided by our 3C framework: Concept, Capability, and Culture. We are dedicated to continually evolving our concepts, expanding our capabilities, and fostering a vibrant company culture. These principles underpin every facet of our operations at Dynacons, ensuring that we remain at the forefront of innovation and value creation. This strategy has led to strong, lasting customer relationships, a highly engaged workforce, industry-leading profitability, ongoing market expansion, and a proven ability to deliver long-term stakeholder value.

Indian customers are increasingly looking for IT services that are cost-effective, innovative, and tailored to their specific needs. As a result, there has been a growing demand for services such as cloud computing, cybersecurity, and artificial intelligence. One of the key trends in the Indian IT services market is the shift towards digitalization. With the Indian government's push towards a digital economy, businesses are increasingly looking to adopt new technologies to stay competitive.

Today, clients are seeing cloud as a strategy for business transformation and growth. The shift to cloud-native products and platforms is being fast-tracked, to achieve increased collaboration, security, scalability and efficiency. Hybrid, multi-cloud platforms are now becoming mainstream. Cloud adoption is a catalyst for innovation, and a strategy for business and growth itself. It provides the unifying digital fabric that forms the foundation for a connected future—one that continues to unfold with each technological advancement, including generative AI (GenAI).

Despite ongoing challenges, IT services spending has demonstrated remarkable resilience. Cloud technologies have become central to enterprise strategies and crucial for achieving sustainable growth. As cloud transformation remains a top priority, enterprises are increasingly focused on executing complex and large-scale migrations. Our competitive advantage in this cloud adoption phase is supported by our extensive cloud expertise, scalability, profound domain knowledge, and strong partnerships with major cloud providers.

Cloud technologies continue to drive innovation in the corporate world by offering powerful computing, data, and networking resources on a large scale. The adoption of cloud services, including Infrastructure as a Service (IaaS), Platform as a Service (PaaS), and Software as a Service (SaaS), is steadily rising. In response, our company has proactively broadened its cloud solutions portfolio and formed strategic alliances with leading cloud providers to address the evolving needs of businesses. During the previous year we won the prestigious contracts worth Rs. 293.47 Crores for the setup of Private Cloud solution for a Union Bank of India . The orders covers Supply, Installation, configuration, implementation and support for Hyper- Converged Infrastructure and Software Solution for Expansion of Bank's On-Premises Private Cloud under Rate Contract from Union Bank of India. The private cloud solution will help standardize and automate its processes. The Hyper-Converged IT infrastructure will allow the bank to scale faster, offer technology enhancements quicker, reduce operational complexity, and automate application provisioning and deployment.

India's cybersecurity landscape is rapidly evolving, driven by the increasing frequency and sophistication of cyberattacks that threaten the integrity of organizations' data and operational continuity. Ransomware attacks, in particular, have become more prevalent, targeting critical infrastructure and corporate entities, highlighting the urgent need for enhanced cybersecurity measures. This growing threat landscape has necessitated significant investments in advanced threat detection technologies, employee training programs, and strict compliance with emerging data protection regulations to safeguard against potential breaches.

As cyber threats become more complex, Indian organizations are prioritizing the fortification of their digital defenses. This shift is evident in the strategic expansion of cybersecurity portfolios by leading IT service providers, who are focusing on delivering comprehensive solutions that address threat detection, prevention, and incident response. The emphasis is not just on technology, but also on building a cybersecurity-aware workforce, capable of recognizing and mitigating risks in real-time. These efforts are critical to maintaining the resilience and reliability of digital infrastructures across various sectors.

The potential for growth in India's cybersecurity sector is immense, driven by the increasing reliance on digital technologies and the corresponding rise in cyber threats. We are building Strategic partnerships with global cybersecurity leaders which will enable us to enhance our offerings, providing robust and holistic security solutions to clients across industries. As India continues to digitize at an unprecedented rate, the demand for innovative and effective cybersecurity solutions will only intensify, making cybersecurity a key area of focus for IT service providers and a critical component of the nation's digital transformation journey. Your Company has set up their Cyber Security Operations Centre and is offering high end services to customers.

Software-Defined Wide Area Networking (SD-WAN) has emerged as a game-changing technology in India's IT landscape, offering a revolutionary approach to managing and controlling network infrastructure. By creating a virtual WAN architecture that securely connects users to their applications, SD-WAN streamlines branch office connectivity, enhances network reliability, and optimizes application performance. This innovative technology also significantly boosts network agility, allowing organizations to swiftly adapt to changing business needs. Additionally, SD-WAN's ability to reduce overall expenses through efficient resource utilization and automated architecture makes it an attractive solution for enterprises seeking to meet contemporary IT objectives with cost-effective and scalable networks.

In India, the potential for SD-WAN technology is immense as businesses increasingly prioritize digital transformation and seek to optimize their IT infrastructure. With a growing number of nationwide large deployments, companies are recognizing the value of SD-WAN in simplifying IT resource management while driving cost efficiency. As organizations continue to expand their operations across multiple locations, the demand for reliable, agile, and cost-effective networking solutions will continue to rise, positioning SD-WAN as a critical enabler of India's digital economy. The widespread adoption of SD-WAN is poised to transform how Indian enterprises manage their networks, providing them with the flexibility and performance needed to thrive in a rapidly evolving digital landscape. The Company has won several nationwide large deployments of SD-WAN solutions especially in the BFSI sector.

Digital transformation has woven itself into the very fabric of enterprises, governments, and societies, with its rapid advancement across industries accelerated by the pandemic. This evolution has required us to enhance our offerings and deepen our grasp of emerging technology trends. The swift pace of technological change and the need for experts skilled in both traditional and digital technologies are pushing businesses to seek third-party partnerships for their transformation needs. In this dynamic environment, your company continues to be a crucial player, assisting clients in embracing new technologies to manage crises initially and, ultimately, to drive large-scale innovation and business growth.

Technology is increasingly an enabler in what enterprises can do to adapt and thrive in this new era. Businesses are relying on technologies to help improve their competitive advantage, drive strategy and growth. From Banking, Public Sector, Retail and Manufacturing to Healthcare and Utilities, technology is Transforming Industries in the way they operate, and enhance their customer and employee experience. In this era of significant technological change, where virtual work arrangements have fostered greater inclusivity and flexibility, technology continues to redefine how we approach life and work. The digital transformation, accelerated by the pandemic, highlights the importance of staying abreast of emerging tech trends while enhancing our own capabilities.

Dynacons with its full services capability and industry specific contextual knowledge, has always remained relevant to clients and stayed close to them in the past technology cycles. As we navigate an unpredictable future, it is crucial to recognize the opportunities presented by this rapid digital acceleration, which can lead to differentiation and market leadership in a constantly evolving environment. Your company has successfully secured several digital transformation projects over the past year. These engagements are substantial, multi-year initiatives that, once completed, will result in resilient, future-ready digital technology infrastructures. These infrastructures not only enable leaner, more agile operations but also provide a scalable foundation for continued innovation and growth.

Infrastructure Management Services (IMS) play a critical role in ensuring the seamless operation of IT systems, which are the backbone of modern enterprises. These services encompass the management, monitoring, and optimization of an organization's entire IT infrastructure, including servers, networks, databases, and storage. In an increasingly digital world, where uptime and performance are paramount, IMS ensures that systems are running efficiently, securely, and with minimal downtime. This comprehensive approach to managing IT infrastructure helps organizations maintain operational continuity, reduce costs, and focus on their core business objectives without being bogged down by technical complexities.

In India, the demand for Infrastructure Management Services has grown exponentially, driven by the rapid adoption of digital technologies across various industries. As organizations embark on their digital transformation journeys, the complexity of managing diverse and distributed IT environments has increased. Indian companies, both large enterprises and SMEs, are increasingly relying on IMS providers to handle the intricacies of their IT operations. This trend is further fueled by the growing need for cloud adoption, cybersecurity, and the integration of emerging technologies like AI and IoT into existing infrastructures. As a result, the IMS landscape in India is becoming more dynamic, with providers offering a range of specialized services tailored to the unique needs of different sectors.

The future of Infrastructure Management Services in India holds immense potential as the country continues to position itself as a global technology hub. With the rise of smart cities, digital government initiatives, and the increasing importance of data-driven decision-making, the need for robust and scalable IT infrastructure is more critical than ever. Indian IMS providers are well-positioned to capitalize on this growth, offering innovative solutions that cater to the evolving needs of businesses. As organizations continue to prioritize agility, scalability, and security, the role of IMS will be central in enabling them to achieve these goals and drive sustained growth in an increasingly digital economy.

Your company provides Infrastructure Management Services (IMS), managing mission-critical IT environments for some of the world's largest and most innovative organizations. Our Enterprise Services cover a comprehensive suite of Infrastructure Managed Services, covering DataCenter, and Cloud Infrastructure, Network Services, Database and Applications Services, Security Services, Digital Workplace Services Break-Fix Services, Managed Print Services, and many cross functional services like Asset Management, Service Desk, Enterprise Monitoring etc. Our IT infrastructure management services come with a strong track record. We've not only successfully executed complex IT transformation projects but have also ensured efficient IT infrastructure services for our enterprise clients. Our history is marked by successful delivery of high-complexity projects, high levels of customer satisfaction, and innovative IT solutions.

We deliver end-to-end technology services across various industry sectors, ensuring that our clients receive tailored solutions that meet their unique needs. Our IMS offerings cater to a wide range of industries, and we are continuously advancing our capabilities in Automation and AI to elevate service delivery. This commitment to innovation is highly valued by our clients, empowering them to achieve greater efficiency. With our IT infrastructure management services, we provide the expertise, talent, and tools necessary to create, operate, and manage state-of-the-art IT infrastructure.

Our Workplace Solutions encompass the entire lifecycle of workplace technology, from sourcing and logistics to integration, user profiling, enablement, service desk support, and global field services. We also specialize in remote/branch site optimization, hybrid messaging, enterprise mobile enablement, managed print services, virtualization, Desktop as a Service, and operating system migration. Our holistic approach is designed to elevate user satisfaction, enhance freedom, and boost productivity while maximizing return on investment in workplace technologies. By adopting our workplace technology services, end-users can expect increased automation, improved collaboration, and a seamless work-from-home experience. We have a proven track record of partnering with large enterprises to deliver comprehensive Workplace Solutions. Our success in securing multiple contracts with leading BFSI and global enterprises underscores our capability to meet diverse workplace solution needs.

Our managed IT workplace services provide customized infrastructure and support solutions, optimizing the management of sophisticated workplace environments. These services enable more effective monitoring of IT systems, reducing incident and problem tickets. As workforces undergo continuous transformation, facing new challenges that reshape interactions and work dynamics, many organizations are turning to artificial intelligence (AI) and robotic process automation (RPA) to streamline repetitive tasks and enhance operational efficiency. By implementing these advanced technologies, businesses not only automate routine processes but also augment their workforce's capabilities.

Additionally, there is a growing emphasis on investing in employee support and development. This includes reskilling opportunities to adapt to evolving job roles and technological advancements. Our company is committed to equipping employees with the necessary skills to thrive in a rapidly changing work environment. Our Company, secured a contract of Rs. 137 Crores for providing High Performance Digital Workplace Solution as a Service including Desktops, Workstations, LED Projectors and UPS from Bharat Heavy Electricals Ltd (BHEL).

As technology rapidly evolves, enterprises are increasingly recognizing the strategic benefits of consolidating their IT vendors. Streamlining supplier relationships offers significant advantages, including improved efficiency, cost savings, and enhanced performance. By reducing the number of IT vendors, businesses can simplify procurement, negotiate better terms, and gain deeper insights into their vendor landscape. Partnering with a single strategic IT provider not only boosts accountability but also minimizes complexity and mitigates risks in major business transformations. This consolidation fosters a more standardized and integrated IT environment, which strengthens cybersecurity and compliance efforts. As the business landscape continues to shift, consolidating IT vendors is becoming a crucial strategy for enterprises aiming to remain agile and competitive.

Sustainability

Dynacons is working on improving its own sustainability and also helping clients with their sustainability strategies and improve outcomes. Our technology lifecycle management solution help simplified IT asset management into three steps: acquire, manage, and refresh. This allowed the client to:

- Access essential IT infrastructure.
- Utilize our IT asset management platform to monitor device health and performance.
- Initiate a secure refurbishment and resale process for aged devices.

We help customers embed circularity in their products and services, by helping design agile, resilient, and sustainable supply chains and promoting reuse, recapture, and recycling. By opting for refurbishment and resale rather than landfill disposal, we created a “circular model” that helped our client achieve both security and sustainability goals.

Dynacons’ integration of sustainability into IT lifecycle management effectively addressed the client’s operational challenges while upholding environmental responsibility. Through our holistic approach, we strive to create a full-circle service that optimizes operations, minimizes environmental impact, and fosters a more sustainable future for all.

Our business model and strategy have resulted in deep and enduring customer relationships, a vibrant and engaged workforce, a steady expansion of its addressable market, a strong reputation and a proven track record in brand value. Customer-centricity is at the core of our business model, organization structure and investment decisions. The philosophy has been to delight them by delivering superior outcomes, and build strong, enduring relationships. We positioned ourselves as trusted technology advisors, facilitating the adoption of cutting-edge solutions, including cloud computing, digital transformation, IoT, networking, and IT security.

We launched several initiatives this year to inculcate a strong culture among our employees and build deeper skills in market relevant technologies like Cloud, AI, Cyber Security and more. The customer-centricity, focus on their transformation, rigor in operations and commitment to delivery excellence have resulted in sustained high customer satisfaction levels. The company leverages all these capabilities and its profound contextual knowledge of its customers’ businesses to create bespoke, high quality, high impact solutions designed to deliver differentiated business outcomes.

Our outperformance may be attributed to market share gains resulting from the Company’s strategy on customer centricity, its agile organization structure, and a very stable leadership team; its investments in talent, technology leadership, brand building, and in building newer capabilities that have helped expand wallet share with clients; and better execution resulting in greater customer satisfaction. Our Consistent growth is testimony to the strength of our business model and our ability to reinvent ourselves in an ever-evolving technology landscape to stay relevant to our customers while remaining focused on creating value for all our stakeholders.

Awards, Certifications and Recognitions

We are continuing to build deeper relationships with our clients and growing the trust they have in us. As a consequence of our deep capabilities and the trust of our clients in us, we have emerged amongst the fastest growing companies in the industry. This is seen in the number of awards that your company has consistently received for its sustained growth.

Your Company had been accorded the prestigious recognition as the Best Partner Award for Government Business for the Year 2023, from Apple India. This award, recognizes Dynacons as a standout partner in leveraging Apple technology to drive positive outcomes in the public sector. This achievement underscores Dynacons dedication to providing cutting-edge solutions that empower government entities to enhance efficiency, productivity, and citizen services and is a testimony to Dynacons performance demonstrated educating & implementing the agile technology solutions in Government segment successfully.

Your Company had been awarded the ‘Banking Deal of the Year’ award from Versa Networks, a US based, multinational company and the recognized leader of single-vendor Unified Secure Access Service Edge (SASE). This award recognizes the outstanding performance of Dynacons for the Software Defined Wide Area Network (SD-WAN) Deployment order from a leading public sector bank in the India (“the bank”).

Your Company has been recognized as a part of "Leading Mid-Corporates of India 2023" by Dun & Bradstreet for the third second consecutive year. This is an initiative by Dun & Bradstreet for recognizing and honoring the leading Mid-corporates and SMEs in India.

Dynacons has won Nutanix Performance Award for driving DX platform for the Year 2023, from a Global Leader, Hewlett Packard Enterprise (HPE).

Our Chairman and Managing Director Mr. Shirish Anjaria, had been bestowed with the prestigious "Most Promising Business Leaders of Asia" award at the 8th edition of the Times Now Asian Business Leaders Conclave hosted by ET Edge. The annual conclave is a platform that acknowledges the achievements of the forward-looking business leaders. This accolade recognizes Mr. Anjaria's exemplary leadership, innovative vision, and significant contributions to the business landscape, not only in India but across the entire Asian region. Under his stewardship, Dynacons has achieved remarkable milestones, establishing itself as a trailblazer in the technology sector.

Strengths

Dynacons boasts a team of specialists with extensive experience in leveraging technology to enhance efficiency. Our company delivers dynamic technology solutions with the capability to manage the increasing complexity, costs, and risks associated with modern technology platforms. We have a well-defined and scalable organizational structure, built on a strong foundation of product, territory, and process knowledge, guided by an experienced and stable management team, and supported by robust relationships with banks and investors. Our industry expertise, comprehensive end-to-end service capabilities, digital prowess, and proven track record position us to drive sustainable and profitable growth.

We are confident in our strong positioning against the key competitive factors in our industry. With over two decades of experience in managing the intricate systems and operations of enterprises, we are uniquely equipped to guide businesses through their digital transformations. Our extensive work across various industries, value chains, and geographies gives us deep insights into the evolving patterns impacting businesses. Leveraging this understanding, we assist our clients in identifying critical signals and planning for what's next.

Over the years, we have invested in building differentiated capabilities, such as specific industry domain expertise, advanced technology solutions, and comprehensive systems integration and infrastructure management services. Our Service Delivery Model, refined through years of experience, ensures a consistent and controlled service process. We divide projects into components that can be executed simultaneously at client sites and our offices in India, ensuring efficiency and quality. Our sales and client engagement teams have cultivated deep, enduring, and expansive relationships with customers worldwide. Every aspect of our services and operations aligns with globally respected standards and frameworks, ensuring the highest quality of service delivery.

Since our inception, Dynacons has successfully navigated multiple technology cycles, continuously transforming and adapting to build relevant new capabilities. We proactively broaden and deepen customer relationships by seeking new opportunities to add value in their businesses. Through strategic investments in building capabilities, reskilling our workforce, and launching innovative services, solutions, products, and platforms, we have fostered deep customer relationships, maintained a vibrant and engaged workforce, achieved industry-leading profitability, expanded our addressable market, and delivered long-term stakeholder value.

Quality

Your company remains steadfast in its commitment to enhancing processes to ensure top-notch delivery and utmost customer satisfaction. In today's fiercely competitive global marketplace, achieving excellence in both quality and customer contentment is crucial. This dedication to operational and delivery excellence, coupled with a focus on sustainable growth, drives your company's pursuit of business excellence. Over the past year, your company's unwavering commitment to maintaining the highest standards of quality, offering best-in-class service management, implementing robust information security measures, and cultivating mature business continuity procedures has led to significant milestones.

The company continuously strengthens its adherence to the highest levels of quality, superior customer experience, and best-in-class service management. It emphasizes robust information security and privacy practices, alongside mature business continuity management. By increasing agility in internal processes, the company enhances its competitiveness and has achieved Maturity Level 5 in the Capability Maturity Model Integration for Development. The company's emphasis on customer-centricity, operational rigor, and delivery excellence has driven steady improvements

in customer satisfaction. The enterprise's ISO certification scope includes conformance to globally recognized standards: ISO 9001:2015 (Quality Management Systems), ISO 20000-1:2018 (IT Service Management), and ISO 27001:2022 (Information Security Management).

Maintaining high ethical and corporate governance standards is integral to ensuring honest and professional business practices while protecting the reputation of the company and its customers. The company is committed to sustainable growth through a philosophy of business excellence, focusing on quality in every aspect of its activities. This philosophy is embedded in the company's quality management program, which includes defined parameters for measuring and improving quality levels in deliverables. The company's customer-centric approach, focus on growth and transformation, operational rigor, and commitment to delivery excellence have all contributed to sustained high levels of customer satisfaction.

Outlook

Despite challenges, spending on IT services has been resilient so far. Cloud technologies have become the mainstay of an enterprise's agenda and key to achieving sustainable growth. As a unifying digital hub that brings multiple other technologies to life, cloud has accelerated digital and business transformation over the last fiscal. Global IT Spending is expected to increase in 2024, with enterprises emphasizing on organizational efficiency and optimization. Fueled by cloud, this combination of AI capabilities is creating new possibilities and new opportunities. Firms will continue to invest heavily in technology to enhance efficiency, security, and customer experience. Rise in spend is expected in cloud computing, ecosystem play and GenAI leading to better resilience and new customer value creation. Cybersecurity will remain a top priority, driving demand for advanced threat detection and prevention solutions.

Across industries globally, there are multiple mega trends that are shaping priorities of businesses: AI, New Energy, Supply Chain and Talent. These transitions will require substantial investment in technology across industry sectors. Your company is making significant investments and building capabilities to partner with customers during this phase of rapid technological shifts.

Today's AI offers far more than mere cost savings or incremental improvements in productivity and quality. When integrated with human creativity and strategic thinking, AI empowers companies to continuously enhance customer value chains by delivering differentiated, high-quality outputs designed for exceptional results. The recent revolution in Generative AI (GenAI) has swept across the globe, profoundly impacting the business landscape.

GenAI technologies are poised to transform nearly every sector and nation in the coming years. Enterprises have already invested heavily in cloud infrastructure, data management, and large-scale processing power, laying the groundwork for AI and GenAI adoption. These technologies will not only boost productivity but also drive innovations and impacts that were previously unimaginable. In particular, AI and GenAI deployment will be instrumental for financial institutions, enabling them to drive efficiency, target new customers, and deliver highly personalized services. The rapid rise of GenAI has captivated customers' attention, promising a dramatic increase in productivity and accelerating the development of new products and services. Although still in its early stages, GenAI is expected to revolutionize every industry it touches.

The adoption of AI presents a significant opportunity to enhance service offerings and drive business growth. AI can optimize infrastructure management by automating routine tasks, predicting and preventing system failures, and improving resource allocation. Additionally, AI-driven analytics can provide deeper insights into system performance, enabling vendors to offer more proactive and personalized solutions to their clients. As businesses increasingly rely on AI to innovate and stay competitive, they will need a refresh of their IT infrastructure that leverage AI and we will be well-positioned to meet the evolving demands of their customers, ultimately leading to stronger client relationships and increased market share.

The Company's growth outlook for this year is supported by several crucial demand factors. These include the modernization of IT infrastructure, enabling cloud adoption and migration, driving digital transformation efforts, upgrading data centers, advancing digital workplaces, enhancing cybersecurity, and incorporating artificial intelligence. Additionally, growth is expected to be further accelerated by traditional outsourcing, vendor consolidation, multi-service agreements, and the AI/ML-driven transformation of IT processes.

All the above factors provide growth visibility over the medium to long term. The primary emphasis is on keeping up with technological advancements, consistently investing in developing expertise in emerging technologies, and innovatively leveraging these technologies in tailored solutions for our clients. By remaining committed to its mission and values, and by continuously enhancing its capabilities, your company is well-positioned to become the preferred partner for enterprises in their growth and transformation journeys.

Looking forward, we see greater opportunities ahead, as businesses become more technology-intensive and depend on technology to drive competitive differentiation and transform their industries. Our integrated business model which drives value creation for all our stakeholders, will continue to help us benefit from each new wave of technology change, and be a force multiplier for our growth and leadership in years to come. We thank you for your continued support in our journey ahead.

We are actively engaging with this growing opportunity, integrating more deeply into our customers' business ecosystems, and establishing ourselves as an industry mainstay. This involvement is enhancing our visibility, predictability, and business sustainability, which, in turn, generates increasing value for our stakeholders over the long term. Our optimism underscores our belief in our boundless potential to shape better futures. These efforts are contributing to the company's overall growth and creating substantial value for its stakeholders.

Opportunities and threats

Opportunities

The Indian IT sector is witnessing a surge in the adoption of productivity software, cybersecurity solutions, and other advancements. Over time, the industry has cultivated a robust local market for product-based businesses, fueled by improvements in talent and support systems, advancements in software technology, evolving delivery models, and shifts in the Indian economy. Despite macroeconomic uncertainties impacting decision-making and prompting cost-reduction initiatives, we have leveraged our comprehensive service capabilities and deep client relationships to provide IT solutions that enhance efficiency and bolster enterprise agility and resilience. This approach has resulted in a strong deal flow, providing visibility for medium-term growth. Key drivers of demand for our services include technology transformation, IT infrastructure modernization, cloud enablement, data estate modernization, and increased adoption of SaaS and cybersecurity solutions.

As businesses transition towards software-defined and technology-centric models, their technology investments are increasingly aligned with achieving tangible business outcomes. Government and BFSI sectors are expected to lead this trend, serving as focal points for our company's initiatives. Our clients face the challenge of rapidly evolving their core offerings and systems to remain competitive in a digital-first world. We support them by offering guidance on leveraging new technologies and methodologies while understanding their existing technology landscapes and business processes.

This year, we have focused on harnessing AI, automation, IoT platforms, and robotics to redefine IT landscapes and enterprise models. The rise in remote work has also driven demand for enhanced IT infrastructure and collaboration solutions. Through proactive and agile strategies, we have strengthened our client relationships, helping them adapt to new business models and offerings. By continually investing in new capabilities and adhering to our mission and values, our company is well-positioned to be the preferred partner for enterprises seeking growth and transformation.

Threats

Competition serves as the primary challenge for most technology enterprises, given the incessant product cycles, the swift shift towards commoditization within the industry, and the ever-evolving technology, market dynamics, as well as governmental policies and regulations. These factors collectively pose challenges and risks to the seamless operation of the company. We observe fierce rivalry in conventional services, a swiftly evolving market landscape, and the emergence of fresh contenders in specialized technology niches.

In the realm of the IT sector, the organization's success in recruiting, training, and retaining highly skilled IT professionals significantly impacts its ability to execute projects, cultivate and sustain client relationships, and attain projected

operational and financial outcomes. The domestic market is witnessing an escalating influx of competition from both prominent international IT firms and Indian counterparts.

Our typical competitors in response to requests for proposals are other major global technology service providers. We confront intense competition in established service domains and witness a swiftly evolving marketplace featuring novel players specializing in agile, adaptable, and innovative approaches. The technology products and services sector is fiercely competitive and susceptible to economic conditions and rapid technological advancements.

The sector is highly competitive, with numerous players vying for market share. This can lead to price wars and margin pressure. Keeping up with fast-paced technological advancements and evolving client needs can be challenging and costly.

As the digital world expands, demand for cybersecurity leaders grows. Organizations recognize cyber risks can lead to financial losses, reputational damage, and threaten public safety. Increasing cyberattacks and data breaches pose significant risks to the security of IT systems and client data, affecting trust and compliance.

Risks and Concerns

It is very important to effectively manage and mitigate risks to protect the company's business, its clients, to add value for all its stakeholders, and ensuring that the company's reputation is intact. Fostering a risk aware culture and empowering leaders to take intelligent risks to maximize value are crucial. By proactively managing and mitigating these risks, the company's aim is to ensure the long-term sustainability and success of the company. Operating within this uncertain and constantly evolving environment introduces significant complexities to our operations. However, our risk management strategies play a crucial role in ensuring that our objectives are met. We assess and manage risks at various levels, employing both a top-down and bottom-up approach encompassing the enterprise, business units, functions, customer relationships, and projects. Our company has developed expertise in a wide range of technologies, platforms, and operational environments, offering clients a diverse array of options to meet their business needs. Our strategic approach is not dependent on any single technology or platform.

Economic fluctuations, including recessions or slowdowns, can lead to reduced IT spending by businesses. This can affect revenue streams, especially if clients cut back on technology investments. Diversifying the client base and service offerings can help cushion the impact of economic downturns. Additionally, developing flexible business models that can adapt to changing economic conditions is crucial.

Throughout the year, numerous macroeconomic and geopolitical factors had a significant impact. The Russia-Ukraine conflict, shortages, escalating inflation, supply chain disruptions, and energy crises all contributed to heightened uncertainty in the economic landscape. This macroeconomic volatility can influence the demand for our company's services. As a result, we closely monitor this unpredictable and ever-changing business environment and have undertaken initiatives to mitigate risks and capitalize on potential opportunities.

Our primary focus is on implementing a robust training strategy to address the developmental needs of employees across all leadership levels. This encompasses professional, functional, technical, and leadership development learning solutions. Talent availability and the preparedness of our leadership to lead and execute the organizational strategy are critical areas of emphasis. The presence and demonstration of the required competencies and skills at all levels remain pivotal in defining the organization's path to success. We recognize that it is the capable and skilled individuals who breathe life into the business strategy, a reality that our company holds in high regard.

It's important to note that the company's objectives and expectations may be forward-looking within the context of applicable laws and regulations. We face a variety of risks, including credit risk, economic risk, interest rate risk, liquidity risk, and cash management risk, among others. To address these risks, we have established an Enterprise Risk Management Framework that encompasses risk identification, risk assessment, and risk mitigation planning.

In addition, the company operates in a constantly evolving and dynamic technology landscape. Therefore, it is imperative for us to continually review and upgrade our technology, resources, and processes to prevent technology obsolescence. Rapidly advancing technologies are reshaping consumption patterns and giving rise to new classes of buyers and

business models, leading to increased demands on our agility to meet changing customer expectations. The spending on technology products and services by our clients and potential clients is subject to fluctuations influenced by various factors, including economic and regulatory conditions in their respective markets.

The Company's strategy is diversified and not reliant on any single technology or platform. Operating in a constantly evolving and dynamic tech landscape, it is crucial for the Company to continuously review and upgrade its technology, resources, and processes to avoid obsolescence. The rapid evolution of technologies is altering consumption patterns, creating new buyer segments within enterprises, and leading to novel business models and competitors. This dynamic environment places increased demands on the Company's ability to adapt to shifting customer expectations. Additionally, client spending on technology products and services can vary based on factors such as economic conditions and regulatory changes in their respective markets.

Internal Financial control systems and their adequacy

The Internal Control is intended to increase transparency and accountability in an organization's process of designing and implementing a system of internal control. The framework requires a company to identify and analyze risks and manage appropriate responses. The company has successfully laid down the framework and ensured its effectiveness. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance with corporate policies. Dynacons has aligned its current systems of internal financial control with the requirement of Companies Act, 2013.

Dynacons internal controls are commensurate with its size and the nature of its operations. The Company's well-defined organizational structure, defined authority matrix and internal financial controls ensure efficiency of operations, protection of resources and compliance with the applicable laws and regulations. Moreover, the Company continuously upgrades its systems and undertakes review of policies. There is an effective internal control and risk mitigation system, which is constantly assessed and strengthened with new/revised standards operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations.

Dynacons Systems & Solutions Limited has an audit committee, the details of which have been provided in the corporate governance report. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggest improvements to strengthen the same. Dynacons also undergoes periodic audit by the Audit Committee reviews reports submitted by the management and audit reports submitted by internal auditors and statutory auditors. Suggestions for improvement are considered and the audit committee follows up on corrective action. The audit committee also meets Dynacons statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems and keeps the board of directors informed of its major observations periodically.

Dynacons management assessed the effectiveness of the company's internal control over financial reporting (as defined in Regulation 17 of SEBI LODR Regulations 2015) as of March 31, 2024. M/s. MSP & Co., the statutory auditors of Dynacons, have audited the financial statements included in this annual report and have issued an attestation report on the company's internal control over financial reporting (as defined in section 143 of Companies Act 2013).

The internal financial control is supplemented by extensive internal audits, regular reviews by management and standard policies and guidelines to ensure reliability of financial and all other records to prepare financial statements and other data. Based on its evaluation (as defined in section 177 of Companies Act 2013 and Regulation 18 of SEBI Regulations 2015), the Company's audit committee has concluded that, as of March 31, 2024, the Company's internal financial controls were adequate and operating effectively.

Details of Ratios

The Company hereby provides the details of ratios as required under Schedule V (b) of the SEBI (LODR) Amendment Regulations, 2018

Details of significant changes in key financial ratios

S r. No.	Particulars	2023-2024	2022-2023	Change of %	Remarks
1	Debtors Turnover (in months)	4.70 Months	4.49 Months	5%	-
2	Inventory Turnover (Revenue from Operations/Avg Inv) in times	18.62	14.96	24.52%	Ratio has increase with increase in Revenue from operation
3	Interest Coverage Ratio	9.39:1	5.23:1	80%	Movement in ratio is due to improvement in net profit
4	Current Ratio	1.39:1	1.42:1	-2%	-
5	Debt Equity Ratio	0.21:1	0.63:1	-67%	Movement in ratio is due to improvement in Shareholder's Equity and repayment of term loans during the current year.
6	Operating Ratio Margin	0.08:1	0.07:1	14%	-
7	Net Profit Margin (%)	5.27%	4.15%	27%	Ratio has increased on account of higher margin & consequently increase in PAT & Revenue during the year

Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof

Financial Year	2023-2024	2022-2023
Return on Networth (%)	34.25%	31.92%

The Return on net worth increased during the year 2023-24 as compared to previous year 2022-23 because of net profit earned of ₹ 5,396.03 Lakhs in 2023-24 as against net profit earned of ₹ 3,338 Lakhs in year 2022-23.

3. Dividend

For FY2024, based on the Company's performance, the Directors had declared interim dividend of 5% of the Face Value of the share i.e. ₹ 0.50 per equity share amounting to ₹ 63,46,540 (gross) subject to deduction of tax at source as per the applicable rate(s) to the eligible shareholders, to be paid out of profits of the Company for the FY 2023-2024 on the equity shares to those shareholders whose names appeared in the Register of Members of the Company on cut-off date i.e. August 23, 2023.

For FY2025, based on the Company's performance, the Directors had declared interim dividend of 5% of the Face Value of the share i.e. ₹ 0.50 per equity share amounting to ₹ 63,56,565 (gross) subject to deduction of tax at source as per the applicable rate(s) to the eligible shareholders, to be paid out of profits of the Company for the FY 2024-2025 on the equity shares to those shareholders whose names appeared in the Register of Members of the Company on cut-off date i.e. August 23, 2024.

The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") is disclosed in the Corporate Governance Report and is uploaded on the Company's website at <http://dynacons.com/wp-content/uploads/2020/08/Dividend-Distribution-Policy-DSSL-Final.pdf>

4. Transfer to Reserves

The Company has not transferred any amount to reserves.

5. Transfer of Unclaimed Dividend to Investor Education and Protection Fund

The requirement of transfer of unclaimed dividend to Investor Education and Protection Fund as per the provisions of Sec.125 (2) of the Companies Act, 2013, does not apply to the Company, for the year ended on March 31, 2024.

6. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

During the year under review, there have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of the report.

The Directors had declared interim dividend of 5% of the Face Value of the share i.e. Rs. 0.50 per equity share amounting to Rs. 63,56,565 (gross), subject to deduction of tax at source as per the applicable rate(s) to the eligible shareholders, to be paid out of profits of the Company for the FY 2024-2025 on the equity shares to those shareholders whose names appeared in the Register of Members of the Company on cut-off date i.e. August 23, 2024.

The Board in their meeting held on March 29, 2024, had allotted 20,050 equity shares to the eligible Employees of the Company who had exercised their stock options under the Dynacons-Employees Stock Option Plan 2020 ("ESOP-2020"). Further, the Company had received Listing/trading approval from BSE Ltd and National Stock Exchange of India Limited on April 12, 2024.

7. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

- There are no significant and material orders passed by the Regulators or courts or tribunals impacting the going concern status and company's operations in future.
- There was no change in the nature of business of the Company.
- During the year under review, there were no cases filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

8. Details of Holding/Subsidiary/Joint Ventures/Associate Companies

The Company has a subsidiary Dynacons Systems & Solutions Pte. Ltd. as on March 31, 2024. Further, an Associate Company of Dynacons Systems & Solutions Limited ("the Company") in the name of "Cybercons Infosec Private Limited" had been incorporated on November 06, 2023. There are no joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). There has been no material change in the nature of the business of the subsidiary.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements of the Company as Annexure-IV

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company www.dynacons.com

9. Directors and Key Managerial Personnel

During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses, if any, incurred by them for the purpose of attending meetings of the Company.

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

The Board of Directors re-appointed Mr. Shirish Anjaria, as Chairman cum Managing Director, Mr. Parag Dalal, as Whole-time director and Mr. Dharmesh Anjaria, as Whole-time director and Chief Financial Officer for a further period of Five years with effect from February 01, 2025, subject to approval of members at the ensuing 29th AGM.

All the above appointments/re-appointments by the Board of Directors are based on the recommendation of the Nomination and Remuneration Committee. The resolutions for aforementioned appointment/re-appointments together with requisite disclosures are set out in the Notice of the ensuing 29th AGM. The Board recommends all the resolutions for your approval.

Pursuant to the provisions of Section 149 of the Act, the Independent directors have submitted declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. There has been no change in the circumstances affecting their status as independent directors of the Company.

Pursuant to the provisions of Section 203 of the Act, there has been no change in the key managerial personnel during the Financial Year 2023-2024.

10. Remuneration to Director and Employees

Details/Disclosures of ratio of remuneration to each Director to median employee's remuneration as required pursuant to Section 197(12) of the Companies Act 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and details of remuneration paid to Employees vide Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as Annexure- III

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which is a part of this report.

11. Auditors

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, at the 27th AGM held on September 30, 2022 the members approved re-appointment of M/s. MSP & Co., Chartered Accountants Firm (Firm Registration No.107565W) as Statutory Auditors of the Company to hold office from the conclusion of 27th AGM till the conclusion of the 32nd AGM.

Auditors have confirmed that they are not disqualified to act as Auditors and are eligible to hold office as Auditors of your Company. They have also confirmed that they hold a valid peer review certificate as prescribed under Listing Regulations.

12. Auditors' Report

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

13. Internal Auditors

The Board had re-appointed Mr. Satya Pattnaik as the Internal auditor of the Company for a period of two years from Financial Year 2022-23 to 2023-24. Further, in the Board Meeting held on May 30, 2024, the Company had re-appointed Mr. Satya Pattnaik as the Internal Auditor for a period of two years from Financial Year 2024-25 to 2025-26.

14. Cost Audit and Cost Auditors

The Company has maintained cost records for the Financial Year 2023-24 as prescribed by Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board had appointed Sarvottam Rege & Associates (Firm Registration no. 104190), Cost Accountants, for the conduct of the Cost Audit of the Company.

15. Reporting of Fraud by Auditors

During the year under review, the Internal Auditors, Statutory Auditors and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Act, details of which needs to be mentioned in this Report.

16. Corporate Governance

Pursuant to Schedule V to the Listing Regulations and as required under Regulation 27 of Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, the report on Management Discussion and Analysis, Corporate Governance as well as the Certificate regarding compliance of conditions of Corporate Governance forms part of the Annual Report and the Certificate duly signed by the Chairman cum Managing Director and Chief Financial Officer on the Financial Statements of the Company for the year ended March 31, 2024 forms a part of Annual Report.

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

17. Code of Conduct for Directors and Senior Management

The Directors and members of Senior Management have affirmed compliance with the Code of Conduct for Directors and Senior Management of the Company. The copies of Code of Conduct as applicable to the Executive Directors (including Senior Management of the Company) and Non-Executive Directors are uploaded on the website of the Company – www.dynacons.com.

18. Familiarization Program for Independent Directors

The Company has practice of conducting familiarization program of the Independent directors as detailed in the Corporate Governance Report which forms part of the Annual Report.

19. Relationship Between Directors Inter-Se

The Directors, Mr. Shirish M. Anjaria & Mr. Dharmesh S. Anjaria having father and son relationship are related to each other within the meaning of the term "relative" as per Section 2(77) of the Act and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Other than these, none of the Directors are related.

20. Particulars of the Employees

The information as required under Section 197 of the Act and rules made there-under for employees who are in receipt of remuneration which exceeds the limits specified under the said rules read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in Annexure III below.

21. Documents placed on the Website of the Company:

The following documents have been placed on the website in compliance with the Act:

- Financial statements of the Company and consolidated financial statements along with relevant documents as per third proviso to Section 136(1).
- Details of Vigil mechanism for directors and employees to report genuine concerns as per proviso to Section 177(10).
- The terms and conditions of appointment of independent directors as per Schedule IV to the act.
- Latest Announcements
- Annual Reports

- Shareholding Pattern
- Code of Conduct
- Corporate Governance
- Nomination and Remuneration Policy
- Materiality Policy under Regulation 30 of SEBI(LODR) Regulations, 2015
- CSR Policy

22. Human Resource Management (Material developments in Human Resources/Industrial Relations front, including number of people employed)

A robust Talent Acquisition system enables the Company to balance unpredictable business demands with a predictable resource supply through organic and inorganic growth. Our empowering culture, philosophy of investing in people, career growth opportunities, and progressive HR policies have resulted in consistently high retention levels and developed a strong employer brand.

The Company values its human resources and believes that the success of an organisation is directly linked to the competencies, capabilities, contributions, and experience of its employees. The Company's core philosophy is centered around promoting a safe, healthy, and happy workplace while fostering a conducive work environment among its employees. Attracting, enabling and retaining talent have been the cornerstone of the Human Resource function and the results underscore the important role that human capital plays in critical strategic activities such as growth.

Another critical aspect that companies must prioritize is the cultivation of a workforce poised for the future. The impending transitions in energy, supply chain dynamics, and the integration of artificial intelligence demand a multifaceted approach. This entails the imperative to reskill or upskill existing employees, embark on fresh talent acquisitions, and invest significantly in research and development initiatives. Capitalizing on our technological prowess positions us favorably to meet the burgeoning global demand and expand our talent pool.

The landscape of work is rapidly evolving, prompting organizations worldwide to rethink their strategies for talent acquisition and management. In the contemporary context, companies have the capacity to tap into talent resources from virtually anywhere, necessitating leaders to adeptly harness this global talent reservoir. Technological advancements and collaborative tools have paved the way for virtual and hybrid work models, making it essential to adopt an approach that leverages cutting-edge technologies such as AI and cloud computing to foster effective employee engagement and collaboration.

Your organization is making substantial investments in fortifying its AI capabilities, thereby augmenting the array of solutions offered to its clientele. This strategic commitment underscores the recognition of the pivotal role that talent plays in propelling the company forward.

Our overarching goal is to attract, nurture, motivate, and retain a diverse talent pool, as this diversity is a cornerstone of competitive distinction and long-term prosperity. The company's talent management strategy is meticulously crafted to unlock the full potential of every employee. This strategy is anchored in the principles of purpose-driven work, inclusivity, an intellectually stimulating work environment, and a rewards system that recognizes and motivates employees. The endgame is to deliver an exceptional employee experience while catalyzing business growth.

The number of people employed during the year ended on March 31, 2024 were 1071.

23. Secretarial Audit Report

Pursuant to Section 204 of the Companies Act, 2013, the Company had appointed, M/s. HSPN & Associates LLP, (Formerly known as HS Associates) Practicing Company Secretary as its Secretarial Auditor to conduct the Secretarial Audit of the Company for the F.Y. 2023-2024. The Company has provided all the assistance and facilities to the Secretarial Auditor for conducting their audit. Report of Secretarial Auditors for the F.Y. 2023-2024 in Form MR-3 is annexed to this report as Annexure-I.

24. Explanation or comments on Qualifications, reservations or adverse remarks made by Auditors and the Practicing Company Secretary in their Reports

The Auditors' Report to the members on the Accounts of the Company for the financial year ended March 31, 2024 does not contain any qualifications, reservations or adverse remarks. The Secretarial Audit report does not contain any qualification, reservation or adverse remark.

25. Share Capital

The paid-up Equity Share Capital of the Company as on March 31, 2023, was ₹ 12,69,30,800 divided into 1,26,93,080 Equity shares of ₹ 10 each which has increased to ₹ 12,71,31,300 divided into 1,27,13,130 Equity shares of ₹10 each as on March 31, 2024, since the Company had allotted 20,050 equity shares to the eligible Employees of the Company who had exercised their stock options under the Dynacons-Employees Stock Option Plan 2020 ("ESOP-2020") on March 29, 2024.

26. Shares:

- a. Buyback of Securities: The Company has not bought back any of the securities during the year under review.
- b. Sweat Equity: The Company has not issued any sweat equity shares during the year under review.
- c. Employee Stock Option Plan: The Company has not provided any stock options to the employees for the year under review. However, the Nomination and Remuneration Committee in its meeting held on August 10, 2022, had approved grant of 33,500 stock options under 'Dynacons - Employees Stock Option Plan 2020' (ESOP - 2020) of which 20,050 equity shares were allotted to the eligible Employees of the Company who had exercised their stock options and the Company had received Listing/trading approval from BSE Ltd and National Stock Exchange of India Limited on April 12, 2024. Further, the Company had received In-Principal Approval from BSE Limited on 10th February, 2022 and from National Stock Exchange India Limited on 1st April, 2022 for listing of 15,00,000 (Fifteen Lakhs) Equity Shares of Rs. 10 each to be allotted under Dynacons – Employee Stock Option Plan 2020.
- d. Preferential issue: The Company has not issued any equity shares through preferential issue during the year under review.

27. Employees Share Option Plan 2020:

The Company, at the 25th Annual General Meeting held on 30th September, 2020, had taken the approval of the shareholders for its Employees Stock Option Plan (Dynacons-ESOP-2020). Further the Board on the recommendation of the Nomination and Remuneration Committee vide its meeting dated 10th March, 2022 made alterations/amendments to the existing scheme of the Company, namely Dynacons– Employee Stock Option Plan 2020" in order to make the scheme consistent with existing regulatory requirements (i.e., Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021).

The Company has not provided any stock options to the employees for the year under review. However, the Nomination and Remuneration Committee in its meeting held on August 10, 2022, had approved grant of 33,500 stock options under 'Dynacons - Employees Stock Option Plan 2020' (ESOP - 2020) of which 20,050 equity shares were allotted to the eligible Employees of the Company who had exercised their stock options under the Dynacons-Employees Stock Option Plan 2020 ("ESOP-2020") in the Board Meeting held on March 29, 2024, and the Company had received Listing/Trading approval from BSE Ltd and National Stock Exchange of India Limited on April 12, 2024.

With this allotment, the paid-up capital of the Company had increased to ₹ 12,71,31,300/- divided into 1,27,13,130 equity shares of face value of ₹ 10/- each.

Disclosure pursuant to the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 for the year ended March 31, 2024, is available at the website of the Company at www.dynacons.com. The certificate from the Secretarial Auditors of the Company stating that the Schemes have been implemented in accordance with the SEBI Regulations would be placed at the ensuing Annual General Meeting for inspection by members.

28. Credit Rating

Your Directors have pleasure to inform that Acuite had carried out a credit rating assessment of the Company both for short term and long-term bank facilities in compliance with norms implemented by Reserve Bank of India for all banking facilities which enables the Company to access banking services at low costs. Acuite has assigned BBB+ rating to your Company for long term working capital facilities for a total amount of ₹ 35.00 Crores. Acuite has also assigned Acuite A2 rating for the short-term bank facilities of the Company up to ₹ 30 Crores.

29. 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.

30. Directors Responsibility Statement

Pursuant to the provisions of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, the Directors confirm that, to the best of their knowledge and belief:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with no material departures;
- (b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit/loss of the Company for that period;
- (c) They have 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 this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) They have prepared the annual accounts on a going concern basis; and
- (e) They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively
- (f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

Information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) the Companies (Accounts) Rules, 2014 forming part of Directors' Report for the year ended March 31, 2024 is as under:

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 : ₹ 1,319.75 Lakhs (previous year ₹ 1910.49 Lakhs)

Foreign Exchange Outgo : ₹ 733.22 Lakhs (previous year ₹ 1027.54 Lakhs)

32. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination &

Remuneration Committee. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

33. Number of Meetings of the Board

During the year, Nine Board Meetings were held. The details of the Board and various Committee meetings are given in the Corporate Governance Report.

34. Declaration by an Independent Director(s)

The Board has received the declaration from all the Independent Directors as per the Section 149(7) of the Companies Act, 2013 and the Board is satisfied that all the Independent Directors meet the criterion of independence as mentioned in Section 149(6) of the Companies Act, 2013.

35. Policy on directors' appointment and remuneration and other details

The Company's policy on directors' remuneration and appointment and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of this report.

36. Internal Financial Control System

The details in respect of internal financial control and their adequacy are included in the Management Discussion and Analysis, which is a part of this report.

37. Composition of Audit Committee

The details pertaining to the composition of the Audit Committee are included in the Corporate Governance Report, which is a part of this report.

38. Vigil Mechanism (Whistle Blower Policy)

Your Company has established a mechanism called 'Vigil Mechanism', as per Section 177(9) of the Act and Regulation 22 of SEBI Listing Regulations, for directors and employees to report the unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy and provides safeguards against victimization of employees who avail the mechanism. The Vigil Mechanism Policy has been uploaded on the website of the Company at <http://dynacons.com/wp-content/uploads/2020/08/Vigil-mechanism-policy-DSSL-Final.pdf>

39. Risk Management Policy

Risk Management Policy identifies, communicate and manage material risks across the organization. The policy also ensures that responsibilities have been appropriately delegated for risk management. Key Risk and mitigation measures are provided in the Management Discussion and Analysis annexed to the Annual Report.

40. Corporate Social Responsibility

The Company has constituted a Corporate Social Responsibility Committee as per Section 135(1) of the Companies Act, 2013. The composition of CSR Committee and terms of reference are provided in Corporate Governance Report. The CSR policy is uploaded on the Company's website at www.dynacons.com. The CSR Report for the Financial Year 2023-24 is annexed to this report as Annexure-V.

41. Annual Return

As required pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT-7 is available on the website of the company at the web link: <https://dynacons.com/investors/others/annual-return/>

42. Particulars of Loans, Guarantees or investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013, are given in the notes to the Financial Statements.

43. Particulars of contracts or arrangements with related parties

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. The details of material contracts or arrangements or transactions at arm's length basis or otherwise have been disclosed in Form AOC-2 as Annexure II.

Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board is uploaded on the Company's website at <https://dynacons.com/investors/policies/>

44. Obligation of Company under the Sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has adopted a policy for prevention of Sexual Harassment of Women at workplace. An Internal Complaints Committee has been constituted in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('the said Act'). During the year Company has not received any complaint of harassment.

45. Disclosure Requirements

As per SEBI Listing Regulations, the Corporate Governance Report with the Auditors' Certificate thereon, and the integrated Management Discussion and Analysis are attached, which forms part of this report.

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

The equity shares of the Company were not suspended from trading during the year on account of corporate actions or otherwise.

No application has been made under Insolvency and Bankruptcy Code, hence requirement to disclose the details of application made or any proceedings pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the Financial Year is not applicable to the Company.

The requirement to disclose the details of difference between amount of valuation done at the time of onetime settlement and valuation done while taking loan from the Banks and Financial Institutions along with the reasons thereof is also not applicable.

46. 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 Anjaria
Chairman cum
Managing Director
Din no.: 00444104

Parag Dalal
Executive Director
Din no.:00409894

Date: September 02, 2024

Place: Mumbai

Annexure I to the Directors' Reports**Secretarial Audit Report for the Financial Year Ended March 31, 2024****Form No. MR-3**

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Dynacons Systems & Solutions Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Dynacons Systems & Solutions Limited** (hereinafter called "The Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our limited verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31st March, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers and minute books, Forms and returns filed and other records maintained by the Company for the financial year ended on **31st March 2024**, to the extent applicable provisions of:

- I. The Companies Act, 2013 ("The Act") and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") to the extent applicable to the Company: -
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable to the Company during the period under review;**
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable to the Company during the period under review;**
 - f) The Securities and Exchange Board of India (Registrars to and Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable to the Company during the period under review;**
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable to the Company during the period under review; and**
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable to the Company during the period under review;**
- VI. The Management has identified and confirmed the applicable Acts, Laws and Regulations specifically applicable to the Company as mentioned below:
 - i) The Information Technology Act, 2000 and the Rules made there under.

We have also examined compliances with the applicable clauses of the following:

- i) Secretarial Standards 1 and 2 as issued and revised by the Institute of Company Secretaries of India with effect from 1st October, 2017.
- ii) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended and made effective from time to time.

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, and standards as mentioned above.

We further report that:

The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

1. The Company has confirmed and paid Interim dividend as Final Dividend of Rs. 0.50/- per share for the year ended 31st March, 2023 as per provisions of Section 123 of Companies Act, 2013 read with rule 3 of the Companies (Declaration and Payment of Dividend) Rules, 2014.
2. On the recommendation of the Nomination and Remuneration Committee, the Board of the Company has allotted 20,050 (Twenty Thousand Fifty Only) equity shares of face value of Rs. 10/- each to the eligible Employees of the Company who have exercised their stock options under the Dynacons-Employees Stock Option Plan 2020 ("ESOP-2020") on the meeting of board held on 29th March, 2024. The Trading approval of such shares received as on 12th April, 2024 from the National Stock Exchange and Bombay Stock Exchange during the period of the review.
3. During the year the Company incorporated an Associate Company M/s. Cybercons Infosec Private Limited on 06th November, 2023 to carry on the business of Service Provider for Information Technology Services.
4. The Company has obtained Shareholders approval in the 28th AGM for ratification of remuneration of Rs. 1,50,000/- per annum (Rupees One Lakh Fifty Thousand only) plus applicable taxes and reimbursement of travel and out of pocket expenses, to be paid to M/s. Sarvottam Rege & Associates, Cost Accountants (Firm Registration No. 104190), to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2024.

For HSPN & ASSOCIATES LLP
Company Secretaries

Date: September 02, 2024
Place: Mumbai
ICSI UDIN: F002827F001103322
Peer Review: 6035/2024

Hemant Shetye
Designated Partner
FCS No.: 2827
CP No.: 1483

Annexure-I (A)

Annexure to the Secretarial Auditors Report for the financial year ended March 31, 2024

To,
The Members,
Dynacons Systems & Solutions Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

For HSPN &ASSOCIATES LLP
Company Secretaries

Date: September 02, 2024
Place: Mumbai
ICSI UDIN: F002827F001103322
Peer Review: 6035/2024

Hemant Shetye
Designated Partner
FCS No.: 2827
CP No.: 1483

Annexure II to the Directors' Reports

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

There were no contracts or arrangements or transactions entered in to during the year ended March 31, 2024, which were not at arm's length basis.

2. Details of material contracts or arrangements or transactions at Arm's length basis.

There were no material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2024.

For and on behalf of the Board of Directors

Shirish Anjaria
Chairman cum
Managing Director
Din no.: 00444104

Parag Dalal
Executive Director
Din no.: 00409894



ANNEXURE III to the Directors' Reports**PARTICULARS OF REMUNERATION**

The information required under Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is follows: -

- (a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year;

Executive Directors	Ratio to Median Remuneration
Shirish Anjaria	65.04
Parag Dalal	58.53
Dharmesh Anjaria	58.53

- (b) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year;

Name of Person	% Increase in remuneration
Shirish Anjaria	54%
Parag Dalal	50%
Dharmesh Anjaria	50%

- (c) The percentage increase in the median remuneration of employees in the financial year: 11.59%

Note: Percentage in bracket represents negative percentage.

- (d) The number of permanent employees on the rolls of company: 1071
- (e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

The average increase in salaries of employees other than managerial personnel in 2022-23 was 11.53%. Percentage increase in the managerial remuneration for the year was 51%.

- (f) The key parameters for any variable component of remuneration availed by the directors;

No Variable Component in the Remuneration availed by Directors

- (g) Affirmation that the remuneration is as per the remuneration policy of the Company

(1) The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Through its compensation package, the Company endeavors to attract, retain, develop and motivate a high performance staff. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process. The Company affirms remuneration is as per the remuneration policy of the Company.

(2) The statement to the board's report shall include a statement showing the name of every employee of the Company-who-

- (i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less one crore and two lakh rupees; -

Name of the Employee and Age	Mr. Shirish M. Anjaria (79 Years)	Mr. Parag J. Dalal (56 Years)	Mr. Dharmesh S. Anjaria (51 Years)
Designation/Nature of Employment	Chairman cum Managing Director	Whole-Time Director	Whole-time Director
Remuneration Received	Rs. 1,20,00,000 p.a.	Rs. 1,08,00,000 p.a.	Rs. 1,08,00,000 p.a.
Qualification and Experience	Please refer Notes to AGM Notice section of Annual Report 2023-24		
Date of Commence of Employment	26.09.1995	26.09.1995	30.09.1998
The Last employment held before joining the Company	M/s National Insurance, M/s S.P. Corporation	M/s S.P. Corporation	Birla Capital International AMC Limited
The Percentage of Equity Shares held by the employee in the Company within the meaning of the clause (iii) of Sub rule (2) of the Rule 5 of the Companies (Appointment and Remuneration) Rules, 2014	Not Applicable	Not Applicable	Not Applicable
Whether the Employee is a relative of any Director or Manager of the Company	The Directors, Mr. Shirish M. Anjaria & Mr. Dharmesh S. Anjaria having father and son relationship are related to each other within the meaning of the term "relative" as per Section 2(77) of the Act and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	There is no inter-se relationships between the Director mentioned above, and Manager and other Key Managerial Personnel of the Company.	The Directors, Mr. Shirish M. Anjaria & Mr. Dharmesh S. Anjaria having father and son relationship are related to each other within the meaning of the term "relative" as per Section 2(77) of the Act and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- (ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month;-

Not Applicable to the Company

- (iii) if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company-

Not Applicable to the Company.

For and on behalf of the Board of Directors

Shirish Anjaria
Chairman cum
Managing Director
Din no.: 00444104

Parag Dalal
Executive Director
Din no.:00409894

Date: September 02, 2024

Place: Mumbai

Annexure-IV**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in USD):

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Dynacons Systems & Solutions Pte. Ltd.
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same As Holding Company
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	USD
4.	Share capital	7678
5.	Reserves & surplus	2,898
6.	Total assets	22,308
7.	Total Liabilities	11,731
8.	Investments	0
9.	Turnover	3,463
10.	Profit before taxation	(13,673)
11.	Provision for taxation	0
12.	Profit after taxation	(13,673)
13.	Proposed Dividend	0
14.	% of shareholding of holding company	100%

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures
(All amounts in Rs. lakhs, unless otherwise stated)

Sr. No.	Particulars	Details
1.	Name of the Associate Company	Cybercons Infosec Private Limited
2.	Latest audited Balance Sheet Date	March 31, 2024
3.	Shares of Associate/Joint Ventures held by the Company on the year end	
	No.	50,000 equity shares
	Amount of Investment in Associates/Joint Venture	Rs.5,00,000
	Extend of Holding %	50%
4.	Description of how there is significant influence	Dynacons Systems & Solutions Limited holds fifty percent of the shares in Cybercons Infosec Private Limited ("Associate Company")
5.	Reason why the associate/joint venture is not consolidated	Not Applicable
6.	Networth attributable to Shareholding as per latest audited Balance Sheet	3,66,875
7.	Profit / Loss for the year	
	i. Considered in Consolidation	(1,33,125)
	ii. Not Considered in Consolidation	(1,33,125)

1. Names of associates or joint ventures which are yet to commence operations- **Not Applicable**
2. Names of associates or joint ventures which have been liquidated or sold during the year- **Not Applicable**

For and on behalf of the Board of Directors

Shirish Anjaria
Chairman cum
Managing Director
Din no.: 00444104

Parag Dalal
Executive Director
Din no.:00409894

Date: September 02, 2024

Place: Mumbai



Annexure-V

REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2023-24

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy or projects or programs:

The object of CSR Policy of the Company is to continue to contribute towards social welfare projects focusing on providing education, vocational training, promoting health care facilities to economically weaker and underprivileged section of the Society and to do such other activities as may be permissible under Section 135 of the Companies Act, 2013('the Act') and the Companies (Corporate Social Responsibility Policy) Rules, 2014('the Rules').The Company's CSR policy is available on website of the company https://dynacons.com/investors/policies/CSR%20Policy_DSSL_26.03.2021.pdf

2. The Composition of the CSR Committee:

The Corporate Social Responsibility (CSR) committee consists of Executive and Non-Executive Director with the Chairman being an Independent Director. The committee is chaired by Mrs. Archana Phadke. The following are the members of the committee: -

Name of the Director	Category
Mrs. Archana Phadke	Non-Executive-Independent Director
Mr. Shirish Anjaria	Chairman cum Managing Director
Mr. Dharmesh Anjaria	Executive Director
Mr. Parag Dalal	Executive Director

3. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable – **Not Applicable to the Company**
4. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any- **Nil**
5. Average net profit of the company for last three financial years: Rs.2610.27 Lakhs/-
6. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Rs.52.21 Lakh/-
7. Details of CSR spent during the financial year 2023-24.
 - (a) Total amount spent in the financial year: Rs. 52.31 Lakh/-
 - (b) Amount unspent, if any: - Nil
 - (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years -Nil
 - (d) Amount required to be set off for the financial year, if any: Nil
 - (e) Total CSR obligation for the financial year: - Rs. 52.21 Lakh/-
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (Rs. In Lakhs)	Amount Unspent (Rs. In Lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
52.31	Nil	-	-	Nil	-

(b) Details of CSR amount spent against ongoing projects for the financial year: **Not Applicable**

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/ No).	(5) Location of the project.		(6) Project duration.	(7) Amount allocated for the project (in Rs.).	(8) Amount spent in the current financial year (in Rs.).	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	(10) Mode of Implementation-Direct (Yes/No)	(11) Mode of Implementation-Through Implementing Agency	
				State.	District.						Name	CSR Registration number
1.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/ No)	(5) Location of the project.		(6) Amount spent for the project (in Rs.)In Lakhs	(7) Mode of implementation-Direct (Yes/No)	(8) Mode of implementation-Through implementing agency.	
				State	District			Name	CSR Registration number
1.	Amount paid to Lion Club of Juhu Service fund for Checkdam Project	(iv)	No	Maharashtra	Palghar	1.00	No	Lion Club of Juhu Service fund	CSR00004270
2.	Amount paid to Shanmukhananda Fine Arts and Sangeetha Sabha for Women Empowerment-Honoring of the Leadership and Women Force	(iii)	Yes	Maharashtra	Mumbai	1.20	No	Shanmukhananda Fine Arts and Sangeetha Sabha	CSR00001777
3.	Amount paid to Ahmedabad Cancer Foundation for providing healthcare	(i)	No	Gujarat	Ahmedabad	5.00	No	Ahmedabad Cancer Foundation	CSR00005144
4.	Amount paid to The Society For The Rehabilitation Of Crippled Children for providing healthcare	(i)	Yes	Maharashtra	Mumbai	4.76	No	The Society For The Rehabilitation of Crippled Children	CSR00003225
5.	Amount paid to Hiraba Parikh Charitable Trust for healthcare and education purpose and protection of national heritage	(ii)	Yes	Maharashtra	Dhule	0.50	No	Hiraba Parikh Charitable Trust	CSR00006640
		(ii)	Yes	Maharashtra	Mumbai	4.72	No		
		(ii)	Yes	Maharashtra	Ratnagiri	0.06	No		
		(ii)	No	Uttar Pradesh	Mathura	0.14	No		
		(ii)	No	Rajasthan	Udaipur	0.84	No		
		(i)	Yes	Maharashtra	Mumbai	1.43	No		
		(v)	No	Gujarat	Kachchh	5.00	No		
6.	Ramkrishna Seva Mandal for Project Prabuddha Kutch	(i)	No	Gujarat	Bhuj	20.00	No	Ramkrishna Seva Mandal	CSR00011908
7.	Vivekanand Medical Foundation and Research Centre for Pediatric Cardiac Program	(i)	No	Maharashtra	Latur	4.00	No	Vivekanand Medical Foundation and Research Centre	CSR00005514
8.	Kalyankari Sarvodaya Jivdaya Sangh for animal welfare	(iv)	No	Gujarat	Amreli	1.11	No	Kalyankari Sarvodaya Jivdaya Sangh	CSR00043975

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project.		Amount spent for the project (in Rs.)In Lakhs	Mode of implementation- Direct (Yes/No)	Mode of implementation- Through implementing agency.	
				State	District			Name	CSR Registration number
9.	Dr. M. L. Dhawale Memorial Trust for healthcare purpose	(i)	Yes	Maharashtra	Mumbai	0.55	No	Dr. M. L. Dhawale Memorial Trust	CSR00002539
	TOTAL					Rs. 52.31			

- (d) Amount spent in Administrative Overheads: Nil
(e) Amount spent on Impact Assessment, if applicable: NIL
(f) Total amount spent for the Financial Year: Rs.52.31 Lakh
(g) Excess amount for set off, if any – Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (Rs. in Lakh)	Amount spent in the reporting Financial Year (Rs. in Lakh)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent insucceeding financial years (Rs. Lakh)
				Name of the Fund	Amount (Rs. In Lakh)	Date of Transfer	
1.	Nil	Nil	Nil	Nil	Nil	N.A.	Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Nil**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

- (a) Date of creation or acquisition of the capital asset(s): **None**
(b) Amount of CSR spent for creation or acquisition of capital asset: **NIL**
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: **Not Applicable**
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): **Not Applicable**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5): **Not Applicable**

12. A responsibility statement of the CSR committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:

The CSR Committee hereby confirms that the implementation and monitoring of CSR Policy will be in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board of Directors

Shirish Anjaria
Chairman cum
Managing Director
Din no.: **00444104**

Archana Phadke
Chairperson of Corporate Social
Responsibility Committee
Din No.:**07138774**

Parag Dalal
Executive Director
Din no.: **00409894**

Date: September 02,2024

Place: Mumbai

CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2024.

The Report for the financial year ended March 31, 2024 on compliance by the Company with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is given below

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Robust corporate governance practices are the bedrock upon which enduring and successful businesses are established. At Dynacons Systems & Solutions Ltd., we are dedicated to continually improving the Company's reputation, with a commitment to ensuring that the methods we use are as significant as the results we aim to achieve. Our approach to corporate governance reflects the principles we uphold in our business operations and interactions with stakeholders.

Our corporate governance is a reflection of our value system, encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices and performance, and ensure that we gain and retain the trust of our stakeholders at all times.

The Company's philosophy on Corporate Governance is aimed at (a) enhancing long term shareholder value through assisting the top management in taking sound business decisions; and prudent financial management; (b) achieving transparency and professionalism in all decisions and activities of the Company; (c) achieving excellence in Corporate Governance by conforming to the prevalent guidelines on Corporate Governance, and excelling in, wherever possible and reviewing periodically the existing systems and controls for further improvements.

The Company firmly believes and has consistently endeavored to practice good Corporate Governance. The Company has a strong legacy of fair, transparent and ethical governance practices. Our corporate governance framework ensures that we make timely disclosures and share accurate information regarding our financials and performance, as well as disclosures related to the leadership and governance of Dynacons Systems & Solutions Limited ('the Company'). The Company aims at maximizing the Shareholders' value with improvement in performing of the Company and protecting the interests of all the stakeholders through increased transparency in its operations and compliance of statutory requirements.

The Company's corporate governance philosophy has been further strengthened through, the Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices ("Insider Trading Code"). The Company has adopted a Code of Conduct for its employees including the Managing Director and the Executive Directors. In addition, the Company has adopted a Code of Conduct for its non-executive directors which includes Code of Conduct for Independent Directors that suitably incorporates the duties of independent directors as laid down in the Companies Act, 2013 ("the Act").

The Securities and Exchange Board of India (SEBI) has notified Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") on September 2, 2015. The Company is in compliance with the requirements stipulated under regulation 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance.

2. BOARD OF DIRECTORS

Dynacons Governance structure broadly comprises the Board of Directors and the Committees of the Board at the apex level and the Management structure at the operational level. This layered structure brings about a harmonious blend in governance as the Board sets the overall corporate objectives and gives direction and freedom to the Management to achieve these corporate objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable profitable growth. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Sections 149 and 152 of the Act.

The Board of Directors of the Company consists of professionals from varied disciplines. The Company has an appropriate mix of executive and independent directors to maintain its independence and separate its functions of governance and management. The day-to-day management of the affairs of the Company is entrusted with the senior management personnel, headed by the Board of Director, who functions under the overall supervision, direction and control of the Board of Directors ("The Board") of the Company.

The Board meets regularly to discuss, review and decide upon the matters such as policy formulation, setting up of goals, appraisal of performances with the goals and control functions, etc. In order to facilitate the day-to-day business affairs of the Company, the Board has constituted various committees of the Board and has delegated necessary powers to the Committees, Managing Director, Executive Directors, CFO, and Key Managerial Personnel. The Board thus exercises control over the overall functioning of the Company with a view to enhance the stakeholders value.

As mandated by proviso under Regulation 17A (1) of the Listing Regulations as of March 31, 2024, (a) none of the Independent Directors of the Company served as an Independent Director in more than seven listed entities also, (b) none of the Directors who are the Executive Directors serves as independent directors in more than three listed entities and as per Regulation 26 of Listing Regulations none of Directors is a member of more than ten Committees or acting as Chairperson of more than five Committees across all listed companies in which he/she is a Director. None of the Directors on the Board holds directorships in more than ten public companies. The necessary disclosures regarding Committee positions have been made by the Directors. None of the Directors are related to each other except Mr. Shirish Anjaria and Mr. Dharmesh Anjaria.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

BOARD MEETING AND PROCEDURES

Directors are provided with well-structured and comprehensive agenda papers in advance. All material information is incorporated in the Agenda for facilitating meaningful and focused discussion in the meeting. Minutes of the Board Meetings/Committee Meetings are circulated to the Directors well in advance and confirmed at the subsequent meetings. The maximum gap between any two meetings was not more than one hundred and twenty days.

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

During the year under review, Nine (09) Board Meetings were held on May 19, 2023, May 26, 2023, August 14, 2023, September 04, 2023, October 31, 2023, January 12, 2024, February 08, 2024, March 20, 2024 and March 29, 2024. The necessary quorum was present for all the meetings.

The Board Meetings are held at the Corporate Office of the Company.

ROLE OF BOARD OF DIRECTORS

The primary role of the Board is that of trusteeship to protect and enhance shareholder value through strategic direction of the Company. As trustees, the Board has fiduciary responsibility to ensure that the Company has clear goals aligned to shareholder value and its growth. The Board exercises its duties with care, skill and diligence and exercises independent judgment. It sets strategic goals and seeks accountability for their fulfillment. It also directs and exercises appropriate control to ensure that the Company is managed in a manner that fulfills stakeholders' aspirations and societal expectations.

The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

The Independent Directors have made disclosures confirming that there is no material, financial and/or commercial transactions between Independent Directors and the Company which could have potential conflict of interest with the Company at large. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

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

Name of Director	Category of Directorship	Attendance at last AGM held on September 30, 2023	No. of Board Meetings Attended	No. of other Directorships in other Public Companies	Member-ships in Audit / Stakeholders Relationship Committee	Chairmanships in Audit / Stakeholders Relationship Committee	Category of directorship and Names of listed entities where person is a director	Number of shares held
Mr. Shirish M. Anjaria Din.:00444104	Promoter, Chairman cum Managing Director	Yes	9	0	0	0	Nil	11,60,948
Mr. Parag J. Dalal Din.:00409894	Promoter, Executive & Whole-time Director	Yes	6	0	0	0	Nil	10,39,816
Mr. Dharmesh S. Anjaria Din:00445009	Promoter Executive & Whole-time Director	Yes	9	0	0	0	Nil	9,56,890
Mr. Vijay Doshi Din: 09716581	Non- Executive & Independent Director	Yes	6	0	2	0	Nil	0
Mr. Jitesh J. Jain Din:00282797	Non- Executive & Independent Director	Yes	7	0	2	1	Nil	0
Mrs. Archana V. Phadke Din:07138774	Non- Executive & Independent Director	Yes	8	0	2	1	Nil	80

The Directors, Mr. Shirish M. Anjaria & Mr. Dharmesh S. Anjaria having father and son relationship are related to each other within the meaning of the term "relative" as per Section 2(77) of the Act and per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Other than these, none of the Directors are related.

The Non-Executive 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 number of Independent Directors is half of the total number of Directors. The Company, therefore, meets with the requirements of Regulation 17 (1) (a) & (b) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 with the stock exchanges.

As required under Section 149(3) of the Companies Act, 2013, Mrs. Archana V. Phadke, a lady Director, has been appointed as an Independent Director on the Board.

Note: #Memberships/Chairmanships in Audit Committee and Shareholders'/Investors' Grievance Committee of Indian public limited companies have been considered as per Regulation 26(1)(b) of SEBI. Other directorships exclude his/her Directorships in the Company, directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. The Number of Directorships and the positions held on Board, Committees by the Directors are in conformity with the limits on the number of Directorships and Board committee positions as laid down in the Act and

the Listing Regulations. During the year 2023-2024, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration.

The Board periodically reviews the compliance reports of all laws applicable to the Company.

The details of number of shares and convertible instruments held by non-executive directors is mentioned under point no 13.10 of this report.

3. FAMILIARIZATION PROGRAMME OF INDEPENDENT DIRECTORS

Pursuant to Regulation 25(7) of the Listing Regulations, the Company has put in place a system to familiarize its Independent Directors about the Company, its financial products, the industry and business model of the Company. The familiarization commences from the stage of induction of Independent Director. Independent Directors are appointed as per policy of Dynacons Systems & Solutions Limited, with management expertise and wide range of experience. The Independent directors of the Company are eminent personalities having wide experience in the field of finance, industry, commerce and administration business, education.

The Independent Directors interact with senior management during the Board and Committee meetings and familiarization programs. The Independent Directors get familiarized with workings of the Company during the deliberations and discussions on policies of the Company.

The Directors appointed by the Board are given induction and orientation with respect to the Company's vision, strategic direction, core values, including ethics, corporate governance practices, financial matters and business operations by having one-to-one meetings. In addition, the Company also updates on continuous basis to the Independent Directors about the ongoing events and developments relating to the Company, significant changes in regulatory environment through the Board/Committee meetings. The new Board members are also requested to access the necessary documents / brochures, Annual Reports and internal policies available at our website www.dynacons.com to enable them to familiarize with the Company's procedures and practices.

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

Pursuant to Regulation 46 of Listing Regulations the details of Familiarization Programme is uploaded on the Company's website at the web link: <https://dynacons.com/investors/policies/Familiarisation%20Programme.pdf>

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

Core Skills / Expertise / Competencies Available with the Board:

The Board comprises of highly qualified members who possess required skills, expertise and competence that allow them to make effective contributions to the Board and its Committees.

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

Sr. No.	Areas of expertise required	Description	Skill areas actually available with the Board
1.	Experience of Leadership / Operational experience	Experience of having managed organizations with large consumer / customer interface in diverse business environments and economic conditions which helps in leveraging consumer insights for business benefits	Yes

Sr. No.	Areas of expertise required	Description	Skill areas actually available with the Board
2.	Strategic Planning	Experience in developing long-term strategies to grow consumer business, consistently, profitably, competitively and in a sustainable manner in diverse business environments and changing economic conditions.	Yes
3.	Global Business	Experience in understanding global markets and developing strategies to grow sales and market share, build brand awareness and equity, and enhance enterprise reputation.	Yes
4.	Financial, Regulatory / Legal & Risk Management	Comprehensive understanding of financial accounting, reporting and controls and analysis.	Yes
5.	Corporate Governance	Experience in the application of Corporate Governance principles. Ability to identify key risks to the Company in a wide range of areas including legal and regulatory compliance.	Yes

Expertise/ Skills of Directors

Name of the Director	Expertise / Skills				
	Experience of Leadership and Operational Experience	Strategic Planning	Global Business	Financial, Regulatory/ Legal & Risk Management	Corporate Governance
Mr. Shirish M. Anjaria	Yes	Yes	Yes	Yes	Yes
Mr. Parag J. Dalal	Yes	Yes	Yes	Yes	Yes
Mr. Dharmesh S. Anjaria	Yes	Yes	Yes	Yes	Yes
Mr. Vijay M. Doshi	Yes	Yes	Yes	Yes	Yes
Mr. Jitesh J. Jain	Yes	Yes	Yes	Yes	Yes
Mrs. Archana V. Phadke	Yes	Yes	--	Yes	Yes

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

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board as above and whether the person is a proven leader in running a business that is relevant to the Company's business or is a proven academician in the field relevant to the Company's business. Being an IT service provider, the Company's business runs across different industry verticals, geographical markets and is global in nature. The Directors so appointed are drawn from diverse backgrounds and possess special skills with regard to the industries/fields from where they come.

Our Independent Directors meet the criteria of Independence as per Section 149(6) of Companies Act, 2013 and Regulation 16 of Listing Regulations. The Independent Directors provide an annual confirmation that they meet the criteria of independence. The Board confirms that the Independent Directors fulfill the conditions as specified under Schedule V of Listing Regulations and are Independent of the management.

4. AUDIT COMMITTEE

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act 2013 ('the Act') and Regulation 18 read with Part C of the Schedule II of the Listing Regulations. All the members of the Committee have wide experience in fields of Banking & Finance, Accounts, Regulatory and Financial service industry.

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

The Company has an Internal Audit Department, who is responsible for conducting Independent Internal Audit. The Internal Auditor reports directly to the Audit Committee of the Board.

Committee invites such of the executives as it considers appropriate, representatives of the statutory auditors and internal auditors, to be present at its meetings. The Company Secretary acts as the Secretary to the Audit Committee. Reports are sent to the members of the Committee on matters relating to the Insider Trading Code.

The Committee is presently chaired by Mr. Jitesh Jain, Chartered Accountant. The Audit Committee met Nine (9) times during the financial year 2023-2024 on May 19, 2023, May 26, 2023, August 14, 2023, September 04, 2023, October 31, 2023, January 12, 2024, February 08, 2024, March 20, 2024 and March 29, 2024. The maximum gap between any two meetings was not more than one hundred and twenty days. The necessary quorum was present for all the meetings.

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. Jitesh J. Jain	Non-Executive & Independent Director	8
Mr. Vijay M. Doshi	Non-Executive & Independent Director	6
Mrs. Archana V. Phadke	Non-Executive & Independent Director	8

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, re-appointment and removal of statutory auditor, fixation of audit fees and also approval of payment of any other services.
- To ensure proper disclosure in the Quarterly, Half yearly and Annual Financial Statements.
- To review the functioning of the Whistle Blower Mechanism.
- 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 judgment 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. Approval or any subsequent modification of transactions of the Company with related parties and granting omnibus approval to related party transactions which are in the ordinary course of business and on an arm's length basis and to review and approve such transactions.
- Reviewing with the management, statutory and internal auditors, the adequacy of internal control systems and 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.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Approval of appointment of CFO (i.e., the Whole Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background etc. of the candidate.
- Review and monitor the Auditor's independence, performance and effectiveness of audit process.
- Approve policies in relation to the implementation of the Insider Trading Code and to supervise implementation of the same
- To review the functioning of the Whistle Blower Mechanism.

The Audit Committee shall mandatorily review the following information:

- a management discussion and analysis of financial condition and results of operations;
- b statement of significant related party transactions (as defined by the audit committee) submitted by management;
- c management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- d internal audit reports relating to internal control weaknesses;
- e the appointment, removal and terms of remuneration of the chief Internal auditor shall be subject to review by the audit committee and
- f statement of deviations:
 - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (LODR) 2015.
 - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI (LODR) 2015.

The previous AGM of the Company was held on September 30, 2023 and was attended by Mr. Jitesh Jain, Chairman of the Audit Committee.

5. NOMINATION AND REMUNERATION COMMITTEE

Brief description of terms of reference

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

- Recommend to the Board the setup and composition of the Board and its Committees.
- To review the performance of the Chairman and Managing Director and the Whole-time Directors after considering the company's performance.
- To review overall compensation policy, service agreements, performance incentive and other employment conditions of Executive Director(s).
- To determine whether to extend or continue the term of appointment of the Independent Director on the basis of the report of their performance evaluation. The tenure of extension or continuity of Independent Director shall be computed as per the provisions of sub-section (10) and (11) of Section 149 of the Companies Act, 2013 read with Explanation there to and Regulation 16(1)(b) of the Listing Regulations.
- Recommend to the Board the appointment/re-appointment of Directors and Key Managerial Personnel.
- Formulation of the criteria for determining qualifications, positive attributes, and independence of a Director and recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- Recommend to the Board the Remuneration Policy for Directors, executive team or Key Managerial Personnel as well as the rest of employees.
- Support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and individual Directors.

- Devising a policy on Board diversity
- Oversee familiarization programs for Directors.
- To recommend to the Board, all remuneration, in whatever form, payable to Senior Management Personnel.
- To ensure 'fit and proper' status of proposed directors and that there is no conflict of interest in appointment of directors on Board of the Company, Key Managerial Personnel and senior management.

The Nomination and Remuneration committee consists of Non-Executive Directors with the Chairman being an Independent Director. The members of Committee as on March 31, 2024 were Mr. Vijay M. Doshi, Mrs. Archana V. Phadke and Mr. Jitesh J. Jain. The Committee is chaired by Mr. Vijay M. Doshi Company Secretary of the Company acted as the Secretary to the Committee.

The members of the Nomination and remuneration committee met thrice during the year on September 04, 2023, February 08, 2024 and March 29, 2024.

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

Name of the Director	Category	No. of Meetings attended
Mr. Vijay M. Doshi	Non-Executive & Independent Director	3
Mr. Jitesh J. Jain	Non-Executive & Independent Director	3
Mrs. Archana V. Phadke	Non-Executive & Independent Director	2

The previous AGM of the Company was held on September 30, 2023 and was attended by Mr. Vijay Doshi, Chairperson of the Nomination and Remuneration Committee.

The terms of reference of the NRC, is uploaded on the Company's web site at <http://dynacons.com/Nomination%20&%20Remuneration%20Policy.pdf>

PERFORMANCE EVALUATION

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

Criteria for performance evaluation of Independent Directors includes:

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

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

REMUNERATION OF DIRECTORS:

Remuneration Policy

Remuneration policy of the Company is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results. The Remuneration policy of your Company is a comprehensive policy which is competitive, in consonance with the industry practices and rewards good performance of the employees of the Company. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives. 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 remuneration of the Managing Director and Whole-Time Director is recommended by the Nomination & Remuneration Committee and then approved by the Board of Directors and subsequently by the shareholders in general meeting within the limits prescribed in Companies Act, 2013. The Non-Executive Independent Directors are paid sitting fees for Board meetings attended by them.

Pecuniary transactions with Non-Executive Directors

During the year under review, there were no pecuniary transactions with any of the Non-Executive Director of the Company. A declaration to this effect is also submitted by all the Directors at the beginning of each financial year. The register of Contracts is maintained by the Company under Section 189 of the Companies Act, 2013. The register is signed by all the directors present at the respective Board meetings.

Policy for Remuneration of Non – Executive Directors

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

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

Sitting fees

For the year 2023-2024, the Company paid sitting fees of Rs. 1,05,000/- to its Non-Executive Directors for attending meetings of the Board and Meeting of Committees of the Board. The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending the Meetings.

The Company is being benefited from the expertise, advice and inputs provided by the Independent Directors. The Independent Directors devote their valuable time in deliberating on the strategic and critical issues in the course of the Board and Committee meetings of the Company and give their valuable advice, suggestion and guidance to the management of the Company from time to time.

The details of sitting fees paid to the Directors for the year 2023-2024 are as under:

Sr. No.	Name of the Director	Sitting Fees for attending Meeting (Rs.)	Salary & Perquisites (Rs.)	Commission (Rs.)	Total (Rs.)
1	Mr. Jitesh J. Jain	35,000	0	0	35,000
2	Mr. Vijay M. Doshi	30,000	0	0	30,000
3	Mrs. Archana V. Phadke	40,000	0	0	40,000

Directors are not provided with any performance linked incentives.

None of the Directors have service contracts, apart from agreements made towards their appointment as Whole Time Director / Managing Director.

Details of Remuneration to the Executive Directors for the year ended March 31, 2024

Executive directors of the Company are appointed by the Board of Directors subject to the approval of shareholders in the general meeting. The remuneration package of the executive directors is determined by the Nomination and Remuneration Committee within the permissible limits, subject to approval by the Board and shareholders in their respective meetings as per applicable provisions of the Companies Act, 2013.

The details of remuneration paid to Executive Directors during the financial year 2023-24 are as under:

(Amount in Rs.)

Name of Director	Mr. Shirish Anjaria	Mr. Parag Dalal	Mr. Dharmesh Anjaria
Designation	Chairman cum Managing Director	Whole Time Director	Whole time Director and CFO
Salary	1,20,00,000	1,08,00,000	1,08,00,000
Performance bonus	-	-	-
PF & Gratuity	-	-	-

6. STAKEHOLDERS RELATIONSHIP & GRIEVANCE COMMITTEE

The stakeholders' relationship committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with Section 178 (5) of the Companies Act, 2013.

Terms of reference

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

Functions

The Shareholders Committee is chaired by Mrs. Archana V. Phadke. The Stakeholder's Relationship Committee met four times during the year on June 02, 2023, September 04, 2023, December 22, 2023 and March 29, 2024. 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. Vijay M. Doshi	Non-Executive & Independent Director	4
Mr. Jitesh J. Jain	Non-Executive & Independent Director	3
Mrs. Archana V. Phadke	Non-Executive & Independent Director	2

The committee meets at frequent intervals, to approve inter-alia, transfer/ transmission of Equity shares, non-receipt of Annual Report, attending to complaints of investors routed by SEBI/Stock Exchanges and reviews the status of investors' grievances and redressed mechanism and recommend measures to improve the level of investor services. SEBI Complaints Redress System (SCORES) SEBI administers a centralised web-based complaints redress system (SCORES). It enables investors to lodge and follow up complaints and track the status of online redressal. All the activities starting from lodging of a complaint till its disposal are carried online in an automated environment and the status of every complaint can be viewed online at any time.

Details of share transfer / transmission approved by the committee are placed at the Board meetings from time to time. Company Secretary of the Company acted as the Secretary to the Stakeholders Relationship Grievance Committee.

The Company has appointed M/s. Bigshare Services Private Limited as the Registrar and Share Transfer Agent to handle the investor grievances in co-ordination with the Compliance Officer. All grievances can be addressed to the Registrar and Share Transfer Agent. The Company monitors the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The previous AGM of the Company was held on September 30, 2023 and was attended by Mrs. Archana V. Phadke, Chairperson of the Stakeholder's Relationship Committee.

The Committee in particular looks into:

1. To oversee and review redressal of shareholder and investor grievances, on matters relating to issue, transfer, transmission of securities, non-receipt of annual report, non-receipt of dividends/interests.
2. To issue duplicate share/debenture certificate(s) reported lost, defaced or destroyed as per the laid down procedure and to resolve the grievances of security holders of the Company, if any.
3. Attending to complaints of security holders routed by SEBI (SCORES)/Stock Exchanges/RBI or any other Regulatory Authorities.
4. Taking decision on waiver of requirement of obtaining the Succession Certificate/Probate of Will on case to case basis within the parameters set out by the Board of Directors.
5. To monitor transfer of the amounts/shares transferable to Investor Education and Protection Fund.
6. To list the securities of the Company on Stock Exchanges.
7. Any other matters that can facilitate better investor services and relations.
8. Review activities with regard to the Health Safety and Sustainability initiatives of the Company.
9. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholder of the Company.
10. Any other matters that can facilitate better investor services and relations.

During the year under review, One(1) complaint was received from shareholders/investors of which Nil complaints were unreplaced/unresolved as on March 31, 2024. The number of pending share transfers as on March 31, 2024 were Nil.

Name and designation of Compliance Officer:

Ms. Pooja Patwa designated as the Company Secretary and Compliance Officer of the Company and she can be reached out at the corporate office of the Company at: 3rd Floor, A-Wing, Sunteck Centre, Subhash Road, Near Garware Chowk, Vile Parle (E), Mumbai – 400057, e-mail id- investor@dynacons.com, Tel No.- 022-66889900

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

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

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

The Corporate Social Responsibility (CSR) committee consists of Executive and Non-Executive Director with the Chairman being an Independent Director. The members of Committee are Mrs. Archana V. Phadke, Mr. Shirish M. Anjaria, Mr. Parag J. Dalal, Mr. Dharmesh S. Anjaria. The committee is chaired by Mrs. Archana V. Phadke. The committee met Six times during the year on April 05, 2023, May 26, 2023, August 14, 2023, September 25, 2023, November 28, 2023 and February 08, 2024. The necessary quorum was present for all the meetings.

The members of the Corporate Social Responsibility Committee and their attendance at committee meetings are as under:

Name of the Director	Category	No. of Meetings attended
Mrs. Archana V. Phadke	Non-Executive & Independent Director	6
Mr. Shirish M. Anjaria	Chairman cum Managing Director	6
Mr. Parag J. Dalal	Executive Director	5
Mr. Dharmesh S. Anjaria	Executive Director	4

8. RISK MANAGEMENT COMMITTEE

In terms of Regulation 21(5) of Listing Regulations, the Risk Management Committee is not applicable to the Company, however the Company has constituted risk management committee of the Company in line with the provisions of Regulation 21 of SEBI Listing Regulations, 2015. Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The Risk Management committee consists of Non-Executive Directors with the Chairperson being an Independent Director. The members of Committee were Mr. Vijay M. Doshi, Mrs. Archana V. Phadke and Mr. Jitesh J. Jain. The Committee is chaired by Mr. Vijay M. Doshi.

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

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

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

Since the provisions of Regulation 21 of Listing Regulations are not applicable to the Company, the members of the Risk Management committee did not conduct any meeting during the FY 2023-2024.

9. SENIOR MANAGEMENT:

Sr. No.	Name	Designation
1	Mr. Dharmesh S. Anjaria	Chief Financial Officer (Whole-Time/Executive Director)
2	Ms. Pooja G. Patwa	Company Secretary & Compliance Officer

INDEPENDENT DIRECTORS' MEETING

During the year under review, as required under Schedule IV to the Companies Act, 2013, and the provisions of SEBI Listing Regulations, 2015, the Independent Directors met on March 20, 2024, without the presence of Executive Directors or members of management, inter alia, to discuss:

- Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.
- Level of participation of directors at the board and committee meetings, independence of judgments, performance of duties and obligations by directors, implementation of good corporate governance.

The Independent Directors were satisfied with the overall functioning of the Board, its various Committees, Non-Independent Directors and the Chairman.

10. 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.

11. GENERAL BODY MEETINGS**I. The last three Annual General Meetings and Extra-Ordinary General Meetings of the Company were held as under: -**

Financial Year	Date	Time	Venue	No. of Special Resolutions Passed	Details of special resolution proposed to be conducted through postal ballot
2021	September 30, 2021	03:00 P.M.	The 26 th Annual General Meeting of the Company was held by means of video conferencing ("VC") / other audio visual means ("OAVM") in accordance with the relevant circulars issued by the Ministry of Corporate Affairs	Number of Special Resolutions passed: 3 Details of Special Resolution are as follows: 1. Alteration of Memorandum of Association of the Company 2. Increase in Borrowing Power of the Company 3. Re-appointment of Mr. Jitesh Jain (Din no.: 00282797) as an Independent Director	Nil
2022	September 30, 2022	03:00 P.M.	The 27 th Annual General Meeting of the Company was held by means of video conferencing ("VC") / other audio visual means ("OAVM") in accordance with the relevant circulars issued by the Ministry of Corporate Affairs	Number of Special Resolutions passed: 3 Details of Special Resolution are as follows: 1. Remuneration of Cost Auditors 2. Appointment of Mr. Vijay Doshi (Din no.: 09716581) as an Independent Director 3. Continuation of Directorship of Mrs. Archana Phadke (Din no.: 07138774), Non-Executive, Independent Director who will attain the age of Seventy-five (75)	Nil
2023	September 30, 2023	03:00 P.M.	The 28 th Annual General Meeting of the Company was held by means of video conferencing ("VC") / other audio visual means ("OAVM") in accordance with the relevant circulars issued by the Ministry of Corporate Affairs		Nil

No Extraordinary general meeting of the members was held in last three financial years

Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot:

II. The Company had sought the approval of the shareholders by way of a Special Resolution through notice of postal ballot dated March 21, 2022 for the below mentioned resolutions-

1. Re-appointment of Mr. Shirish Anjaria (Din:00444104) as Chairman cum Managing Director
2. Re-appointment of Mr. Parag Dalal (Din: 00409894) as Whole-time Director
3. Re-appointment of Mr. Dharmesh Anjaria (Din: 00445009) as Whole-time Director

The above special resolutions were duly passed and the results of which were announced on April 26, 2022 at stock exchanges. Mr. Hemant Shetye (Membership No. FCS 2827) designated partner of HSPN & Associates LLP, (Formerly known as HS Associates), Practising Company Secretaries, was appointed as the Scrutinizer to scrutinize the postal ballot process by voting through electronic means only (remote e-voting) in a fair and transparent manner.

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

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

12. MEANS OF COMMUNICATION

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

The Company's Financial Results/media releases and other important Investor related information are periodically displayed and updated on the Company's website, viz., www.dynacons.com.

The annual report has been sent in electronic form to shareholders, who have registered their email ids. The Ministry of Corporate Affairs (MCA) has exempted companies from circulation of physical copies of Annual Report for year ended March 31, 2024.

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

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

13. GENERAL SHAREHOLDER INFORMATION

13.1 Annual General Meeting: -

-Date and Time	September 30, 2024 at 03:00 P.M.
-Venue	The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated May 5, 2020 read with circulars dated April 08, 2020, April 13, 2020, January 13, 2021, December 14, 2021, May 05, 2022 December 28, 2022 and September 25, 2023, as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.

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

13.2 Financial Calendar: -

April'23 – March'24

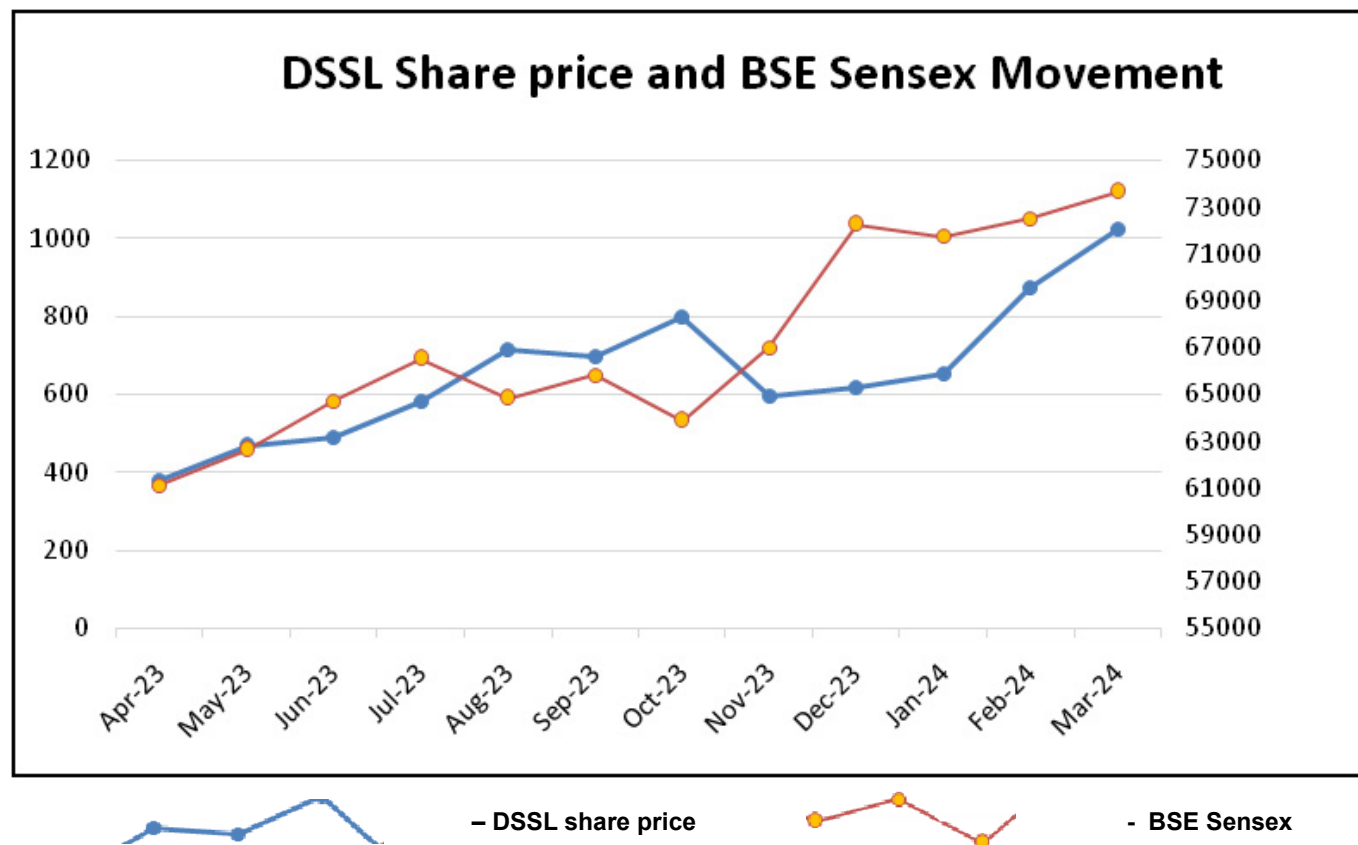
13.3 Book Closure Date/Record Date

As mentioned in the Notice of this AGM

13.4 Dividend Payment Date

The Company had declared Interim dividend of Rs. 0.50 per equity share of the face value of Rs. 10/-each for the financial year ended March 31, 2024, on August 14, 2023, and paid to all shareholders eligible as on record date August 23, 2023. Thus the interim dividend paid is considered as final dividend for the financial year ended March 31, 2024

(ii) Performance of the share price of the Company in Comparison to BSE Sensex



13.7 Registrar and transfer Agents:

Bigshare Services Pvt. Ltd.
SEBI Regn. No. INR 00001385
S6-2,6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East), Mumbai – 400093, Maharashtra
Tel : 022 – 62638200/206
Fax: 022 – 62638299
Email id- info@bigshareonline.com
Website- bigshareonline.com

13.8 Share Transfer System

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. However, investors are not barred from holding shares in physical form. We request shareholders whose shares are in physical mode to dematerialize their shares. Shareholders holding shares in dematerialized mode have been requested to register their email address, bank account details and mobile number with their depository participants. Those holding shares in physical mode have been requested to furnish PAN, nomination, contact details, bank account details and specimen signature for their corresponding folios. The folios shall be frozen, if any of these details are not available on or after October 01, 2023. Shareholders may contact the RTA at, info@bigshareonline.com. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. The Directors and certain Company officials (including Chief Financial Officer and Company Secretary) are authorized by the Board severally to approve transfers, which are noted at subsequent Board Meetings.

Pursuant to SEBI Circular dated January 25, 2022, the listed companies shall issue the securities in dematerialized form only, for processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc. After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerializing those shares. If the shareholders fail to submit the dematerialisation request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation.

13.9 Distribution of Shareholding as on March 31, 2024

No. of Equity Shares	No. of Folios	% of Total	No. of Shares	% of Total
1-5000	27131	96.07	1657287	13.04
5001-10000	632	2.24	480604	3.78
10001-20000	247	0.87	368187	2.90
20001-30000	80	0.28	199940	1.57
30001-40000	42	0.15	147480	1.16
40001-50000	26	0.09	120337	0.95
50001-100000	35	0.12	249150	1.96
100001-99999999999	47	0.17	9490145	74.65
Total	28240	100.00	12713130	100.00

Note- Refer Point No. 14(n) of the Corporate Governance Report

13.10 Shareholding of Directors

Sr. No.	Name of Directors	No. of Shares	Percentage (%)
1.	Mr. Shirish M. Anjaria	1160948	9.13
2.	Mr. Dharmesh S. Anjaria	956890	7.53
3.	**Mr. Parag J. Dalal	1039816	8.18
4.	Mr. Vijay M. Doshi	Nil	Nil
5.	Mrs. Archana V. Phadke	80	0.00
6.	Mr. Jitesh J. Jain	Nil	Nil

** Late Mrs. Hasumati Dalal, promoter group person of the Company, held 1,44,816 shares in the Company, of which 92,616 shares are transmitted to Mr. Parag Dalal, promoter of the Company, as on March 31, 2024, also, the balance 52,200 shares held by Late Mrs. Hasumati Dalal are under process of transmission. Further, there is no change in pre and post Shareholding percentage held by Promoter/ Promoter Group after the said transmission.

13.11 Dematerialization of Shares and Liquidity as on March 31, 2024

Total No. of shares	Shares in physical form	Percentage %	Share in demat form	Percentage %
1,27,13,130	33,256	0.26%	1,26,59,824	99.74%

The Company's shares are compulsorily traded in dematerialized form on NSE and BSE. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE417B01040.

Note- Refer Point No. 14(n) of the Corporate Governance Report

13.12 Categories of Shareholders as on March 31, 2024

Category	No. of Shares held	Percentage of Shareholding
Clearing Member	22500	00.18%
Corporate Bodies	78265	00.62%
Corporate Bodies (Promoter Company)	2086475	16.41%
Non Nationalized Banks	40	00.00%
Non Resident Indians	133502	01.05%
Promoters/Directors	4451274	35.01%
Public	4667183	36.87%
Relative of Director	1217905	09.58%
Alternate Investment Fund	28800	00.23%
Foreign Portfolio Investor (Corporate)- Category I	2073	00.02%
Foreign Portfolio Investor (Corporate)- Category II	5063	00.04%
Total	12713130	100.00%

Note- Refer Point No. 14(n) of the Corporate Governance Report

- 13.13 Capital of the Company** : The authorized and paid-up capital of your Company is Rs. 300,000,000 and Rs. 12,71,31,300 respectively.
- 13.14 Outstanding GDRs/ADRs/Warrants** : The Company does not have any outstanding GDRs/ADRs/warrants/convertible instruments as on March 31, 2024
- 13.15 Company Secretary & Compliance Officer** : Ms. Pooja Patwa
- 13.16 Address for Investor Correspondence** : **Bigshare Services Pvt. Ltd.**
SEBI Regn. No. INR 00001385
S6-2,6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road, Andheri (East),
Mumbai – 400093, Maharashtra
Tel : 022 – 62638200/206
Fax: 022 – 62638299
- Dynacons Systems & Solutions Ltd.**
CIN: L72200MH1995PLC093130
78, Ratnajyot Ind. Estate,
Irla Lane, Vile Parle (West),
Mumbai – 400 056
Email: investor@dynacons.com
Cont. No. 022-66889900
- 13.17 Credit Rating** : Acuite carried out a credit rating assessment of the Company both for short term and long-term bank facilities in compliance with norms implemented by Reserve Bank of India for all banking facilities which enables the Company to access banking services at low costs. Acuite has assigned BBB+ rating to your Company for long term working capital facilities for a total amount of Rs. 35.00 Crores. Acuite has also assigned Acuite A2 rating for the short-term bank facilities of the Company up to Rs. 30 Crores.

13.18 Plant Location : In view of the nature of the Company's business, the said disclosure is not applicable to the Company.

14. OTHER DISCLOSURES

a) Related party Transactions:

There are no materially significant Related Party Transactions (RPTs) with the Company's Promoters, Directors, Key Managerial Personnel or their relatives or any other related parties of the Company, which may have potential conflict with the interests of the Company at large. Disclosures on transactions with related parties, as required under the Indian Accounting Standard 24, have been incorporated in the Notes to the Accounts. The statement of RPTs is placed before the Audit Committee and the Board on quarterly basis. Omnibus approval was obtained for the transactions of repetitive nature. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arm's length basis and were approved by the Audit Committee.

The Board's approved policy for related party transactions is uploaded on the website of the Company at <https://dynacons.com/investors/policies/Policy%20on%20Related%20Party%20Transactions.pdf>

Except Mr. Shirish Anjaria and Mr. Dharmesh Anjaria having father son relationship, none of the Directors has any pecuniary relationships or transactions vis-à-vis the Company save and except the payment of sitting fees to Independent Directors, remuneration to Directors apart from transactions in the ordinary course of business and on arm's length basis at par with any member of general public. The Company did not advance any loans to any of its Directors. The details of the transactions with Related Party are provided in the notes to the Financial Statements.

b) Disclosure of Accounting Treatment:

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

c) Management Discussion and Analysis Report:

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

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

The Company had sought relaxation from SEBI for strict compliance of Regulation 163(1)(f) of Chapter V of SEBI ICDR Regulations, 2018, with respect to disclosure of beneficial owners of Trigem Infosolutions Limited in the Explanatory statement of the AGM notice dated September 03, 2020, pertaining to the preferential issue of 35,20,000 warrants convertible into equity shares at a price of Rs. 28/- per warrant to promoter, promoter group and relatives of promoter.

SEBI vide letter dated January 28, 2021 having reference number SEBI/HO/CFD/DIL1/OW/P/2021/1966/1, acceded the request of the Company subject to the Company making suitable disclosure to all the shareholders by way of errata to the AGM and explanatory Statement disclosing the details of ultimate beneficial owners of Trigem in newspaper having wide circulation and disclosing this letter to BSE Limited and NSE Limited (Stock Exchanges) and placing the same before the Board in it's next meeting.

The Company has made compliance with the same.

- e) A qualified Practicing Company Secretary carried out a Reconciliation of Share Capital Audit, as per Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and SEBI Circular No D & CC / FITTC/ Cir- 16/2002 dated December 31, 2002, the total admitted equity share capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd (CDSL) and the total issued and listed capital. The audit report 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. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and to the Board of Directors.
- f) Pursuant to Section 177 of the Companies Act, 2013 and under Regulation 22 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company has adopted Vigil Mechanism (Whistle Blower Policy) for the directors and employees of the Company to deal with instances of fraud and mismanagement, unethical behaviour, violation of code of conduct and personnel policies of the Company if any and to ensure that strict confidentiality is maintained while dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. No person has been denied access to the Audit Committee. The Whistle Blower Policy/Vigil Mechanism is uploaded on the Company's website at the web link of <http://dynacons.com/wp-content/uploads/2020/08/Vigil-mechanism-policy-DSSL-Final.pdf>.
- g) The mechanism provides for adequate safeguards against victimization of Directors and employees to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations about a personal situation.
- h) The Company has adopted Code of Conduct ('Code') for the Members of the Board and Senior Management Personnel as required under Regulation 17(5) of the Listing Regulations. All the Board Members and the Senior Management Personnel have affirmed compliance of the Code. The Annual Report of the Company contains a declaration to this effect signed by the Chairman cum Managing Director & CFO on the compliance declarations received from the members of the Board and Senior Management. Further, the Code of Conduct of the Company applicable to the Board and Senior Management Personnel is also uploaded on the Company's website at the web link <http://dynacons.com/Code%20of%20conduct.pdf>
- i) Terms of Appointment of Independent Directors
- Terms and conditions of appointment of Independent Directors are available on the Company's website at the web link <http://dynacons.com/Independent%20Directors'%20T&C.pdf>
- j) Shareholders
- (i) Mr. Dharmesh Anjaria, is retiring by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
- (ii) Disclosure of Commodity price risks and Commodity hedging activities.
The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated July 11, 2023 is not required to be given.
- k) Auditors' certificate on corporate governance
- As required by Schedule V of the Listing Regulations, the certificate on corporate governance issued by Mr. Hemant Shetye (Membership No. FCS 2827) designated partner of HSPN & Associates LLP, (Formerly known as HS Associates), Practicing Company Secretaries, Mumbai, is enclosed as an Annexure to the Board's Report.
- l) The Board of Directors has approved a policy for determining materiality of events and making disclosures to Stock Exchanges.
- m) Details of compliance with Mandatory requirements and adoption of non-mandatory requirements:
1. The Company has complied with all the applicable mandatory requirements of the Listing Regulations.
 2. The Company has not adopted the non-mandatory requirement as specified in the Listing Regulations.

- n) The Company has not raised funds through qualified institutions placement under Regulation 32(7A) of the Listing Regulations, however, the Board had allotted 20,050 Equity shares of Face Value of Rs. 10/- each to eligible employees/grantees pursuant to exercise of stock options granted under Dynacons Systems & Solutions Limited-Employee Stock Option Plan 2020. Further, Company received Listing/Trading approval from National Stock Exchange of India Limited (NSE) & BSE Limited (BSE) on April 12, 2024.
- o) No equity shares were suspended from trading during the Financial Year 2023-24.
- p) The Company has not issued any outstanding Global Depository Receipts or American Depository Receipts during the Financial Year 2023-2024;
- q) None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such statutory authority. A Certificate to this effect, duly signed by Mr. Hemant Shetye, Company Secretary (Membership No. FCS 2827) designated partner of HSPN & Associates LLP, (Formerly known as HS Associates), Practicing Company Secretaries is annexed to this Report.
- r) In the financial year 2023-2024 the board has accepted all recommendations of its Committees.
- s) The details of total fees for all services paid by the Company to M/s. M S P & Co. (Firm Registration No. 107565W) Statutory Auditor and all entities in the network firm/ network entity of which the Statutory Auditors are part, are as follows –

Sr. No.	Particulars	Amount (in Rs.)
1	Statutory Audit Fees	9,00,000
2	Tax Audit Fees	-
3	Others	2,97,500
	Total	11,97,500

- t) The disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 forms part of the Directors' Report.
- u) The Company has complied with all the requirement of Corporate Governance report as contained in Clause C (2) to (10) of Schedule V read with Regulation 34(3) of Listing Regulations.
- v) The Company has adopted Policy on Determination of Materiality under Regulation 30 of SEBI Listing Regulations, which is disclosed on the Company's website at <http://dynacons.com/Policy%20for%20Determination%20of%20Materiality%20of%20Events%20or%20Information.pdf>
- w) Discretionary Requirements
1. The auditors' report on financial statements of the Company are unmodified.
 2. Internal auditors of the Company make quarterly presentations to the Audit Committee on their reports.
- x) Subsidiary Companies

The Company does not have any material listed/unlisted subsidiary companies as defined in Regulation 24 (1) of Listing Regulations. The Company has Dynacons Systems & Solutions Pte. Ltd., a non-material subsidiary. However, the Company has framed the Policy on Material Subsidiaries and the same is uploaded on the Company's website at the web link: <http://dynacons.com/POLICY%20ON%20MATERIAL%20SUBSIDIARIES.pdf>

The audit committee reviews the consolidated financial statements of the Company and the investments, if any, made by its unlisted subsidiary companies. The minutes of the Board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company.

- y) Pursuant to Regulation 9 and Regulation 30 of Listing Regulations the Company has adopted policy on Archival and Preservation of Documents which is disclosed on Company's website at <http://dynacons.com/Policy-for-Preservation-and-Archival-of-documents.pdf>.
- z) The Company had declared Interim dividend of Rs. 0.50 per equity share of the Face value of Rs. 10/-each for the Financial year ended March 31, 2024, on August 14, 2023, and paid to all shareholders eligible as on record date August 23, 2023. Thus the interim dividend paid is considered as final dividend for the financial year ended March 31, 2024. The Company has adopted Dividend Distribution Policy as per Regulation 43A of SEBI (LODR) Regulations, 2015, which is disclosed on Company's website at <http://dynacons.com/wp-content/uploads/2020/08/Dividend-Distribution-Policy-DSSL-Final.pdf>.
- aa) In accordance with the requirement of disclosure under Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations, for details of equity shares in the suspense account is not applicable to the Company
- bb) The Company has adopted Code of Conduct ('Code') for the Members of the Board and Senior Management Personnel as required under Regulation 17(5) of the Listing Regulations. All the Board Members and the Senior Management Personnel have affirmed compliance of the Code. The Annual Report of the Company contains a declaration to this effect signed by the Managing Director and CEO. Further, the Code of Conduct of the Company applicable to the Board and Senior Management Personnel is also uploaded on the Company's website at the web link <http://dynacons.com/Code%20of%20conduct.pdf>
- cc) Disclosure by listed entity and its subsidiaries of Loans and advances in the nature of loans to firms/companies in which Directors are interested by name and amount: The Company has given an advance to its associate company named as Cybercons Infosec Private Limited of Rs. 15,00,000 during the FY 2023-24

15. POLICY FOR PROHIBITION OF INSIDER TRADING

Vide notification No.EBI/LAD-NRO/GN/2018/59 Securities and Exchange Board of India (SEBI) has notified SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 with effect from April 01, 2019. The Company has accordingly amended its Prohibition of Insider Trading Code and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information which is available on the website of the Company at <http://dynacons.com/Code-of-Practices%20and%20Code%20of%20Conduct.pdf>. The Company in its Board meeting held on March 20, 2019 has taken necessary initiative to implement the same. The Code also provides for pre-clearance of transactions by designated persons, whenever required.

16. CEO & CFO CERTIFICATION

In terms of Listing Regulations, the certification by the Managing Director and the Chief Financial Officer is annexed to this Annual Report.

17. COMPLIANCE ON CORPORATE GOVERNANCE

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

18. TRANSFER OF UNCLAIMED / UNPAID AMOUNTS TO THE INVESTOR EDUCATION AND PROTECTION FUND:

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (“IEPF”).

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In light of the aforesaid provisions, the Company was not required to transfer unclaimed /unpaid dividend amount to IEPF as the Company had declared its first Interim dividend in the Board Meeting held on August 14, 2019.

The following tables give information relating to various outstanding dividends and the dates by which they can be claimed by the shareholders from the Company’s Registrar and Transfer Agent:

Financial Year	Date of Declaration	Last date for claiming unpaid dividend
2019-2020	August 14, 2019	September 19, 2026
2020-2021	September 15, 2020	October 21,2027
2021-2022	August 12, 2021	September 17, 2028
2022-2023	August 10, 2022	September 15, 2029
2023-2024	August 14, 2023	September 19, 2030

19. CORPORATE ETHICS:

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

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.dynacons.com

As per Regulation 17(5) and Regulation 26(3) of Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed Compliance with the Code of Conduct for the year ended March 31, 2024.

For Dynacons Systems & Solutions Ltd.

Shirish M. Anjaria
Chairman cum Managing Director
DIN: 00444104

Place: Mumbai
Dated: September 02, 2024

CFO/CEO CERTIFICATION

To,
The Board of Directors
Dynacons Systems & Solutions Ltd.
Mumbai

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

- a) We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2024, and that to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which is fraudulent, illegal or violates the Company's Code of conduct.
- c) We 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) We have disclosed, based on our evaluation wherever applicable to the Auditors and the Audit Committee that;
 - i) There has not been any significant change in internal control over financial reporting;
 - ii) All the significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statement; and
 - iii) There were no instances of significant fraud of which we became aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Dynacons Systems & Solutions Ltd

Shirish M. Anjaria
Chairman cum
Managing Director
DIN: 00444104

Dharmesh S. Anjaria
Chief Financial Officer &
Executive Director
DIN: 00445009

Place: Mumbai

Dated: September 02, 2024

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members
Dynacons Systems & Solutions Limited
78, Ratnajyot Industrial Estate,
Irla Lane Vile Parle (West),
Mumbai, Maharashtra – 400056

The Corporate Governance Report prepared by Dynacons Systems & Solutions Limited (“the Company”), contains details as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“the Listing Regulations”) with respect to Corporate Governance for the year ended March 31, 2024 pursuant to the Listing Agreement of the Company with the National Stock Exchange Limited and Bombay Stock Exchange Limited (collectively referred to as the “Stock Exchanges”).

Management’s Responsibility

The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

Auditor’s Responsibility

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether for the year ended March 31, 2024, the Company has complied, with the conditions of Corporate Governance as stipulated in the Listing Regulations.

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

Opinion

In our opinion, based on our examination of the relevant records and to the best of our information and according to explanations given to us, and representations provided by the management, we certify that, the Company, has complied with the conditions of Corporate Governance as stipulated, in the above-mentioned Listing Regulations.

Other Matters and Restriction on use

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

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, for the year ended March 31, 2024, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**For HSPN & Associates LLP,
Company Secretaries**

**Mr. Hemant Shetye
Designated Partner
FCS: 2827
COP: 1483**

**Place: Mumbai
Date: September 02, 2024
UDIN:F002827F001103234
Peer Review No. 6035/2024**

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
Dynacons Systems & Solutions Limited
78, Ratnajyot Industrial Estate, Irla Lane,
Vile Parle (West), Mumbai-400056.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Dynacons Systems & Solutions Limited having CIN L72200MH1995PLC093130 and having registered office at 78, Ratnajyot Industrial Estate, Irla Lane, Vile Parle (West), Mumbai-400056 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

SR. NO.	NAME OF DIRECTOR	DIN	DATE OF APPOINTMENT *
1	Shirish Mansinh Anjaria	00444104	26/09/1995
2	Parag Jitendra Dalal	00409894	26/09/1995
3	Dharmesh Shirish Anjaria	00445009	30/09/1998
4	Jitesh Jayantilal Jain	00282797	19/09/2015
5	Vijay Maganlal Doshi	09716581	05/09/2022
6	Archana Vinayak Phadke	07138774	27/03/2015

Note- *the date of appointment is as per the MCA Portal.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on my verification. This certificate 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 HSPN & Associates LLP,
Company Secretaries**

**Mr. Hemant Shetye
Designated Partner
FCS: 2827
COP: 1483**

**Place: Mumbai.
Date: September 02, 2024
UDIN: F002827F001103278
Peer Review No. 6035/2024**

Independent Auditor's Report**To the Members of Dynacons Systems & Solutions Limited****Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the standalone financial statements of Dynacons Systems & Solutions Limited ("the Company") which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements of the current period. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit matters to be communicated in our report.

- A) Revenue for the Company consists primarily of sale of goods recognized and provision of services as per the accounting policy described in Note 1.2.2 forming part to the accompanying standalone financial statements. Refer Note No. 24 forming part of financial statements for details of revenue recognized during the year.

The Company recognizes revenue from sale of goods when it satisfies its performance obligation, in accordance with the principles of Ind AS 115, Revenue from Contracts with Customers, adopted by the Company from the current year, by transferring the control of goods to its customers through delivery evidenced by acknowledgement of receipt of goods by such customers. Considering the large volume of revenue transactions near period end, there may be a risk of revenue recognition occurring before the satisfaction of the performance obligations by the company in accordance with the applicable terms. Under Standards on Auditing 240 'The auditor's responsibilities relating to fraud in an audit of financial statements', there is a presumed risk that revenue may be misstated owing to the improper recognition of revenue.

Considering the above factors, revenue recognition (cut-off) was identified as a key audit matter for the current year audit.

Auditor's Response:

Our audit work included, but was not limited to, the following procedures:

- Obtained an understanding of the revenue and receivable business process, and assessed the appropriateness of the accounting policy adopted by the company for revenue recognition.
- Evaluated design and implementation of the key controls around revenue recognition including controls around contract approvals, invoice verification, transporter confirmations and customer acknowledgements.
- Tested operating effectiveness of the above identified key controls over revenue recognition near period end.
- For samples selected from revenue recorded during specific period, before and after year end:
- Verified the customer contracts for delivery terms verified the customer acknowledgements to evidence proof of delivery for domestic sales at or near period end.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report but does not include the Secretarial Audit report, Standalone financial statements and our auditor's report thereon. The Board's report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance or conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Board's report and Management Discussion and Analysis, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and make disclosures and take specific actions as per applicable laws and regulations, if required.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) with respect to preparation of standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance

is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieve fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**”.
 - (g) With respect to other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No.31.7 forming part of the financial statements.
 - ii. The Company has long term contracts as at March 31, 2024 for which there are no material foreseeable losses. The Company does not have derivative contracts as at March 31, 2024.
 - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (1) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries : and
(2) The management has represented, that, to the best of it’s knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
(3) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
 - v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
3. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For M S P & CO.
Chartered Accountants
Firm Registration No. 107565W

M.S. Parikh, Partner
Membership No.: 08684
Mumbai
May 30, 2024
UDIN:24008684BKAITH5091

“Annexure A” forming part of Independent Auditor’s Report

The Annexure referred to in our Independent Auditor’s Report of even date to the members of the Company on the standalone Ind AS financial statements for the year ended March 31, 2024, we report that:

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i) (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment and relevant details of right-of use assets.
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment and right-of use assets have been physically verified by the management according to the programme of periodical verification in phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its property, plant and equipment. The discrepancies, if any, noticed on such physical verification have been properly dealt with in the books of accounts.
- (c) There are no immovable properties held in the name of the Company, therefore this clause of the Order is not applicable to the Company.
- (d) The Company has not revalued its property, plant and equipment (including right-of use assets) and intangible assets during the year.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii) (a) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business and there are no discrepancies on physical verification of each class of inventory.
- (b) The company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from banks during the year on the basis of security of current assets of the company. The quarterly returns/statements filed by the company with such banks are in agreement with the books of accounts of the company.
- iii) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act, therefore the provision of clause (a) and clause (b) are not applicable.
- iv) The Company has not given any loan, investment, guarantee and security to which section 185 and 186 of the Act applies, therefore this clause of the Order is not applicable to the Company.
- v) The Company has not accepted any deposit and hence directives issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other provisions of Companies Act, 2013 and Rules framed thereunder reporting under clause 3(v) of the Order is not applicable.
- vi) The Central Government has prescribed the maintenance of cost records under sub- section (1) of section 148 of the Act and we have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- vii) According to the information and explanations given to us in respect of statutory dues:-

- a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

- b) According to information and explanation given to us, there are no disputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, GST, Custom and Excise duty and other statutory dues which have not been deposited on account of dispute except as stated below :-

Particulars	Period to which amount relates	Forum where the dispute is pending	Amount (Rs. in Lakhs)
Goods and Services Tax	FY 2018-19	Appeal to Appellate Authority	9.64

- viii) According to the information and explanations given to us, Company has not surrendered or disclosed any transaction, previously unrecorded in the books of accounts, in the tax assessments under the Income Tax Act, 1961, as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix) (a) According to the information and explanations given to us and as per the books and records examined by us, in our opinion, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender including the loans and interest which are repayable on demand.
- (b) According to the information and explanations given to us and the records of the Company examined by us including representation received from the management, the Company has not been declared wilful defaulter by any bank, financial institution or other lenders or government or any government authority.
- (c) According to the information and explanations given to us and as per the books and records examined by us, term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, prima facie, no funds raised on short-term basis have been used for long term purposes by the Company.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures, therefore the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, therefore the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.
- x) (a) According to the information and explanations given to us and as per the books and records examined by us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments). Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

- xi) (a) According to the information and explanations given to us and as per the representation received from the management, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the management, the Company has not received any whistle blower complaints during the year.
- xii) In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company; hence Clause (xii) of paragraph 3 of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) In our opinion, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors of the Company during the year.
- xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in Note No. 30.3 to the financial statements.

- (b) There are no unspent amounts and ongoing projects in the Company, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.
- xxi) There are no qualifications or adverse remarks reported by the auditor of the Subsidiary Company, therefore the clause (xxi) of the Order is not applicable.

For M S P & CO.
Chartered Accountants
Firm Registration No. 107565W

M.S. Parikh, Partner
Membership No.: 08684
Mumbai
May 30, 2024
UDIN:24008684BKAITH5091

“Annexure B” forming part of Independent Auditor’s Report

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

We have audited the internal financial controls over financial reporting of Dynacons Systems & Solutions Limited (“the Company”) as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company’s internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M S P & CO.
Chartered Accountants
Firm Registration No. 107565W

M.S. Parikh, Partner
Membership No.: 08684
Mumbai
May 30, 2024
UDIN:24008684BKAITH5091

Standalone Balance Sheet as at 31st March, 2024

(₹ in Lakhs)

Particulars	Note No.	As at	
		31 st March, 2024	31 st March, 2023
A ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	2	320.42	368.37
(b) Right-of-use assets	2	229.68	304.54
(c) Investments	3	10.05	5.05
(d) Financial Assets			
(i) Investments	4	70.69	50.35
(ii) Other Financial Assets	5	273.99	168.25
(e) Deferred Tax Assets (Net)	6	61.16	44.29
		965.98	940.85
2 Current assets			
(a) Inventories	7	7,338.86	3,663.38
(b) Financial Assets			
(i) Trade receivables	8	40,151.99	30,060.86
(ii) Cash and cash equivalents	9	265.62	1,621.89
(iii) Other balances with banks	10	8,523.51	2,956.78
(iv) Short-term loans and advances	11	77.39	34.59
(v) Other Financial Assets	12	696.70	626.44
(c) Other Current Assets	13	682.50	317.05
		57,736.55	39,280.98
TOTAL		58,702.53	40,221.83
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	14	1,271.31	1,269.31
(b) Other Equity	15	14,485.19	9,186.97
		15,756.51	10,456.27
2 Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	947.15	1,596.25
(ii) Lease Liabilities	17	186.48	257.41
(b) Long-Term Provisions	18	346.76	260.54
(c) Other non-current liabilities	19	15.10	13.74
		1,495.48	2,127.94
3 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	2,372.21	4,946.65
(ii) Lease Liabilities	21	70.93	62.53
(iii) Trade Payables	22		
(a) Total outstanding dues of micro enterprises and small enterprises		6.32	3.06
(b) Total outstanding dues other than micro enterprises and small enterprises		38,185.72	21,891.28
(b) Other Current Liabilities	23	815.36	734.10
		41,450.54	27,637.61
TOTAL		58,702.53	40,221.83

The accompanying notes form an integral part of the Standalone financial statements.

Notes on Financial Statements

1-31

As per our report of even date attached

For M S P & CO.

Chartered Accountants

Firm Registration 107565W

For and on behalf of the Board of Directors

Dynacons Systems & Solutions Ltd.

CIN No: L72200MH1995PLC093130

Shirish Anjaria

Chairman cum Managing Director

DIN : 00444104

Parag Dalal

Executive Director

DIN : 00409894

M. S. PARIKH

Partner

Membership No. 08684

Dharmesh Anjaria

Executive Director

DIN : 00445009

Pooja Patwa

Company Secretary &

Compliance Officer

Membership No. A60986

Mumbai : May 30, 2024

Standalone Profit and Loss Statement for the year ended 31st March, 2024

(₹ In Lakhs)

Particulars	Note No.	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
1 INCOME			
(a) Revenue from Operations	24	102,443.48	80,414.50
(b) Other Income	25	438.36	229.58
2 Total Revenue		102,881.84	80,644.07
3 EXPENSES			
(a) Purchases of Stock-In-Trade	26	93,253.96	67,267.49
(b) Changes In Inventories Of Stock-In-Trade	27	(3675.48)	3,427.26
(c) Employee Benefits Expense	28	3,855.19	3,076.37
(d) Finance Costs	29	878.82	1,086.84
(e) Depreciation And Amortisation Expense	2	151.94	136.28
(f) Other Expenses	30	1,196.60	1,189.57
4 Total Expenses		95,661.02	76,183.82
5 Profit before tax		7,220.81	4,460.26
6 Tax Expense:			
(a) Current Tax		1,841.65	1,127.53
(b) Deferred Tax		(16.87)	(4.92)
	6	1,824.78	1,122.61
7 Profit for the year		5,396.03	3,337.65
8 Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
a) Remeasurement of defined employee benefit plan		(50.88)	(11.37)
b) Equity instruments through other comprehensive income		(19.66)	(0.76)
(ii) Income tax relating to items that will not be reclassified to profit or loss		14.74	2.85
Other comprehensive income for the year, net of tax	6	(55.80)	(9.28)
9 Total comprehensive income for the year		5,340.23	3,328.37
10 Earnings per equity share of par value of ₹ 10 Each			
(i) Basic (In ₹)		42.51	27.71
(ii) Diluted (In ₹)		42.47	27.64
Weighted average number of equity shares			
(i) Basic		12,693,244	12,042,751
(ii) Diluted		12,705,594	12,075,501

The accompanying notes form an integral part of the Standalone financial statements.
Notes on Financial Statements

1-31

As per our report of even date attached
For M S P & CO.
Chartered Accountants
Firm Registration 107565W

For and on behalf of the Board of Directors
Dynacons Systems & Solutions Ltd.
CIN No: L72200MH1995PLC093130

Shirish Anjaria
Chairman cum Managing Director
DIN : 00444104

Parag Dalal
Executive Director
DIN : 00409894

M. S. PARIKH
Partner
Membership No. 08684

Dharmesh Anjaria
Executive Director
DIN : 00445009

Pooja Patwa
Company Secretary &
Compliance Officer
Membership No. A60986

Mumbai : May 30, 2024

Standalone Cash Flow Statement for the Year Ended 31st March, 2024

(₹ In Lakhs)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
A CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before Tax and extraordinary items	7,220.81	4,460.26
Add: Depreciation And Amortisation Expense	151.94	136.28
(Profit)/Loss on w/off of Property, Plant and Equipment	-	0.65
Finance Costs	878.82	1,086.84
Reversal of lease rentals	-	(27.34)
Share based payments to employees	(1.04)	50.93
Gain on sale of Investments	(40.87)	-
Bad debts and advances written off, allowance for doubtful trade receivables and advances (net)	6.82	13.68
	995.67	1,261.03
Operating profit before working Capital	8,216.48	5,721.29
Changes in current assets and liabilities		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(3,675.48)	3,427.26
Trade receivables	(10,097.95)	(12,506.93)
Other non current financial assets	(105.74)	(25.16)
Other current financial assets	(5,679.78)	12.43
Other current assets	(303.38)	(1,022.51)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	16,297.70	5,843.74
Other current liabilities	(78.15)	316.09
Other non current Liabilities	1.35	7.48
Provisions	35.34	31.89
	(3,606.08)	(3,915.70)
Cash Generated from Operations	4,610.40	1,805.58
Taxes paid	(1,706.83)	(344.03)
Net Cash Flow from operating activities	2,903.57	1,461.55
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(29.13)	(30.14)
Sale of Investments	70.87	-
Purchase of Investments	(75.00)	-
Net Cash Used for Investing Activities	(33.26)	(30.14)
C CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Lease Liabilities	(62.53)	(63.87)
Money received against share warrants	-	297.15
Payment of Dividend	(63.71)	(52.00)
Employee Share Options Money Received	2.01	-
Addition / (Repayment) of long-term borrowings	(649.09)	395.30
Short-term borrowings (net)	(2,574.44)	(26.82)
Interest Paid	(878.82)	(1,086.84)
Net cash From Financing Activities	(4,226.58)	(537.09)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
D Net Increase in Cash and Cash Equivalents (A+B+C)	(1,356.27)	894.32
E Cash and Cash Equivalents (Opening Balance)	1,621.89	727.56
F Cash and Cash Equivalents (Closing Balance)	265.62	1,621.89
Component of Cash & Cash equivalents		
Cash on hand	0.80	0.15
Balances with banks in current accounts	58.34	81.42
Demand deposits with Banks	206.48	1,540.32
	265.62	1,621.89

Notes 1 to 31 form an integral part of these standalone financial statement

As per our report of even date attached
For M S P & CO.
Chartered Accountants
Firm Registration 107565W

M. S. PARIKH
Partner
Membership No. 08684

Mumbai : May 30, 2024

For and on behalf of the Board of Directors
Dynacons Systems & Solutions Ltd.
CIN No: L72200MH1995PLC093130

Shirish Anjaria
Chairman cum Managing Director
DIN : 00444104

Dharmesh Anjaria
Executive Director
DIN : 00445009

Parag Dalal
Executive Director
DIN : 00409894

Pooja Patwa
Company Secretary &
Compliance Officer
Membership No. A60986

STATEMENT OF CHANGES IN EQUITY
For the year ended 31st Mar, 2024

A. Equity Share Capital (Note No. 14)

(₹ In Lakhs)

Particulars	Equity Share Capital
As at 1st April 2022	1,127.81
Changes in Equity Share Capital	141.50
As at 31st March 2023	1,269.31
As at 1st April 2023	1,269.31
Changes in Equity Share Capital	2.01
As at 31st March 2024	1,271.31

B. Other Equity (Note No. 15)

(₹ In Lakhs)

	Reserve and Surplus			Accumulated other comprehensive income	Money received against share warrants	Total
	Securities Premium Reserve	Share Option Outstanding	Retained Earnings			
	₹	₹	₹			
Balance as at 1 st April 2022	703.90	-	4,862.39	(7.61)	99.05	5,657.72
Total Comprehensive Income for the year						
Additions during the year	254.70	-	3,337.65	(9.28)	297.15	3,880.22
Share options expenses for the year	-	97.23	-	-	-	97.23
Dividend Paid	-	-	(52.00)	-	-	(52.00)
Issue of Equity Shares	-	-	-	-	(141.50)	(141.50)
Transfer to Securities Premium Account	-	-	-	-	(254.70)	(254.70)
Balance as at 31 st March 2023	958.60	97.23	8,148.03	(16.89)	-	9,186.97
Balance as at 1 st April 2023	958.60	97.23	8,148.03	(16.89)	-	9,186.97
Total Comprehensive Income for the year						
Additions during the year	59.47	-	5,396.03	(55.80)	-	5,399.70
Dividend Paid	-	-	(63.71)	-	-	(63.71)
Transfer to Securities Premium Account	-	(59.47)	-	-	-	(59.47)
Transfer to Profit and Loss during the year	-	(1.04)	-	-	-	(1.04)
Defined employee benefit plans transfer	-	-	-	22.74	-	22.74
Balance as at 31 st March 2024	1,018.07	36.71	13,480.35	(49.95)	-	14,485.19

As per our report of even date attached
For **M S P & CO.**
Chartered Accountants
Firm Registration 107565W

M. S. PARIKH
Partner
Membership No. 08684

Mumbai : May 30, 2024

For and on behalf of the Board of Directors
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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

Note 1: Summary of significant accounting policies and other explanatory information

1.1 Company Overview

Dynacons Systems & Solutions Ltd. (hereinafter referred to as "Dynacons") is a 29 years old IT company with global perspectives with its headquarters at Mumbai and branches all over India. The Company has a large pool of technical resources who are present at more than 250 locations across India. The Company has all the industry leading certifications such as CMMI Level 3, ISO 9001, ISO 20000, ISO 27000 among others.

Dynacons undertakes all activities related to IT infrastructure including infrastructure design and consulting services, turnkey systems integration and set up of large Network and Data Centre infrastructures including supply of associated equipment and software; Hyper Converged Infrastructure (HCI) solutions, Setup of Private and Public Cloud, Software Defined Network (SD WAN) and Software Defined Storage (SDS) solutions, Network Infrastructure design and setup for ISPs, VDI Solutions, onsite and remote facilities management of multi- location infrastructure of domestic clients. The Company has built a strong customer base, variety of talent and a competent service delivery infrastructure.

Dynacons provides all service models such as IaaS (Infrastructure as a Service), PaaS (Platform as a Service) and SaaS (Software as a Service). Dynacons' Enterprise Services offerings include a wide spectrum of Enterprise IT Services including Infrastructure Managed Services, Breakfix Services, Managed Print Services, Cloud Computing, Systems Integration Services, and Applications Development and Maintenance. The Company provides end-to-end technology and technology related services to corporations across industry verticals. The Company has deep domain knowledge across industry sectors and technology expertise across traditional and new age technologies.

The company was incorporated under provisions of Co's act 1956, having its Registered Office at 78, Ratnajyot Industrial Estate, Irla Lane, Vile parle West, Mumbai 400056 (CIN No L72200MH1995PLC093130). Standalone Financial Statements for the year ended 31st March, 2024 were approved and authorized for issue by Board of Directors on 30th May, 2024

1.2 MATERIAL ACCOUNTING POLICIES:

1.2.1. BASIS OF PREPARATION OF STANDALONE FINANCIAL STATEMENTS

a) Statement of compliance

The standalone financial statements of the Company have been prepared and presented in accordance with Indian Accounting Standards (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) Amendment Rules, 2016 as notified under section 133 of Companies Act, 2013 (the "Act") and other relevant provisions of the Act.

The standalone financial statements were approved for issue by the Board of directors on 30th May, 2024.

The standalone financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial assets and financial liabilities that have been measured at fair value.

b) Functional and presentation currency

The standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lacs unless otherwise indicated.

c) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle up to twelve months for the purpose of current – noncurrent classification of assets and liabilities.

d) Basis of measurement

The standalone financial statements have been prepared on the historical basis except for the following items:

Items	Measurement Basis
Certain financial assets and liabilities (including derivative instruments)	Fair Value
Net defined benefit(asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

e) Use of estimates and judgements

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual result may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgments made in applying accounting policies that have the most significant effect on the amounts recognised in the standalone financial statements is included in the following notes:

- Lease classification – Note 1.2.16

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the subsequent period financial statements is included in the following notes:

- Estimation of deferred tax expense and payable – Note 1.2.13
- Estimated useful life of property, plant and equipment and Intangible assets – Note 1.2.7
- Estimation of defined benefit obligations— Note 1.2.12
- Impairment of trade receivables- Note 1.2.18

f) Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes a treasury team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer.

The treasury team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

1.2.2. Revenue Recognition

1.2.2.1. Sale of goods:

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which is usually on dispatch / delivery of goods, based on contracts with the customers.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

Contract Assets

Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

1.2.2.2. Rendering of Services

Revenue is recognized from rendering of services when the performance obligation is satisfied and the services are rendered in accordance with the terms and conditions of customer contracts. Revenue is measured based on the transaction price, which is the consideration, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

1.2.2.3. Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc. and as per terms & conditions under the contract with the customers.

1.2.2.4. Other Income

- i) Profit on sale of investments is determined as the difference between the sales price and the carrying value of the investment upon disposal of investments.
- ii) Dividend income is recognised in Statement of Profit and Loss on the date on which the Company's right to receive payment is established.
- iii) Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset ;
- or
- the amortised cost of the financial liability

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

- iv) Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.
- v) Interest on Refund from Income Tax Department / GST department / Environment agencies are accounted for on receipt basis.

1.2.3. Expenditure Recognition

Expenses are accounted on the accrual basis and on crystallisation of such expenses. And provisions for all known losses and liabilities are made. Provisions are made for future unforeseeable factors, which may affect the ultimate profit on fixed price software development contracts. Expenses on software development on time-and-material basis are accounted for in the year in which it is expended. Expenses incurred for future software projects are carried forward and will be adjusted against revenue, based on the completion method. In case of new products, which are clearly defined and the costs are attributable to the products, such costs are deferred and amortized equally over a period of three to five years based on Management's evaluation of expected sales volumes and duration of the product life cycle.

1.2.4. Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company

1.2.5. Cash and cash equivalents

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.

1.2.6. 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.

1.2.7. Property, plant and equipment

Buildings and other equipment

Buildings and other equipment (comprising plant and machinery, furniture and fittings, electrical equipment, office equipment, computers and vehicles) are initially recognized at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by the management. Buildings and other equipment are subsequently measured at cost less accumulated depreciation and any impairment losses. Cost of property, plant and equipment not ready for the intended use before reporting date is disclosed as capital work in progress.

Subsequent expenditure incurred on an item of property, plant and equipment is added to the book value of that asset only if this increases the future benefits from the existing asset beyond its previously assessed standard of performance. Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in the statement of profit and loss within other income or other expenses.

The components of assets are capitalized only if the life of the components vary significantly and whose cost is significant in relation to the cost of respective asset. The life of components in assets are determined based on technical assessment and past history of replacement of such components in the assets.

Tangible assets are carried at the cost of acquisition or construction less accumulated depreciation and accumulated impairment, if any. The cost of tangible assets includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Assets which are retired from active use and are held for disposal are stated at the lower of their net book value or net realizable value. Cost of tangible assets not ready for the intended use as at balance sheet date are disclosed as "capital work in progress".

Impairment testing of intangible assets and property, plant and equipment

For the purpose of impairment assessment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. All individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount by which the asset's (or cash-generating unit's) carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future reorganizations and asset enhancements. Discount factors are determined individually for each cash generating unit and reflect current market assessments of the time value of money and asset-specific risk factors.

Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

Depreciation

Depreciation on tangible assets is provided on straight line method and in the manner prescribed in Schedule II to the Companies Act, 2013, over its useful life specified in the Act, or based on the useful life of the assets as estimated by Management based on technical evaluation and advice. The residual value is 5% of the acquisition cost which is considered to be the amount recoverable at the end of the asset's useful life. The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end.

The Management's estimates of the useful life of various categories of fixed assets where estimates of useful life are lower than the useful life specified in Part C of Schedule II to the Companies Act, 2013 are as under:

Type of asset	Estimated useful life (Years)
Plant and equipment	
- Computers – Desktops / Laptops	6
- Computers – Servers / Storages	3
- Computers – Others	2
Furniture and fixtures	10
Vehicles	8
Office equipment	5
Intangible assets	6

Assets costing less than Rs. 5,000 individually have been fully depreciated in the year of purchase.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

1.2.8. Research & Development Expenditure

Revenue expenditure pertaining to research is charged to the standalone statement of profit and loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalized. The amount capitalized comprises 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. Property, Plant and equipment utilized for research and development are capitalized and depreciated in accordance with the policies stated for property, plant and equipment

1.2.9. Inventories

Inventories are valued at the lower of the cost and the net realizable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale. Cost is determined on a First in First out basis. A periodic review is made of slow-moving stock and appropriate provisions are made for anticipated losses, if any.

1.2.10. Investments

Investments that are readily realizable and are intended to be held for not more than one year from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments. Long-term investments other than investment in subsidiaries are valued at fair market value. Provision is made for diminution in value to recognize a decline, if any, other than that of temporary in nature. Current investments are valued at lower of cost and fair market value. Gains or losses that arise on disposal of an investment are measured as the difference between disposal proceeds and the carrying value and are recognised in the statement of profit and loss.

1.2.11. Foreign Currency transactions**Reporting and presentation currency**

The standalone financial statements are presented in Lakhs of Indian Rupees, which is also the functional currency of the Company.

Foreign currency transactions and balances

- i) Initial Recognition: Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.
- ii) Conversion: At the year-end, monetary items in foreign currencies are converted into rupee equivalents at the year end exchange rates.

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

Payment to defined contribution retirement benefit schemes are 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/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). 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.

1.2.13. Income Tax

Tax expense recognized in the statement of profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity. Calculation of current tax is based on tax rates in accordance with tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method on temporary differences between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at reporting date. Deferred taxes pertaining to items recognized in other comprehensive income are also disclosed under the same head. Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the respective entity's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred tax liabilities are generally recognized in full, although Ind AS 12 'Income Taxes' specifies limited exemptions. As a result of these exemptions the Group does not recognize deferred tax liability on temporary differences relating to goodwill, or to its investments in subsidiaries. Changes in deferred tax assets or liabilities are recognized as a component of tax income or expense in the statement of profit and loss, except where they relate to items that are recognized in other comprehensive income (such as the re-measurement of defined benefit plans) or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

1.2.14. 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.

1.2.15. Provisions (other than employee benefits) 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 31.7 Contingent assets are not recognised in the financial statements.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract.

The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

1.2.16. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company's lease asset primarily consist of lease for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases.

For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

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.

1.2.17. Financial instruments

Financial assets (other than trade receivables) and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit and loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below. Trade receivables are recognized at their transaction price as the same do not contain significant financing component.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement financial assets are classified and measured based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset at:

- a. Amortized cost
- b. Fair Value Through Other Comprehensive Income (FVTOCI) or
- c. Fair Value Through Profit and Loss (FVTPL)

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a Company of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

Financial assets at amortized Cost

Financial assets at amortized Cost Includes assets that are held within a business model where the objective is to hold the financial assets to collect contractual cash flows and the contractual terms gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are measured subsequently at amortized cost using the effective interest method. The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Company shall also measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)

Includes assets that are held within a business model where the objective is both collecting contractual cash flows and selling financial assets along with the contractual terms giving rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, the Company, based on its assessment, makes an irrevocable election to present in other comprehensive income the changes in the fair value of an investment in an equity instrument that is not held for trading. These selections are made on an instrument-by-instrument (i.e., share-by-share) basis. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognized in other comprehensive income. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. The dividends from such instruments are recognized in statement of profit and loss.

The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists. The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Company shall also measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. The loss allowance shall be recognized in other comprehensive income and shall not reduce the carrying amount of the financial asset in the balance sheet.

Financial assets at Fair Value Through Profit and Loss (FVTPL)

Financial assets at FVTPL include financial assets that are designated at FVTPL upon initial recognition and financial assets that are not measured at amortized cost or at fair value through other comprehensive income. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply. Assets in this category are measured at fair value with gains or losses recognized in profit or loss. The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Company shall also measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. The loss allowance shall be recognized in profit and loss.

1.2.18. Impairment

a) Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:

Financial assets measured at amortised cost;

At each reporting date, the Company assesses whether financial assets are carried at amortised cost. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

b) Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the standalone statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

1.2.19. Share based payment transactions:

Employee Stock Option Plans ("ESOPs"):

The fair value of options determined at the grant date is recognized as an employee expense on a straight line basis (on the basis of multiple vesting of options granted), with a corresponding increase in other equity under "Employee Stock Options Outstanding account", over the vesting period of the grant, where the employee becomes entitled to the options. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the "Employee Stock Options Outstanding account".

Stock Options are granted to eligible employees in accordance with "Dynacons - Employees Stock Option Plan 2020" (ESOP 2020), as approved by the Shareholders in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 which was amended by the Board of Directors of the Company to align with the provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

Under Ind AS 102 on Share based Payment, the cost of stock options is recognised based on the fair value of stock options as on the grant date.

1.2.20. Earnings per share

Basic earnings per equity share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). In this scenario, the number of equity shares outstanding increases without an increase in resources due to which the number of equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

2 PROPERTY, PLANT AND EQUIPMENT AND RIGHT OF USE ASSETS

(₹ In Lakhs)

Particulars	Property, Plant and Equipment					Total	Right of Use assets Lease hold premises
	Furnitures & Fixtures	Vehicles (Cars)	Office Equipment	Computer			
Gross block							
Balance as at 1 April 2022	13.39	203.24	6.19	307.45		530.27	353.05
Additions	25.13	-	5.01	-		30.14	250.85
Disposals	5.19	-	1.10	19.90		26.19	232.30
Acquisitions through business combinations	-	-	-	-		-	-
Amount of change due to revaluation	-	-	-	-		-	-
Balance as at 31 March 2023	33.33	203.24	10.10	287.55		534.23	371.60
Additions	28.56	-	0.57	-		29.13	-
Disposals	-	-	-	-		-	3.61
Acquisitions through business combinations	-	-	-	-		-	-
Amount of change due to revaluation	-	-	-	-		-	-
Balance as at 31 March 2024	61.89	203.24	10.67	287.55		563.35	367.99
Accumulated depreciation/ amortisation							
Balance as at 1 April 2022	5.23	34.97	2.90	83.47		126.57	148.14
Depreciation / amortisation for the year	1.60	28.86	1.07	33.29		64.82	71.46
Reversal on disposal of assets	5.09	-	0.95	19.50		25.54	152.53
Balance as at 31 March 2023	1.75	63.83	3.02	97.26		165.86	67.06
Depreciation/ amortisation for the year	4.86	27.69	1.73	42.81		77.08	74.86
Reversal on disposal of assets	-	-	-	-		-	3.61
Balance as at 31 March 2024	6.60	91.52	4.74	140.07		242.94	138.31
Net Block							
Balance as at 1 April 2023	31.59	139.41	7.09	190.29		368.37	304.54
Balance as at 31 March 2024	55.28	111.72	5.93	147.48		320.42	229.68

a. Of the above, charge has been created over Furnitures & Fixtures, Vehicles, Office Equipments and Computers in regard to borrowings (Refer note 20.1)

b. Refer note 1.2.16 for Right of use assets

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

		(₹ In Lakhs)	
Particulars		As at 31 st March, 2024	As at 31 st March, 2023
3	INVESTMENT		
A	- IN SUBSIDIARY		
	Fully paid equity shares (unquoted) at cost		
(i)	Dynacons Systems & Solutions PTE Ltd		
	(7,678 (31 st March, 2023 - 7,678) Equity Shares of US\$ 1/- each)	5.05	5.05
		5.05	5.05
B	- IN ASSOCIATES		
(i)	In Equity Shares - Unquoted, fully paid up at cost		
	Cybercons Infosec Private Limited	5.00	0.00
	(50,000 (31 st March, 2023 - NIL) Equity Shares of ₹ 10 each fully paid up)		
		10.05	5.05
(i)	Extent of investment		
	-Dynacons Systems & Solutions PTE Ltd	100%	100%
	-Cybercons Infosec Private Limited	50%	-
(ii)	Aggregate amount of:		
	-Unquoted investments	10.05	5.05
4	NON-CURRENT FINANCIAL ASSETS - INVESTMENTS		
	Investments designated at fair value through Other Comprehensive Income		
	Quoted		
(i)	In Equity Shares - Quoted, fully paid up		
	Bank of Baroda Limited	0.25	0.25
	(220 (31 st March, 2023 - 220 Equity Shares of ₹ 10 each fully paid up)		
(ii)	In Units of Mutual Fund - Quoted, fully paid up		
a)	Bank of Baroda Large & Midcap Fund - Direct Plan - Growth Option (Unit Nil (31 st March, 2023 - 2,99,675.326)	-	50.11
b)	HDFC Focused 30 Fund - Regular Plan - Growth (Unit 13,055.264 (31 st March, 2023 - NIL))	24.17	-
c)	ICICI Prudential Bluechip Fund - Growth (Unit 25,321.713 (31 st March, 2023 - NIL))	24.34	-
d)	Parag Parikh Flexi Cap Fund - Regular Plan - Growth (Unit 31,645.487 (31 st March, 2023 - NIL))	21.94	-
	Total	70.69	50.35

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

(₹ In Lakhs)

Particulars	As at	As at
	31 st March, 2024	31 st March, 2023
Aggregate amount of Quoted Investment	70.69	50.35
Aggregate amount of Un Quoted Investment	-	-
Market Value of Quoted Investment	70.69	50.35
Equity Investment carried at cost	-	-
Investment carried at fair value through other Comprehensive Income	70.69	50.35
Investment carried at fair value through P & L	-	-

(iii) The Company has made an irrevocable election of accounting policy as at the adoption date 01 April 2016 to fair value investment in equity instrument through Other Comprehensive Income ('OCI').

(iv) Investments in Units of Mutual Funds are considered as quoted investments as NAV's are available at the end of 31st March, 2024/2023

5 OTHER FINANCIAL ASSETS

Security Deposits	-	-
Bank deposits with more than 12 months maturity	273.99	168.25
Deposits Accounts of ₹ 273.99 Lakhs (As at 31 st March, 2023 ₹ 168.25 lakhs) pledged for facilities from Banks. (Refer Note 20.1)		
Total	273.99	168.25

6 DEFERRED TAX ASSET NET

(a) Amounts recognized in profit and loss

Current tax expense (A)

In respect of current year 1,841.65 1,127.53

Deferred tax expense (B)

In respect of current year (16.87) (4.92)

Tax expense recognized in the income statement (A+B) 1,824.78 1,122.61

(b) Amounts recognized in other comprehensive income

Particulars	For the year ended 31 st March, 2024			For the year ended 31 st March, 2023		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurement of the defined benefit plans	(50.88)	14.74	(36.14)	(11.37)	2.85	(8.52)
Equity instruments through other comprehensive income	(19.66)	0.00	(19.66)	(0.76)	0.00	(0.76)
	(70.54)	14.74	(55.80)	(12.13)	2.85	(9.28)

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

(₹ In Lakhs)

Particulars	As at		As at	
	31 st March, 2024		31 st March, 2023	

(c) Reconciliation of effective tax rate

Particulars	For the year ended 31 st March, 2024		For the year ended 31 st March, 2023	
	%	Amounts	%	Amounts
Profit before tax		7,220.81		4,460.26
Tax using the Company's domestic tax rate	25.09%	1,811.70	25.17%	1,122.56
Tax effect of:				
Timing Difference	0.23%	16.87	1.86%	20.83
Permanent Difference	-0.05%	(3.78)	-1.85%	(20.78)
TOTAL	0.18%	13.08	0.01%	0.05
Effective income tax rate	25.27%	1,824.78	25.18%	1,122.61

(d) Movement in deferred tax

	Deferred tax (assets)		Deferred tax liabilities		Net deferred tax (assets) / liability	
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
Provisions - employee benefits	56.05	53.54	-	-	(56.05)	(53.54)
Property, plant and equipment	-	-	74.88	61.58	74.88	61.58
Lease Rentals	79.98	52.33	-	-	(79.98)	(52.33)
Deferred tax (assets) liabilities	136.03	105.87	74.88	61.58	(61.16)	(44.29)

7 INVENTORIES

Stock-in-trade	7,338.86	3,663.38
Total	7,338.86	3,663.38

- a Goods-in-transit included above 3,859.19 -
- b Inventories of ₹ 7,338.86 Lakhs (as at 31st March, 2023: ₹ 3,663.38 Lakhs) are hypothecated against working capital facilities from banks. (Refer note 20.1)

8 TRADE RECEIVABLES

Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured;	40,151.99	30,060.86
Trade Receivables which have significant increase in Credit Risk;	-	13.68
Trade Receivables - credit impaired	-	-
	40,151.99	30,074.53
Less Provision for expected credit loss	-	13.68
Total	40,151.99	30,060.86

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

(₹ In Lakhs)

Particulars	As at	As at
	31 st March, 2024	31 st March, 2023
8.1 Movement in allowance for expected credit loss		
Balance at the beginning of the year	13.68	0.00
Amounts written off	-	-
Allowance during the year	-	13.68
Reversal during the year	-	-
Balance at the end of the year	13.68	13.68

8.2 Trade Receivables ageing schedule

Ageing for trade receivables – current outstanding as at March 31, 2024 is as follows

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables-considered good	38,489.23	885.74	323.85	263.46	189.70	40,151.99
Undisputed trade receivables-considered doubtful	-	-	-	-	-	-
Disputed trade receivables-considered good	-	-	-	-	-	-
Disputed trade receivables-considered doubtful	-	-	-	-	-	-

Ageing for trade receivables – current outstanding as at March 31, 2023 is as follows

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables-considered good	27,759.64	1,149.66	328.32	644.07	179.16	30,060.86
Undisputed trade receivables-considered doubtful	-	-	-	-	-	-
Disputed trade receivables-considered good	-	-	-	-	-	-
Disputed trade receivables-considered doubtful	-	-	-	-	-	-

8.3 Trade Receivables of ₹ 40,151.99 lakhs (as at 31st March, 2023: ₹ 30060.86 Lakhs) are hypothecated against working capital facilities from banks. (Refer note 20.1)

8.4 The carrying amount of the Trade Receivables are considered as a reasonable approximation of fair value as it is expected to be collected within twelve months

8.5 The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note 31.9

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

(₹ In Lakhs)

Particulars	As at	
	31 st March, 2024	31 st March, 2023
9 CASH AND CASH EQUIVALENTS		
Cash on hand	0.80	0.15
Balances with banks in current accounts	58.34	81.42
Demand deposits with Banks	206.48	1,540.32
Total	265.62	1,621.89
Deposits Accounts of ₹ 206.48 Lakhs (As at 31 st March, 2023 ₹ 1540.32 lakhs) pledged for facilities from Banks. (Refer Note 20.1)		
10 OTHER BALANCES WITH BANKS		
Balances with bank held as margin money	8,523.51	2,956.78
Total	8,523.51	2,956.78
11 SHORT TERM LOANS AND ADVANCES (Unsecured and Considered Good)		
Advances to Related Parties	15.00	0.00
Loans & Advances to employees	62.39	34.59
Total	77.39	34.59
12 OTHER FINANCIAL ASSETS (Unsecured and Considered Good)		
Security Deposits	696.70	626.44
Total	696.70	626.44
13 OTHER CURRENT ASSETS		
Duties & Taxes (Net of provisions)	682.50	317.05
Total	682.50	317.05
14 EQUITY SHARE CAPITAL		
(a) Authorised Share Capital		
30,000,000 Equity shares of ₹10 each	3,000.00	3,000.00
(Previous Year 30,000,000 Equity shares of ₹10 each)		
(b) Issued, Subscribed and Fully Paid up :		
(1,27,13,130) Equity shares of ₹ 10 each	1,271.31	1,269.31
(Previous year 1,26,93,080 Equity shares of ₹ 10 each)		

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

Particulars	As at 31 st March 2024		As at 31 st March 2023	
	No. of Shares	Amt	No. of Shares	Amt
Equity Shares at the beginning of the year	12,693,080.00	1,269.31	11,278,080.00	1,127.81
Issued during the year	20,050.00	2.01	1,415,000.00	141.50
Equity Shares at the end of the year	12,713,130.00	1,271.31	12,693,080.00	1,269.31

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

Additional Information

Sr. no	Promoter / Promoter Group Name	2023-24			2022-23		
		Warrants held as on 31-03-2023	Converted in equity shares during FY 2023-24	Balance Warrants (Pending for Conversion at 31-03-2024)	Warrants held as on 31-03-2022	Converted in equity shares during F Y 2022-23	Balance Warrants (Pending for Conversion at 31-03-2023)
1	Jigna D Anjaria	-	-	-	80,000	80,000	-
2	Dharmesh S Anjaria (HUF)	-	-	-	160,000	160,000	-
3	Parag J Dalal (HUF)	-	-	-	160,000	160,000	-
4	Devangi Parag Dalal	-	-	-	80,000	80,000	-
5	Shirish M Anjaria (HUF)	-	-	-	160,000	160,000	-
6	Nilam Shirish Anjaria	-	-	-	160,000	160,000	-
7	Hasumati Jitendra Dalal	-	-	-	80,000	80,000	-
8	Pankti Dalal	-	-	-	40,000	40,000	-
9	Dhvani Dalal	-	-	-	40,000	40,000	-
10	Trigem Infosolutions Limited	-	-	-	455,000	455,000	-
	Total	-	-	-	1,415,000	1,415,000	-

14.2 Shareholding of Promoter/Promoter Group

Sr. no	Promoter / Promoter Group Name	As at 31 st March 2024			As at 31 st March 2023		
		No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
1	Shirish Mansinh Anjaria	1160948	9.13%	-	1160948	9.15%	-
2	Parag Jitendra Dalal	1039816	8.18%	8.33%	959816	7.56%	1.33%
3	Jigna Dharmesh Anjaria	291463	2.29%	-	291463	2.30%	37.83%
4	Dharmesh Shirish Anjaria HUF	410000	3.23%	-	410000	3.23%	64.00%
5	Parag Jitendra Dalal HUF	470077	3.70%	-	470077	3.70%	51.60%
6	Devangi Parag Dalal	269640	2.12%	-	269640	2.12%	42.19%
7	Shirish Mansinh Anjaria HUF	413543	3.25%	-	413543	3.26%	63.11%
8	Dharmesh Shirish Anjaria	956890	7.53%	-	956890	7.54%	-
9	Nilam Shirish Anjaria	524602	4.13%	-	524602	4.13%	43.88%
10	Hasumati Jitendra Dalal	52200	0.41%	-60.51%	132200	1.04%	103.96%
11	Trigem Infosolutions Limited	2086475	16.41%	-	2086475	16.44%	27.89%
12	Pankti Dalal	40000	0.31%	-	40000	0.32%	100.00%
13	Dhvani Dalal	40000	0.31%	-	40000	0.32%	100.00%
	Total	7755654	61.01%		7755654	61.10%	

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

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

Name of the Shareholder	As at 31 Mar 2024		As at 31 Mar 2023	
	Number of Shares Held	% holding	Number of Shares Held	% holding
Shirish Mansingh Anjaria	1,160,948	9.13	1,160,948	9.15
Dharmesh Shirish Anjaria	956,890	7.53	956,890	7.54
Parag Jitendra Dalal	1,039,816	8.18	959,816	7.56
Trigem Infosolutions Limited	2,086,475	16.41	2,086,475	16.44

14.4 The Company has allotted 20,050 equity shares of face value ₹ 10 each on March 29, 2024, to the eligible employees at an exercise price of ₹ 10 per share as per the 'Dynacons - Employees Stock Option Plan 2020' ('ESOP – 2020')

14.5 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.

14.6 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, the equity shareholders are eligible to receive the remaining assets of the company in proportion to their shareholdings.

14.7 During the 5 years immediately preceding the balance sheet date, there were no equity shares allotted as fully paid up pursuant to contract without payment being received in cash, no bonus shares were issued and there was no buy-back of equity shares of the Company.

14.8 The Company declares and pays dividends in Indian Rupees. The Board of Directors in their meeting held on August 24, 2023, declared an interim dividend of ₹ 0.50/- per share on the nominal value of ₹ 10/-each and paid to all the eligible shareholders as at August 24, 2023. The interim dividend paid is considered as the final dividend for the financial year ended 31st March, 2024.

14.9 Shares reserved for issue under option

For details of shares reserved for issue and shares issued under the Employee Stock Option Plan (ESOP) of the Company, refer note 31.3. These options are granted to the employees subject to cancellation under circumstance of his cessation of employment with the Company on or before the vesting date.

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

(₹ In Lakhs)

Particulars		
	As at 31 st March, 2024	As at 31 st March, 2023
15 OTHER EQUITY		
Securities premium account	1,018.07	958.60
General reserve	190.46	190.46
Retained earnings	13,289.90	7,957.57
Other comprehensive income	(49.95)	(16.89)
Share option outstanding	36.71	97.23
Total	14,485.19	9,186.97

The movement in Other Equity:**(a) Securities premium account**

As per last Balance Sheet	958.60	703.90
Add: Premium on issue of share under employees stock option scheme (see note 31.3)	59.47	254.70
Total	1,018.07	958.60

Securities premium account represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Act.

(b) General reserve

As per last Balance Sheet	190.46	190.46
General reserve represents an appropriation of profits by the Company, which can be utilised for purposes such as dividend payout etc.		

(c) Surplus in Statement of Profit and Loss

As per last Balance Sheet	7,957.57	4,671.93
Less : Dividend Distributed	(63.71)	(52.00)
Add: Profit for the year	5,396.03	3,337.65
	13,289.90	7,957.57

Surplus in Statement of Profit and Loss comprises of prior years' undistributed earnings after taxes, which can be utilised for purposes such as dividend payout etc..

(d) Money received against share warrants

As per last Balance Sheet	-	99.05
Add : Monies received during the year	-	297.15
	-	396.20
Less : Issue of Shares	-	141.50
Less : Transfer to Securities Premium Account	-	254.70
Balance for subsequent conversion	-	-
Total reserves and surplus	14,498.43	9,106.63

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

(₹ In Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
(e) Other comprehensive income		
Balance at the beginning of the year	(16.89)	(7.61)
Add : Movement during the year	(55.80)	(9.28)
Add : Defined employee benefit plans transfer	22.74	-
Balance at the end of the year	(49.95)	(16.89)
(f) Share option outstanding		
Opening balance	97.23	-
Add : Granted/ vested during the year	-	97.23
Less : Transfer to Securities Premium Account	(59.47)	-
Less : Written back to Statement of Profit and Loss during the year	(1.04)	-
Balance at the end of the year	36.71	97.23
Total other Equity	14,485.19	9,186.97
16 Non Current Financial Liabilities - Borrowings		
Term Loans		
Secured		
From Banks	1,322.99	1,749.57
Unsecured		
From Banks	134.81	221.09
	1,457.80	1,970.65
Less: Current maturities of long-term loan from bank (included in note 20)		
Secured	427.40	291.16
Unsecured	83.25	83.25
	510.65	374.41
Total	947.15	1,596.25
Non Current Liabilities - Long Term Borrowings		
Secured		
From Banks	895.59	1,458.41
	895.59	1,458.41
Unsecured		
From Banks	51.56	137.84
	51.56	137.84
Total	947.15	1,596.25

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

16.1 Nature of Security & terms of Repayment of secured borrowing :

FY 2023-24

Particulars	Security	Currency	Rate of interest	Non - Current	Current
1) Term loan from banks Repayable in 1 quarterly instalment of ₹ 39.60 Lakhs & balance 6 Quaterly instalments of ₹ 94.80 Lakhs from 07 December 2024 and ending on 23 June 2026. *Balance outstanding is net of Pre Payments of ₹ 150 Lakhs made during the year.	Security Details : 1) 1 st Charge Pari Passu by way of Hypothecation on Current Assets and All Movable Fixed Assets(excluding vehicles) both present and Future. Other charge sharing bank/ institutions: HDFC Bank 2) Sole Charge by way of Equitable Mortgage on Property/ FD. 3) Personal Guarantee of Director	INR	MCLR 3 Month	474.02	134.41
2) Vehicle Loan - Repayable in balance 32 monthly instalments of 0.98 lakhs, ending on 07 November 2026.	Motor Vehicle (Hypothecation)	INR	7.00%	18.60	10.17
3) Vehicle Loan - Repayable in balance 36 monthly instalments of 1.28 lakhs, ending on 07 March 2027.	Motor Vehicle (Hypothecation)	INR	6.80%	28.67	12.94
4) Term loan from banks - Repayable in balance 24 monthly instalments of 14.58 lakh, ending on 03 March 2026.	Extention of ranking charge over existing primary and collateral securities including mortgages created in favour of the Bank.	INR	MCLR +1%	189.58	175.00
5) Term loan from banks - Repayable in balance 36 monthly instalments of 7.59 lakh, ending on 10 March 2027.	Extention of ranking charge over existing primary and collateral securities including mortgages created in favour of the Bank.	INR	MCLR +1%	182.10	91.05
6) Term loan from banks - Repayable in balance 20 monthly instalments of 0.35 lakh, ending on 10 November 2025.	Motor Vehicle	INR	8.01%	2.61	3.83
		Total		895.59	427.40

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

FY 2022-23

Particulars	Security	Currency	Rate of interest	Non - Current	Current
1) Term loan from banks Repayable in 8 equal Quaterly instalments of 94.80 lakhs beginning from 07 september 2024 and ending on 23 june 2026.	Security Details : 1) 1 st Charge Pari Passu by way of Hypothecation on Current Assets and All Movable Fixed Assets(excluding vehicles) both present and Future. Other charge sharing bank/ institutions: HDFC Bank 2) Sole Charge by way of Equitable Mortgage on Property/ FD. 3) Personal Guarantee of Director	INR	MCLR 3 Month	758.44	0.00
2) Vehicle Loan - Repayable in balance 44 monthly instalments of 0.98 lakhs, ending on 07 November 2026.	Motor Vehicle (Hypothecation)	INR	7.00%	28.77	9.48
3) Vehicle Loan - Repayable in balance 48 monthly instalments of 1.28 lakhs, ending on 07 March 2027.	Motor Vehicle (Hypothecation)	INR	6.80%	41.61	12.09
4) Term loan from banks - Repayable in balance 36 monthly instalments of 14.58 lakh, ending on 03 March 2026.	Extention of ranking charge over existing primary and collateral securities including mortgages created in favour of the Bank.	INR	MCLR +1%	350.00	175.00
5) Term loan from banks - Repayable in balance 48 monthly instalments of 7.59 lakh, ending on 10 March 2027.	Extention of ranking charge over existing primary and collateral securities including mortgages created in favour of the Bank.	INR	MCLR +1%	273.15	91.05
6) Term loan from banks - Repayable in balance 32 monthly instalments of 0.35 lakh, ending on 10 November 2025.	Motor Vehicle	INR	8.01%	6.45	3.54
		Total		1458.41	291.16

16.2 Nature of Security & terms of Repayment of Unsecured borrowing :

FY 2023-24

Particulars	Security	Currency	Rate of interest	Non - Current	Current
1) Term loan from banks - Repayable in balance 21 monthly instalments of 6.93 lakh, ending on 30 December 2025.	Unsecured	INR	MCLR 3M + 1.10	51.56	83.25

FY 2022-23

Particulars	Security	Currency	Rate of interest	Non - Current	Current
1) Term loan from banks - Repayable in balance 33 monthly instalments of 6.93 lakh, ending on 30 December 2025.	Unsecured	INR	MCLR 3M + 1.10	137.84	83.25

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

		(₹ In Lakhs)	
Particulars	As at 31 st March, 2024	As at 31 st March, 2023	
17 LEASE LIABILITIES -NON-CURRENT			
Lease Liabilities	186.48	257.41	
Refer Note no 31.11			
	186.48	257.41	
18 LONG TERM PROVISIONS			
Provision for employee benefits:			
i) Provision for other defined benefit plans			
- Gratuity (Refer Note 31.2)	287.38	202.27	
ii) Leave Encashment	59.37	58.27	
Total	346.76	260.54	
19 OTHER NON CURRENT LIABILITIES			
Unpaid Dividends	15.10	13.74	
Total	15.10	13.74	
20 CURRENT FINANCIAL LIABILITIES - BORROWINGS			
Secured			
Loans repayable on demand			
-Working Capital Loans From Banks	1,861.56	4,572.24	
-Current maturities of long-term debt	427.40	291.16	
Unsecured			
-Current maturities of long-term debt	83.25	83.25	
Total	2,372.21	4,946.65	
20.1 Working capital loans are secured by hypothecation of present and future stock, book debts, outstanding monies, receivables, claims, bills, material in transit, Bank fixed deposits and Property, Plant & Equipment and personal guarantees of directors.			
21 LEASE LIABILITIES - CURRENT			
Lease Liabilities	70.93	62.53	
	70.93	62.53	
22 TRADE PAYABLES			
Total outstanding dues of micro enterprises and small enterprises	6.32	3.06	
Total outstanding dues of creditors other than micro enterprises and small enterprises	38,185.72	21,891.28	
Total	38,192.04	21,894.34	

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

22.1 Trade Payable ageing Schedule

Ageing for trade payables outstanding as at March 31, 2024 is as follows

Particulars	Less than 1 year	1-2 yrs	2-3 yrs	More than 3 years	Total
MSME	6.32	-	-	-	6.32
Others	38,056.13	56.28	35.68	37.63	38,185.72
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-

Ageing for trade payables outstanding as at March 31, 2023 is as follows

Particulars	Less than 1 year	1-2 yrs	2-3 yrs	More than 3 years	Total
MSME	3.06	-	-	-	3.06
Others	21,806.99	44.84	21.31	18.14	21,891.28
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Ageing Schedule is in respect of Overdue cases including where no due date of payment is specified.					

22.2 The Company has certain dues to suppliers registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosures pursuant to the said MSMED Act are as follows :

(₹ In Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Principal amount due and remaining unpaid	6.32	3.06
Interest due and unpaid on the above amount	-	-
Interest paid by the Company in terms of section 16 of the Micro, Small and Medium enterprises Act, 2006	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable	-	-

22.3 Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made during the year.

23 OTHER CURRENT LIABILITIES

Other Payables*	815.36	734.10
Total	815.36	734.10

* includes statutory dues and others

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

		(₹ In Lakhs)	
Particulars		As at 31 st March, 2024	As at 31 st March, 2023
24	REVENUE FROM OPERATIONS		
	Revenue from Information Technology Products	102,443.48	80,414.50
	Total	102,443.48	80,414.50
a)	The Company is engaged in systems Integration which includes the sales of products and services as a complete solution		
b)	Disaggregate Revenue The table below presents disaggregated revenues of the Company from contracts with customers by geography. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected by industry, market and other economic factors.		
	Total revenue from contracts with customers		
	India	101,627.60	77,874.75
	Export (Including deemed export)	815.89	2,539.75
	Total	102,443.48	80,414.50
c)	Reconciliation between revenue with customers and contracted price:		
	Revenue as per contracted price	108,954.22	86,790.51
	Less: Adjustments		
	Sales return	(6,510.74)	(6,376.02)
	Revenue from contracts with Customers	102,443.48	80,414.50
d)	Contract balances		
	The following table provides information about receivables from contracts with customers:		
	Trade receivables	40,151.99	30,074.53
	Allowance as per Expected credit loss model	-	13.68
	Total	40,151.99	30,060.86
	Trade receivables are non-interest bearing and are generally on terms of 90 to 120 days.		
25	OTHER INCOME		
	Interest income	397.39	202.14
	Other Non-Operating Income	40.87	0.00
	Others #	0.09	27.44
	Total	438.36	229.58
	# includes Miscellaneous income		

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

		(₹ In Lakhs)	
Particulars		As at 31 st March, 2024	As at 31 st March, 2023
26	PURCHASES OF STOCK-IN-TRADE		
	Purchases of Information Technology Products	93,253.96	67,267.49
	Total	93,253.96	67,267.49
27	CHANGES IN INVENTORIES OF STOCK-IN-TRADE		
	Inventories at close		
	Stock-in-Trade	7,338.86	3,663.38
		7,338.86	3,663.38
	Inventories at commencement		
	Stock-in-Trade	3,663.38	7,090.64
		3,663.38	7,090.64
	Total	(3,675.48)	3,427.26
28	EMPLOYEE BENEFITS EXPENSE		
	Salaries and wages	3,570.40	2,849.96
	Contributions to provident and other funds	178.15	152.40
	Staff Welfare Expenses	106.65	74.01
	Total	3,855.19	3,076.37
29	FINANCE COST		
	a) Interest on financial liabilities carried at amortised cost	35.02	29.56
	b) Interest on borrowings	709.81	904.30
	c) Others	133.99	152.99
	Total	878.82	1,086.84
30	OTHER EXPENSES		
	Electricity Expenses	12.88	9.99
	Rent	57.21	31.94
	Communication Expenses	20.39	19.54
	Auditors Remuneration (Refer Note 30.1 below)	11.98	9.00
	Bank Charges	7.75	4.58
	Conveyance And Travelling Expenses	431.99	379.29
	Insurance Charges	18.69	37.00
	Legal & Professional Charges	126.95	119.88
	Loss on expiry of useful life of assets	0.00	0.65
	Membership & Subscription	40.29	45.66
	Miscellaneous Expenses (Refer Note 30.2 below)	66.75	47.24
	Corporate social responsibility expenditure (Refer Note 30.3 below)	52.31	27.54
	Motor Car Expenses	13.42	12.62

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

Particulars	(₹ In Lakhs)	
	As at 31 st March, 2024	As at 31 st March, 2023
Bad Debts Written off	6.82	13.68
Printing & Stationary Expenses	18.62	18.72
Rates & Taxes	46.65	59.18
Repairs & Maintenance -Building	2.54	2.58
Repairs & Maintenance - Others	4.80	10.76
Sales Promotion Expenses	14.81	16.75
Transportation Charges	241.76	322.97
Total	1,196.60	1,189.57
30.1 Auditors Remuneration		
- Audit Fees	9.00	9.00
- Other	2.98	-
Total	11.98	9.00
30.2 Miscellaneous Expenses includes office Expense postage & telegram exp etc		
30.3 Details of corporate social responsibility expenditure		
(a) Amount required to be spent by the Company	52.17	27.49
(b) Amount spent during the year on:		
i Construction or acquisition of any asset	-	-
ii On purposes other than (i) above		
CSR Committee has identified & approved projects which was paid as under.		
Out of CSR fund of F.Y.- 23-24	52.31	-
Out of CSR fund of F.Y.- 22-23	-	27.54
iii Shortfall at the end of the year out of the amount required to be spent by the Company during the year;	-	-
iv Total of previous years shortfall	-	-
v Reason for shortfall	Not Applicable	Not Applicable
vi Nature of CSR activities	"Promoting Education, Healthcare, Eradicating hunger, poverty & Animal welfare"	
vii Details of related party transactions:	-	8.00
Josh Foundation		

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

Additional Information to the financial statements

31.1. Earnings per share (EPS)

Particulars	Units	Year Ended March 31, 2024	Year Ended March 31, 2023
Profit after Tax	(₹/lakhs)	5,396.03	3,337.65
Weighted Number of Equity Shares	Nos. Lakhs	126.93	120.43
Earnings Per Share (of paid up Value of ₹ 10 each) Basic	₹	42.51	27.71
Weighted average number of shares outstanding and dilutive shares	Nos. Lakhs	127.06	120.75
Earnings Per Share (of paid up Value of ₹ 10 each) Diluted	₹	42.47	27.64

31.2. EMPLOYEE BENEFIT OBLIGATIONS

Defined benefit plans – Gratuity:

Gratuity is payable to all the members at the rate of 15 days salary for each year of service. In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (“the Gratuity Plan”) covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date.

The following table sets out the status of the Gratuity Plan and the amounts recognized in the financial statement:

(₹ in Lakhs)

Particulars		2024	2023
		Amount (₹)	Amount (₹)
I. Assumptions :			
	Discount Rate	7.19%	7.44%
	Salary escalation rate	5.00%	5.00%
II. Table Showing Change in Benefit Obligation :			
	Liability at the beginning of the year	202.27	180.93
	Current Service Cost	94.22	28.64
	Benefits Paid	(9.10)	(7.30)
	Balance	287.38	202.27
	Liability at the end of the year	287.38	202.27
III. Amount Recognized in the Balance Sheet			
	Liability at the end of the year	287.38	202.27
	Difference Adjusted	-	-
	Amount Recognized in the Balance Sheet	287.38	202.27
IV. Expenses Recognized in the Income Statement:			
	Current Service Cost	43.34	40.00
	Expense Recognized in P & L	43.34	40.00
V. Expenses Recognized in the OCI :			
	Current Service Cost	(50.88)	11.37
	Expense Recognized in P & L	(50.88)	11.37

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

Maturity Analysis of the Benefit Payments: From the Employer

(₹ in Lakhs)

Projected Benefits Payable in Future Years from the Date of Reporting		
	Year Ended March 31, 2024	Year Ended March 31, 2023
1st Following Year	13.52	10.07
2nd Following Year	7.93	9.68
3rd Following Year	14.07	6.75
4th Following Year	13.89	7.72
5th Following Year	9.61	7.50
Sum of Years 6 To 10	107.63	50.00
Sum of Years 11 and above	595.95	530.34

Sensitivity Analysis

(₹ in Lakhs)

	Year Ended March 31, 2024	Year Ended March 31, 2023
Projected Benefit Obligation on Current Assumptions	287.38	202.27
Delta Effect of +1% Change in Rate of Discounting	(29.75)	(22.73)
Delta Effect of -1% Change in Rate of Discounting	35.09	27.22
Delta Effect of +1% Change in Rate of Salary Increase	34.71	27.44
Delta Effect of -1% Change in Rate of Salary Increase	(29.84)	(23.42)
Delta Effect of +1% Change in Rate of Employee Turnover	5.94	5.88
Delta Effect of -1% Change in Rate of Employee Turnover	(6.85)	(6.83)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Defined contribution plans

The Company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligations of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. Employer's contribution to Provident Fund during the year is 126.53 Lakh (P.y. 104.30 Lakhs)

31.3. Employee Stock Option Plan

The Company had Dynacons - Employees Stock Option Plan 2020 (ESOP – 2020) which provided for the grant of equity shares of the Company to the eligible employees of the Company. The Board of Directors recommended the establishment of the ESOP 2020 on September 03, 2020 and shareholders approved the recommendations of the Board of Directors in Annual General Meeting held on September 30, 2020. ESOP- 2020 was further amended by the

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

Nomination and Remuneration Committee and Board of Directors of the Company at their meetings held on March 10, 2022 in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI SBEB and Sweat Equity Regulations). The maximum aggregate number of shares that may be awarded on the grant of stock options under ESOP 2020 is 15,00,000 equity shares. Under ESOP 2020, the Company had approved grant vide its Nomination and Remuneration committee meeting held on August 10, 2022 under ESOP 2020. As per the plan, option granted under ESOP- 2020 would vest over a period of 1 year to 2 years from the date of grant of such options. The Plan is Equity Settled Plan.

Particulars	Grant I	Grant II
	ESOP 2020	
Date of Grant	August 10, 2022	August 10, 2022
Date of Share holders Approval	September 30, 2020	September 30, 2020
Date of Board of Directors Approval / Committee	September 03, 2020	September 03, 2020
No. of Option	21550	11950
Method of settlement (Cash/ Equity)	Equity	Equity
Vesting Period	1 Years	2 Years
Exercise Price (Per Share Rs.)	₹ 10	₹ 10
Exercise Period	Options vested may be exercised by the Option Grantee within a maximum period of two Year from the date of last vesting of Options. Hence maximum term of Options granted is 3 years	Options vested may be exercised by the Option Grantee within a maximum period of two Year from the date of last vesting of Options. Hence maximum term of Options granted is 4 years
Ext. of Exercise Period	None	None

Particulars	As on 31 st March, 2024		As on 31 st March, 2023	
	DSSL ESOP 2020		DSSL ESOP 2020	
	Grant I	Grant II	Grant I	Grant II
1 Outstanding at the beginning				
– Shares arising out of options	20,800	11,950	–	–
– Weighted average exercise price	10	10	–	–
2 New option granted during the year				
– Shares arising out of options	–	–	21,550	11,950
– Weighted average exercise price	–	–	10	10
3 Forfeited and expired				
– Shares arising out of options	350	–	750	–
– Weighted average exercise price	10	–	10	–
4 Options Exercised during the year				
– Shares arising out of options	20,050	–	–	–
– Weighted average exercise price	10	–	–	–
5 Outstanding at the end				
– Shares arising out of options	–	11,950	20,800	11,950
– Weighted average exercise price	–	10	10	10
6 Exercisable at the end				
– Shares arising out of options	400	–	–	–
– Weighted average exercise price	10	–	–	–

Notes forming part of the standalone financial statements for the year ended 31st March, 2024**31.4. Related Party Disclosures**

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

(i) Subsidiaries

Dynacons Systems & Solutions PTE Ltd

(ii) Associate Company

Cybercons Infosec Private Limited

(iii) Entities in which Directors or their relatives are interested and with whom transactions have taken place

S. P. Corporation

Trigem Infosolutions Limited

Josh Foundation

(iv) Key Managerial Personnel**a) Executive Director**

Shirish M. Anjaria

Parag J. Dalal

Dharmesh S. Anjaria

b) Other than Directors

Pooja Patwa (Company Secretary & Compliance Officer)

(v) Non-Executive Director and Independent Director

Jitesh Jain

Archana Phadke

Vijay Maganlal Doshi

(vi) Other Related Party (Significant Influences)

Jigna D Anjaria

Dharmesh S Anjaria (HUF)

Parag J Dalal (HUF)

Devangi Parag Dalal

Shirish M Anjaria (HUF)

Nilam Shirish Anjaria

Hasumati Jitendra Dalal

Pankti Dalal

Dhvani Dalal

The transactions with the related parties during the normal course of business are as under:

A. Payments for expenses

Party	Nature of Payment	2024 (₹/lakhs)	2023 (₹/lakhs)
M/s S.P. Corporation	Rent for Premises	1.80	1.80
M/s S.P. Corporation	Reimbursement of Expenses	2.49	2.49
Mr. Shirish M. Anjaria	Remuneration	120.00	78.00
Mr. Parag J. Dalal	Remuneration	108.00	72.00
Mr. Dharmesh S. Anjaria	Remuneration	108.00	72.00
Mr. Ravishankar Singh	Remuneration	-	0.52
Ms. Pooja Patwa	Remuneration	10.20	8.20

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

Party	Nature of Payment	2024 (₹/lakhs)	2023 (₹/lakhs)
Josh Foundation	Corporate social responsibility expenditure	-	8.00
Cybercons Infosec Private Limited	Investment made in equity	5.00	-
Cybercons Infosec Private Limited	Advances	15.00	-

31.5. Balances Outstanding

(₹ in Lakhs)

Nature of Transaction	Subsidiaries		Entities controlled by Key Managerial Personnel	
	As at 31 st March, 2024	As at 31 st March, 2023	As at 31 st March, 2024	As at 31 st March, 2023
Investment in Shares				
Dynacons Systems & Solutions PTE Ltd	5.05	5.05	-	-
Cybercons Infosec Private Limited	-	-	5.00	-

Notes :Service transactions with related parties are made at arm's length price.

31.6. Segment Information

As per Para 4 of Ind AS 108 Operating Segments, when entity's financial report contains both the consolidated financial statements of a parent that is within the scope of this Ind AS well as the parent's standalone financial statements, segment information is required only in the consolidated financial statements. Hence segment information is disclosed as a part of consolidated financial statements for the year ended 31st March 2024.

31.7. Contingent Liabilities

a) Claims against the Company not acknowledged as debts:

Particulars	Period to which the amount relates	Forum where the dispute is pending	2024 (₹/lakhs)	2023 (₹/lakhs)
GST	FY 2018-19	Appeal To Appellate Authority	9.64	9.64

b) Guarantees given by the company's bankers ₹ 8522.72 lakhs (previous year ₹ 4635.69 lakhs)

31.8. Financial instruments

A. Capital Management :

The Company manages its capital structure with a view to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings as detailed in notes 14, 16 and 20) and total equity of the Company.

The Company's management reviews the capital structure of the Company on an annual basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital.

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

The gearing ratio at the end of the reporting period was as follows:

(₹ in Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Non-current borrowings	947.15	1,596.25
Current maturities of non-current borrowings	510.65	374.41
Current borrowings	1,861.56	4,572.24
Total Debt	3,319.36	6,542.89
Equity	15,756.51	10,456.27
Net debt to equity ratio	0.21	0.63

For the purpose of computing debt to equity ratio, equity includes Equity Share Capital and Other Equity and Debt includes Long term borrowings, short term borrowings and current maturities of long-term borrowings.

B. Financial Instruments-Accounting Classifications and Fair value measurements (Ind AS 107)**i) Classification of Financial Assets and Liabilities:**

(₹ in Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Financial Assets		
Measured at Amortised cost		
Trade receivables	40,151.99	30,060.86
Cash and cash equivalents	265.62	1,621.89
Bank balances other than above	8,523.51	2,956.78
Short Term Loans and Advances	62.39	34.59
Other Financial Assets	696.70	626.44
Designated at fair value through other comprehensive income		
Investments in Mutual Fund Units	70.69	50.35
Total	49,770.89	35,350.91
Financial Liabilities		
Measured at amortised cost		
Long-Term Borrowings	947.15	1,596.25
Lease Liabilities	257.41	319.94
Short-Term Borrowings	2,372.21	4,946.65
Trade Payables	38,192.04	21,894.34
Total	41,768.81	28,757.17

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

ii) Fair Value Measurements (Ind AS 113):

Fair value measurement hierarchy

The Company records certain financial assets and financial liabilities at fair value on a recurring basis. The Company determines fair values based on the price it would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability.

The Company holds certain fixed income investments and other financial assets, which must be measured using the fair value hierarchy and related valuation methodologies. The guidance specifies a hierarchy of valuation techniques based on whether the inputs to each measurement are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's assumptions about current market conditions. The fair value hierarchy also

Requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

Financial assets and Financial liabilities measured at fair value in the balance sheet are grouped into three Levels of fair value hierarchy. These levels are based on the observability of significant inputs to the measurement, as follows:

- > Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- > Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and
- > Level 3: Unobservable inputs for the asset or liability.

The following table shows the Levels within the hierarchy of financial and non-financial assets and liabilities measured at fair value on a recurring basis at 31st March 2024 and 31st March 2023,:

(a) Quantitative disclosures fair value measurement hierarchy for assets as at the reporting date:

(₹ in Lakhs)

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial Assets					
Fair value through Other Comprehensive Income Investments in quoted instruments	31-Mar-24	70.69	70.69	-	-
	31-Mar-23	50.35	50.35	-	-

There have been no transfers between levels during the year.

Investment in quoted instruments are valued based on the quoted prices available in the market as at the reporting date.

The following tables shows a reconciliation from the opening balance to the closing balance for level 1 fair values:

(₹ in Lakhs)

Particulars	Total	FVTOCI financial investments
Balance as at 31 st March, 2022	51.12	51.12
Addition / (Deletion) during the year	(0.76)	(0.76)
Balance as at 31 st March, 2023	50.35	50.35
Addition / (Deletion) during the year	20.34	20.34
Balance as at 31 st March, 2024	70.69	70.69

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

Loans, cash and bank balances, trade receivables, other financial assets, trade payables, and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

31.9. Nature and extent of risks arising from financial instruments and respective financial risk management objectives and policies

The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its and group companies' operations. The Company's principal financial assets include loans, trade and other receivables, investments, cash and short-term deposits that derive directly from its operations. The Company also enters into derivative transactions to hedge and holds short term investments. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by the Group Treasury Team that advises on financial risks and the appropriate financial risk governance framework in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by Group Treasury Team that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors review and agree on policies for managing each of these risks, which are summarized below:

a) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example trade receivables, investment in mutual funds etc.

Trade and other receivables

Customer credit is managed by each business unit subject to the Company's established policies, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 90 to 120 days credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The Company does not hold collateral as security. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

The following table provides information about the exposure to credit risk and Expected Credit Loss Allowance for trade and other receivables:

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
0-180 days	38,489.23	27,759.64
More than 180 Days	1,662.76	2301.22
Total	40,151.99	30,060.86

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by the Company, and incorporates this information into its credit risk controls. The Company's policy is to transact only with counterparties who are highly creditworthy which are assessed based on internal due diligence parameters. In respect

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

of trade receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various geographical areas. Based on historical information about customer default rates management consider the credit quality of trade receivables that are not past due or impaired to be good.

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, investments in mutual funds. The Company has diversified portfolio of investment with various number of counter-parties which have secure credit ratings hence the risk is reduced. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Management of the Company.

b) Liquidity risk

Liquidity risk is that the Company might be unable to meet its obligations. The Company manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecast cash inflows and outflows due in day-to-day business. The data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on a monthly, quarterly, and yearly basis depending on the business needs. Net cash requirements are compared to available borrowing facilities in order to determine headroom or any shortfalls. This analysis shows that available borrowing facilities are expected to be sufficient over the lookout period.

Liquidity risk is managed by Company through effective fund management. The Company's principal sources of liquidity are cash and cash equivalents, borrowings and the cash flow that is generated from operations. The Company believes that current cash and cash equivalents, tied up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements. Accordingly, liquidity risk is perceived to be low.

The Company considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources and trade receivables. The Company's existing cash resources and trade receivables significantly exceed the current cash outflow requirements. Cash flows from trade receivables are all contractually due within 90-120 days based on the credit period. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, and short-term borrowings. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding.

The Company's non-derivative financial liabilities have contractual maturities as summarised below:

(₹ in Lakhs)

Particular	Carrying amount	Contractual cash flows	
		Upto 1 year	More than 1 year
As at 31st March 2024			
Borrowings	1,861.56	1,861.56	-
Trade Payables	38,192.04	38,192.04	-
Long-Term Borrowings (Borrowings (including Current Maturities of Long-Term Debts)	1,457.80	510.65	947.15
As at 31st March 2023			
Borrowings	4,572.24	4,572.24	-
Trade Payables	21,894.34	21,894.34	-
Long-Term Borrowings (Borrowings (including Current Maturities of Long-Term Debts)	1,970.65	374.41	1,596.25

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

c) Market risk

The Company is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risks, which result from both its operating and investing activities.

Foreign currency risk

Most of the Company's transactions are carried out in Indian rupees. Exposures to currency exchange rates arise from the Company's overseas sales and purchases, which are primarily denominated in US dollars (USD)

To mitigate the Company's exposure to foreign currency risk, cash flows are continuously monitored.

Foreign currency denominated financial assets and financial liabilities which expose the Company to currency risk are disclosed below. The amounts shown are those reported to key management translated at the closing rate: -

(₹ in Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Financial assets		
Trade receivables	183.04	216.43
Net exposure for assets	183.04	216.43
Financial liabilities		
Trade Payables	26.71	-
Net exposure for liabilities	26.71	-
Net exposure (Assets - Liabilities)	156.33	216.43

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.

Sensitivity analysis

The following table details the Company's sensitivity to a 5% increase and decrease in the Rupee against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the net exposure outstanding on receivables or payables in the Company at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rate. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets or recognised directly in reserves, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

Impact on profit or loss

Movement in currency (Before tax)	Increase in Exchange rate by 5%		Decrease in Exchange rate by 5%	
	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
USD	7.82	10.82	(7.82)	(10.82)

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates are managed by borrowing at fixed interest rates. During the year Company did not have any floating rate borrowings.

The Company's investments in term deposits (i.e. certificates of deposits) with banks are at fixed interest rate and therefore do not expose the company to significant interest rate risk.

Interest Rate Exposure:

(₹ in Lakhs)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Variable Rate Borrowings	3,311.68	6440.96
Fixed Rate Borrowings	76.82	101.93
Total	3,319.36	6542.89

Interest rate sensitivities for floating rate borrowings:

(₹ in Lakhs)

Movement in rate Particulars	Increase in Interest rate by 0.25%		Decrease in Interest rate by 0.25%	
	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Variable Rate Borrowings	8.28	16.10	(8.28)	(16.10)

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period.

31.10. (a) Advance(s) in the nature of Loan (Regulation 34 of Listing Obligations & Disclosure Requirements)

No Loans have been given to Subsidiaries during the year.

(b) Particulars of Loans, Guarantees or Investments covered under section 186(4) of the Companies Act, 2013

Name of the Party	Nature	Amount (Rs.)	Purpose
Wholly Owned Subsidiary			
Dynacons Systems & Solutions PTE Ltd	Investments in Equity Shares	5,05,143 (P.Y. 5,05,143)	Capital Investment
Associate Company			
Cybercons Infosec Private Limited	Investments in Equity Shares	5,00,000 (P.Y. NIL)	Capital Investment

31.11. Lease Commitments

Operating Lease

The company has lease contract for office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

As a lessee, the Company determines the lease term as the non-cancelable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors, such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The following is the movement in lease liabilities during the year ended 31st March, 2024:

(₹ in Lakhs)

Particulars	31 st March, 2024	31 st March, 2023
Balance at the beginning of the year	319.93	240.07
Leased liability recognised during the year	-	250.85
Reversals	-	(107.11)
Finance cost accrued during the period	35.02	29.56
Payment of lease liabilities	(97.54)	(93.43)
Balance at the end	257.41	319.93
Lease Liability – Current	70.93	62.53
Lease Liability - Non-Current	186.48	257.41

Expenses relating to short term leases and low value assets have been disclosed under Rent in Note. 30

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

31.12. KEY FINANCIAL RATIOS

No.	Ratio	As at 31 st March 2024	As at 31 st March 2023	% Variance	Remarks
1	Current ratio (in times)	1.39	1.42	(2%)	Not Applicable
	Numerator: Total current assets				
	Denominator: Total current liabilities				
2	Debt-Equity ratio (times)	0.21	0.63		Movement in ratio is due to improvement in Shareholder's Equity and repayment of term loans during the current year.
	Numerator: Debt consists of borrowings			(66.33%)	
	Denominator: Total equity				
3	Debt service coverage ratio (in times)	8.68	8.40	3.39%	Not Applicable
	Numerator: Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest				
	Denominator: Debt service = Interest + Principal repayments				
4	Return on equity ratio (in %)	41.17%	38.72%	6.34%	Not Applicable
	Numerator: Profit for the year				
	Denominator: Average total equity				
5	Trade receivables turnover ratio (in times)	2.92	3.38	(13.58%)	Not Applicable
	Numerator: Revenue from operations				
	Denominator: Average trade receivables				
6	Trade payables turnover ratio (in times)	2.98	3.73	(19.98%)	Not Applicable
	Numerator: Cost of Goods Sold				
	Denominator: Average trade payables				
7	Net Working capital turnover ratio (in times)	6.29	6.91	(8.92%)	Not Applicable
	Numerator: Revenue from operations				
	Denominator: working capital (i.e. Total current assets less Total current liabilities)				
8	Net profit ratio (in %)	5.27%	4.15%	26.91%	Ratio has increased on account of higher margin & consequently increase in PAT & Revenue during the year
	Numerator: Profit for the year				
	Denominator: Revenue from operations				
9	Return on capital employed (in %)	44.90%	37.03%	21.26%	Not Applicable
	Numerator: Profit before tax and finance costs				
	Denominator: Average Capital employed (Capital Employed: Total Equity+ Borrowings)				
10	Return on investment (in %)	54.29%	0.00%	100%	Due to gain on sale of Investment
	Numerator: Income generated from invested funds				
	Denominator: Average invested funds				

Notes forming part of the standalone financial statements for the year ended 31st March, 2024**31.13. COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES:**

Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017

31.14. UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

- a) During the year, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimately Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b) During the year, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company, shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

31.15. COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

Company has not prepared any Scheme of Arrangements in terms of sections 230 to 237 of the Companies Act, 2013.

31.16. The Company has not traded or invested in Crypto currency or Virtual Digital Assets during the year.

Description	Amount
Profit/Loss on transactions involving crypto/VDA	Nil
Amount of currency held as at reporting date	Nil
Deposits/advances from any purpose of trading/investing in crypto currency/virtual currency	Nil

31.17. The management have neither come across any instance of fraud on or by the Company, noticed or reported during the financial year.

31.18. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**As per our report of even date attached
For M S P & CO.**
Chartered Accountants
Firm Registration 107565W

M. S. PARIKH
Partner
Membership No. 08684

Mumbai : May 30, 2024

**For and on behalf of the Board of Directors
Dynacons Systems & Solutions Ltd.**
CIN No: L72200MH1995PLC093130

Shirish Anjaria
Chairman cum Managing Director
DIN : 00444104

Dharmesh Anjaria
Executive Director
DIN : 00445009

Parag Dalal
Executive Director
DIN : 00409894

Pooja Patwa
Company Secretary &
Compliance Officer
Membership No. A60986

Independent Auditor's Report

To the Members of Dynacons Systems & Solutions Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Dynacons Systems & Solutions Limited ("the Company"), its Subsidiary (the Company and its Subsidiary together referred to as "Group") which comprise the consolidated Balance Sheet as at March 31, 2024, the consolidated statement of Profit and Loss, Changes in Equity and the Consolidated Cash Flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, of consolidated profit, consolidated total Comprehensive Income, consolidated Changes in Equity and its consolidated Cash Flows for the year on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

- A) Revenue for the Company consists primarily of sale of goods recognized and provision of services as per the accounting policy described in Note No. 1.2.2 Forming part to the accompanying consolidated financial statements. Refer Note No. 23 forming part of financial statements for details of revenue recognized during the year.

The Company recognizes revenue from sale of goods when it satisfies its performance obligation, in accordance with the principles of Ind AS 115, Revenue from Contracts with Customers, adopted by the Company, by transferring the control of goods to its customers through delivery evidenced by acknowledgement of receipt of goods by such customers. Considering the large volume of revenue transactions near period end, there may be a risk of revenue recognition occurring before the satisfaction of the performance obligations by the company in accordance with the applicable terms. Under Standards on Auditing 240 'The auditor's responsibilities relating to fraud in an audit of financial statements', there is a presumed risk that revenue may be misstated owing to the improper recognition of revenue.

Considering the above factors, revenue recognition (cut-off) was identified as a key audit matter for the current year audit.

Auditor's Response:

Our audit work included, but was not limited to, the following procedures:

- Obtained an understanding of the revenue and receivable business process, and assessed the appropriateness of the accounting policy adopted by the company for revenue recognition.
- Evaluated design and implementation of the key controls around revenue recognition including controls around contract approvals, invoice verification, transporter confirmations and customer acknowledgements.
- Tested operating effectiveness of the above identified key controls over revenue recognition near period end.
- For samples selected from revenue recorded during specific period, before and after year end:
- Verified the customer contracts for delivery terms verified the customer acknowledgements to evidence proof of delivery for domestic sales at or near period end.

Information Other than the Financial Statements and Auditor's Report Thereon

The Group Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report and Management Discussion and Analysis, but does not include the Secretarial Audit Report, Consolidated financial statements and our auditor's report thereon. The Board's report and Management Discussion and Analysis is expected to be made to us after the date of this auditor's report. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Board's report and Management Discussion and Analysis, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and make disclosures and take specific actions as per applicable laws and regulations, if required.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Sec 134(5) of Companies Act 2013 with respect to the presentation and of these consolidated financial statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act.

The responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is also responsible for overseeing the financial reporting process of the Group.

Auditors Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieve fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The consolidated financial statements includes the unaudited financial statements / financial information in respect of 2 subsidiaries, one subsidiary in India and other subsidiary outside India, whose financial statements reflects total assets of ` 38.42 Lakhs as at 31st March, 2024, and total revenue from operations of ` 2.88 Lakhs and total net loss of ` 14.09 Lakhs for the year ended on that date. These financial statements of the foreign subsidiary company has been prepared in accordance with accounting principles generally accepted in that respective country and which has been provided to us by the management. The Holding Company's management has converted the financial statements of the foreign subsidiary from accounting principles generally accepted in their respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management.

Our opinion on the Statement is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

- 1) As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial Ind AS financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, (including other comprehensive income) the consolidated Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
 - (d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure "A".
 - (g) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associate – Refer Note No.30.6 to the financial statements.
 - ii. The Group has long term contracts as at March 31, 2024 for which there are no material foreseeable losses. The Company does not have derivative contracts as at March 31, 2024.
 - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (1) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether

- recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries and
- (2) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (3) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- 2) Based on our examination which included test checks, the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For M S P & CO.
Chartered Accountants
Firm Registration No. 107565W

M.S. Parikh, Partner
Membership No.: 08684
Mumbai
May 30, 2024
UDIN: 24008684BKAITI8411

“Annexure A” forming part of Independent Auditor’s Report**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”).**

We have audited the internal financial controls over financial reporting of Dynacons Systems & Solutions Limited (“the Company”) as of March 31, 2024 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M S P & CO.
Chartered Accountants
Firm Registration No. 107565W

M.S. Parikh, Partner
Membership No.: 08684
Mumbai
May 30, 2024
UDIN: 24008684BKAITI8411

Consolidated Balance Sheet as at 31st March, 2024

(₹ in Lakhs)

Particulars	Note No.	As at	
		31 st March, 2024	31 st March, 2023
A ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	2	320.42	368.37
(b) Right-of-use asset	2	229.68	304.54
(c) Capital Work In Progress	2	25.59	-
(d) Financial Assets			
(i) Investments	3	70.69	50.35
(ii) Other Financial Assets	4	273.99	168.25
(e) Deferred Tax Assets (Net)	5	61.16	44.29
		981.52	935.80
2 Current assets			
(a) Inventories	6	7,338.86	3,663.38
(b) Financial Assets			
(i) Trade receivables	7	40,168.77	30,098.68
(ii) Cash and cash equivalents	8	286.30	1,629.21
(iii) Other balances with banks	9	8,523.51	2,956.78
(iv) Short-term loans and advances	10	62.39	34.59
(v) Other Financial Assets	11	696.70	626.44
(c) Other Current Assets	12	682.91	316.62
		57,759.43	39,325.69
	TOTAL	58,740.95	40,261.49
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	13	1,271.31	1,269.31
(b) Other Equity	14	14,492.37	9,206.86
(i) Equity attributable to shareholders of the company		15,763.68	10,476.16
(ii) Non-controlling Interests		3.67	0.00
Total Equity		15,767.35	10,476.16
2 Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	947.15	1,596.25
(ii) Lease Liabilities	16	186.48	257.41
(b) Long-Term Provisions	17	346.76	260.54
(c) Other non-current liabilities	18	15.10	13.74
		1,495.48	2,127.94
3 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	2,372.21	4,946.65
(ii) Lease Liabilities	20	70.93	62.53
(iii) Trade Payables	21		
(a) Total outstanding dues of micro enterprises and small enterprises		6.32	3.06
(b) Total outstanding dues other than micro enterprises and small enterprises		38,198.19	21,911.05
(b) Other Current Liabilities	22	830.46	734.10
		41,478.11	27,657.38
	TOTAL	58,740.95	40,261.49

The accompanying notes form an integral part of the consolidated financial statements

Notes on Financial Statements

1-30

As per our report of even date attached

For M S P & CO.

Chartered Accountants

Firm Registration 107565W

M. S. PARIKH

Partner

Membership No. 08684

Mumbai : May 30, 2024

For and on behalf of the Board of Directors

Dynacons Systems & Solutions Ltd.

CIN No: L72200MH1995PLC093130

Shirish Anjaria

Chairman cum Managing Director

DIN : 00444104

Dharmesh Anjaria

Executive Director

DIN : 00445009

Parag Dalal

Executive Director

DIN : 00409894

Pooja Patwa

Company Secretary &

Compliance Officer

Membership No. A60986

Consolidated Profit and Loss Statement for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	Note No.	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
1 INCOME			
(a) Revenue from Operations	23	102,446.38	80,446.86
(b) Other Income	24	438.36	229.65
2 Total Revenue		102,884.74	80,676.52
3 EXPENSES			
(a) Purchases of Stock-In-Trade	25	93,257.28	67,281.72
(b) Changes In Inventories Of Stock-In-Trade	26	(3,675.48)	3,427.26
(c) Employee Benefits Expense	27	3,855.19	3,076.37
(d) Finance Costs	28	878.82	1,086.84
(e) Depreciation And Amortisation Expense	2	151.94	136.28
(f) Other Expenses	29	1,210.26	1,199.61
4 Total Expenses		95,678.02	76,208.09
5 Profit before tax		7,206.72	4,468.43
6 Tax Expense:			
(a) Current Tax		1,841.65	1,127.96
(b) Deferred Tax		(16.87)	(4.92)
	5	1,824.78	1,123.04
7 Profit for the year		5,381.94	3,345.39
8 Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
a) Remeasurement of defined employee benefit plan		(50.88)	(11.37)
b) Equity instruments through other comprehensive income		(19.66)	(0.76)
Difference in foreign exchange rates		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		14.74	2.85
Other comprehensive income for the year, net of tax	5	(55.80)	(9.28)
9 Total comprehensive income for the year		5,326.14	3,336.11
10 Profit for the year attributable to			
Shareholders of the Company		5,383.27	3,345.39
Non Controlling Interest		(1.33)	-
		5,381.94	3,345.39
11 Other comprehensive income for the year, net of tax attributable to			
Shareholders of the Company		(55.80)	(9.28)
Non Controlling Interest		-	-
		(55.80)	(9.28)
12 Total comprehensive income for the year attributable to			
Shareholders of the Company		5,327.47	3,336.11
Non Controlling Interest		(1.33)	-
		5,326.14	3,336.11
13 Earning per equity share of par value of ₹ 10 each			
(i) Basic (In ₹)		42.41	27.78
(ii) Diluted (In ₹)		42.37	27.70
Weighted average number of equity shares			
(i) Basic		12,693,244	12,042,751
(ii) Diluted		12,705,594	12,075,501
The accompanying notes form an integral part of the consolidated financial statements			
Notes on Financial Statements	1-30		

As per our report of even date attached
For M S P & CO.
Chartered Accountants
Firm Registration 107565W

M. S. PARIKH
Partner
Membership No. 08684

Mumbai : May 30, 2024

For and on behalf of the Board of Directors
Dynacons Systems & Solutions Ltd.
CIN No: L72200MH1995PLC093130

Shirish Anjaria
Chairman cum Managing Director
DIN : 00444104

Dharmesh Anjaria
Executive Director
DIN : 00445009

Parag Dalal
Executive Director
DIN : 00409894

Pooja Patwa
Company Secretary &
Compliance Officer
Membership No. A60986

Consolidated Cash Flow Statement for the Year Ended 31st March, 2024

(₹ in Lakhs)

Particulars	For the year ended 31 st Mar, 2024	For the year ended 31 st Mar, 2023
A CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before Tax and extraordinary items	7,206.72	4,468.43
Add: Depreciation And Amortisation Expense	151.94	136.28
(Profit)/Loss on w/off of Property, Plant and Equipment	-	0.65
Gain on sale of Investments	(40.87)	-
Finance Costs	878.82	1,086.84
Reversal of lease rentals	-	(27.34)
Difference in Foreign Exchange Rates	0.05	0.53
Share based payments to employees	(1.04)	50.93
Bad debts and advances written off, allowance for doubtful trade receivables and advances (net)	6.82	13.68
Other adjustments to reconcile profit (loss)	1.33	
	997.05	1,261.56
Operating profit before working Capital	8,203.77	5,729.99
Changes in current assets and liabilities		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(3,675.48)	3,427.26
Trade receivables	(10,076.91)	(12,544.75)
Other non current financial assets	(105.74)	(25.16)
Other current financial assets	(5,651.16)	(130.66)
Other current assets	(326.97)	(1,016.33)
Adjustments for increase / (decrease) in operating liabilities:		
Increase/(Decrease) in Current Liabilities & Provision		
Trade payables	16,290.40	5,861.51
Other current liabilities	(63.05)	316.09
Other non current Liabilities	1.35	7.48
Provisions	35.34	31.89
	(3,572.20)	(4,072.67)
Cash Generated from Operations	4,631.56	1,657.32
Taxes paid	(1,706.83)	(344.45)
Net Cash Flow from Operating Activities	2,924.74	1,312.87
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(29.13)	(30.14)
Capital Work In Progress Expenditure	(25.59)	-
Purchase of Investments	(70.00)	-
Sale of Investments	70.87	-
Net Cash Used for Investing Activities	(53.84)	(30.14)
C CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Lease Liabilities	(62.53)	(63.87)
Money received against share warrants	0.00	297.15
Payment of Dividend	(63.71)	(52.00)
Employee Share Options Money Received	2.01	-
Addition / (Repayment) of long-term borrowings	(649.09)	395.30
Short-term borrowings (net)	(2,574.44)	(26.82)
Interest Paid	(878.82)	(1,086.84)
Other inflows /(Outflows) of Cash	12.79	-
Net cash From Financing Activities	(4,213.79)	(537.09)

Particulars	For the year ended 31 st Mar, 2024	For the year ended 31 st Mar, 2023
D Net Increase in Cash and Cash Equivalents (A+B+C)	(1,342.90)	745.64
E Cash and Cash Equivalents (Opening Balance)	1,629.21	883.57
F Cash and Cash Equivalents (Closing Balance)	286.30	1,629.21
Component of Cash & Cash equivalents		
Cash on hand	3.19	2.51
Balances with banks in current accounts	76.64	86.37
Demand deposits with Banks	206.48	1,540.32
	286.30	1,629.21

Notes 1 to 30 form an integral part of these consolidated financial statements

As per our report of even date attached
For M S P & CO.
Chartered Accountants
Firm Registration 107565W

M. S. PARIKH
Partner
Membership No. 08684

Mumbai : May 30, 2024

For and on behalf of the Board of Directors
Dynacons Systems & Solutions Ltd.
CIN No: L72200MH1995PLC093130

Shirish Anjaria
Chairman cum Managing Director
DIN : 00444104

Dharmesh Anjaria
Executive Director
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Parag Dalal
Executive Director
DIN : 00409894

Pooja Patwa
Company Secretary &
Compliance Officer
Membership No. A60986

STATEMENT OF CHANGES IN EQUITY
For the year ended 31st March, 2024

A. Equity Share Capital (Note No. 13)

(₹ in Lakhs)

Particulars	Equity Share Capital
As at 1st April 2022	1,127.81
Changes in Equity Share Capital	141.50
As at 31st March 2023	1,269.31
As at 1st April 2023	1,269.31
Changes in Equity Share Capital	2.01
As at 31st March 2024	1,271.31

B. Other Equity (Note No. 14)

(₹ in Lakhs)

	Reserves and Surplus			Accumulated other comprehensive income	Money received against share warrants	Total
	Securities Premium Reserve	Share Option Outstanding	Retained Earnings			
	₹		₹	₹	₹	₹
Balance as at 1st April 2022	703.90	-	4,866.45	(0.06)	99.05	5,669.34
Total Comprehensive Income for the year						
Capital Reserve	-	-	0.53	-	-	0.53
Additions during the year	254.70	-	3,345.39	(9.28)	297.15	3,887.96
Share options expenses for the year	-	97.23	-	0.00	-	97.23
Dividend Paid	-	-	(52.00)	-	-	(52.00)
Issue of Equity Shares	-	-	-	-	(141.50)	(141.50)
Transfer to Securities Premium Account	-	-	-	-	(254.70)	(254.70)
Balance as at 31st March 2023	958.60	97.23	8,160.37	(9.34)	-	9,206.86

	Reserves and Surplus			Accumulated other comprehensive income	Money received against share warrants	Total
	Securities Premium Reserve	Share Option Outstanding	Retained Earnings			
Balance as at 1st April 2023	958.60	97.23	8,160.37	(9.34)	-	9,206.86
Capital Reserve	-	-	0.05	-	-	0.05
Additions during the year	59.47	-	5,383.27	(55.80)	-	5,386.94
Dividend Paid	-	-	(63.71)	-	-	(63.71)
Transfer to Securities Premium Account	-	(59.47)	-	-	-	(59.47)
Transfer to Profit and Loss during the year	-	(1.04)	-	-	-	(1.04)
Other comprehensive income / (losses)	-	-	-	22.74	-	22.74
Balance as at 31st March 2024	1,018.07	36.71	13,479.98	(42.40)	-	14,492.37

**As per our report of even date attached
For M S P & CO.**

Chartered Accountants
Firm Registration 107565W

M. S. PARIKH

Partner
Membership No. 08684

Mumbai : May 30, 2024

**For and on behalf of the Board of Directors
Dynacons Systems & Solutions Ltd.**

CIN No: L72200MH1995PLC093130

Shirish Anjaria

Chairman cum Managing Director
DIN : 00444104

Dharmesh Anjaria

Executive Director
DIN : 00445009

Parag Dalal

Executive Director
DIN : 00409894

Pooja Patwa

Company Secretary &
Compliance Officer
Membership No. A60986

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024**Note 1: Summary of material accounting policies and other explanatory information****1.1 Company Overview**

Dynacons Systems & Solutions Ltd ('the Holding Company') is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act. The Company and its subsidiary (collectively 'the Group') are principally in the activities of selling IT Products & related services. The shares of the Holding Company are listed on stock exchanges in India. These consolidated financial statements were authorized for issue by the Holding Company's Board of Directors on 30th May, 2024.

1.2 MATERIAL ACCOUNTING POLICIES:**1.2.1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS****(i) Statement of compliance and basis of preparation**

The Consolidated financial statements of the Group have been prepared and presented in accordance with Indian Accounting Standards (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) Amendment Rules, 2016 as notified under section 133 of Companies Act, 2013 (the "Act") and other relevant provisions of the Act.

The consolidated financial statements of the Group are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial assets and financial liabilities that have been measured at fair value.

(ii) Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees (INR), which is also the Parent Company's functional currency. These consolidated financial statements have been rounded-off to the nearest lakh, except per share data and as otherwise stated.

(iii) Basis of Consolidation

The consolidated financial statements include the financial statements of the Parent and of its subsidiary as listed below. The financial statements of the subsidiary forming part of these consolidated financial statements are drawn up to 31st March 2024. All material inter-company transactions and balances are eliminated on consolidation.

Name of the subsidiary	Country of incorporation	% of holding either directly or through subsidiary as at	
		31-Mar-24	31-Mar-23
Dynacons Systems & Solutions PTE. Ltd	Singapore	100	100
Cybercons Infosec Private Limited	India	50	--

(iv) Principles of Consolidation

The consolidated financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under Ind AS 110 – Consolidated Financial Statements, as specified in the Ind ASs notified by the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Group combines the financial statements of the Parent and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses and gains resulting from intra-group transactions are also eliminated except to the extent recoverable value of related assets is lower than their cost to the Group. Profit or loss of subsidiaries acquired or disposed during the year is recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted.

Subsidiaries are all entities over which the Group exercises control. The Group controls an entity when the Group is exposed to or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct relevant activities of the entity. Subsidiaries are fully consolidated from the date on which the control is transferred to the Group and are deconsolidated from the date the control ceases.

Excess of acquisition cost over the carrying amount of the Parent's share of equity of the acquiree at the date of acquisition is recognized as goodwill. In cases where the share of the equity in the acquiree as on the date of acquisition is in excess of acquisition cost, such excess of share in equity is recognised as 'Capital reserve' and classified under 'Reserves and Surplus'.

As per Ind AS 110 - Consolidated Financial Statements prescribed under the Ind ASs notified by the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 only the notes involving items which are material need to be disclosed. Materiality for this purpose is assessed in relation to the information contained in the consolidated financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary or the Parent having no bearing on the true and fair view of the consolidated financial statements of the group are not disclosed in the consolidated financial statements.

(v) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle up to twelve months for the purpose of current – non-current classification of assets and liabilities.

(vi) Basis of measurement

The Consolidated financial statements have been prepared on the historical basis except for the following items:

Items	Measurement Basis
Certain financial assets and liabilities (including derivative instruments)	Fair Value
Net defined benefit(asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

(vii) Use of estimates and judgements

In preparing these Consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual result may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgments made in applying accounting policies that have the most significant effect on the amounts recognised in the Consolidated financial statements is included in the following notes:

- Lease classification – Note 1.2.17

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the subsequent period financial statements is included in the following notes:

- Estimation of deferred tax expense and payable – Note 1.2.14
- Estimated useful life of property, plant and equipment and Intangible assets – Note 1.2.8
- Estimation of defined benefit obligations— Note 1.2.13
- Impairment of trade receivables- Note 1.2.21

a) Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes a treasury team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer.

The treasury team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

1.2.2. Revenue Recognition**1.2.2.1. Sale of goods:**

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which is usually on dispatch / delivery of goods, based on contracts with the customers.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

Contract Assets**Trade Receivables**

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

1.2.2.2. Rendering of Services

Revenue is recognized from rendering of services when the performance obligation is satisfied and the services are rendered in accordance with the terms of customer contracts. Revenue is measured based on the transaction price, which is the consideration, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

1.2.2.3. Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc. and as per terms & conditions under the contract with the customers.

1.2.2.4. Other Income

- i) Profit on sale of investments is determined as the difference between the sales price and the carrying value of the investment upon disposal of investments.
- ii) Dividend income is recognised in Statement of Profit and Loss on the date on which the Company's right to receive payment is established.
- iii) Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset ;
or
- the amortised cost of the financial liability

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

- iv) Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.
- v) Interest on Refund from Income Tax / GST department / Environment agencies Department are accounted for on receipt basis.

1.2.3. Expenditure Recognition

Expenses are accounted on the accrual basis and on crystallisation of such expenses. Provisions for all known losses and liabilities are made. Provisions are made for future unforeseeable factors, which may affect the ultimate profit on fixed price software development contracts. Expenses on software development on time-and-material basis are accounted for in the year in which it is expended. Expenses incurred for future software projects are carried forward and will be adjusted against revenue, based on the completion method. In case of new products, which are clearly defined and the costs are attributable to the products, such costs are deferred and amortized equally over a period of three to five years based on Management's evaluation of expected sales volumes and duration of the product life cycle.

1.2.4. Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company

1.2.5. Foreign currency translation

Reporting and presentation currency

The consolidated financial statements are presented in Lakhs of Indian Rupees, which is also the functional currency of the Holding Company.

Foreign currency transactions and balances

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Company's foreign operations that have a functional currency other than Indian rupees are translated into Indian rupees using exchange rates prevailing at the reporting date.

Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognized in other comprehensive income and held in foreign currency translation reserve (FCTR), a component of equity, except to the extent that the translation difference is allocated to non controlling interest.

When a foreign operation is disposed off, the relevant amount recognized in FCTR is transferred to the statement of profit and loss as part of the profit or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the exchange rate prevailing at the reporting date.

1.2.6. Cash and cash equivalents

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.

1.2.7. 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.

1.2.8. Property, plant and equipment**Buildings and other equipment**

Buildings and other equipment (comprising plant and machinery, furniture and fittings, electrical equipment, office equipment, computers and vehicles) are initially recognized at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by the Group's management. Buildings and other equipment are subsequently measured at cost less accumulated depreciation and any impairment losses. Cost of property, plant and equipment not ready for the intended use before reporting date is disclosed as capital work in progress.

Subsequent expenditure incurred on an item of property, plant and equipment is added to the book value of that asset only if this increases the future benefits from the existing asset beyond its previously assessed standard of performance.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in the statement of profit and loss within other income or other expenses.

The components of assets are capitalized only if the life of the components vary significantly and whose cost is significant in relation to the cost of respective asset. The life of components in assets are determined based on technical assessment and past history of replacement of such components in the assets.

Tangible assets are carried at the cost of acquisition or construction less accumulated depreciation and accumulated impairment, if any. The cost of tangible assets includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Assets which are retired from active use and are held for disposal are stated at the lower of their net book value or net realizable value. Cost of tangible assets not ready for the intended use as at balance sheet date are disclosed as "capital work in progress".

Impairment testing of intangible assets and property, plant and equipment

For the purpose of impairment assessment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. All individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount by which the asset's (or cash-generating unit's) carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future reorganizations and asset enhancements. Discount factors are determined individually for each cash generating unit and reflect current market assessments of the time value of money and asset-specific risk factors.

Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

Depreciation

Depreciation on tangible assets is provided on straight line method and in the manner prescribed in Schedule II to the Companies Act, 2013, over its useful life specified in the Act, or based on the useful life of the assets as estimated by Management based on technical evaluation and advice. The residual value is 5% of the acquisition cost which is considered to be the amount recoverable at the end of the asset's useful life. The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end.

The Management's estimates of the useful life of various categories of fixed assets where estimates of useful life are lower than the useful life specified in Part C of Schedule II to the Companies Act, 2013 are as under:

Type of asset	Estimated useful life (Years)
Plant and equipment	
- Computers – Desktops / Laptops	6
- Computers – Servers / Storages	3
- Computers – Others	2
Furniture and fixtures	10
Vehicles	8
Office equipment	5
Intangible assets	6

Assets costing less than Rs. 5,000 individually have been fully depreciated in the year of purchase.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

1.2.9. Research & Development Expenditure

Revenue expenditure pertaining to research is charged to the Consolidated statement of profit and loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalized. The amount capitalized comprises 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. Property, Plant and equipment utilized for research and development are capitalized and depreciated in accordance with the policies stated for property, plant and equipment

1.2.10. Inventories

Inventories are valued at the lower of the cost and the net realizable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale. Cost is determined on a First in First out basis. A periodic review is made of slow-moving stock and appropriate provisions are made for anticipated losses, if any.

1.2.11. Investments

Investments that are readily realizable and are intended to be held for not more than one year from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments. Long-term investments other than investment in subsidiaries are valued at fair market value. Provision is made for diminution in value to recognize a decline, if any, other than that of temporary in nature. Current investments are valued at lower of cost and fair market value. Gains or losses that arise on disposal of an investment are measured as the difference between disposal proceeds and the carrying value and are recognised in the statement of profit and loss.

1.2.12. Foreign currency transactions and balances

On initial recognition, all foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Monetary assets and liabilities, denominated in a foreign currency, are translated at the exchange rate prevailing on the Balance Sheet date and the resultant exchange gains or losses are recognised in the Statement of Profit and Loss.

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

Payment to defined contribution retirement benefit schemes are 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/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). 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.

1.2.14. Income Tax

Tax expense recognized in the statement of profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity. Calculation of current tax is based on tax rates in accordance with tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method on temporary differences between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at reporting date. Deferred taxes pertaining to items recognized in other comprehensive income are also disclosed under the same head. Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the respective entity's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred tax liabilities are generally recognized in full, although Ind AS 12 'Income Taxes' specifies limited exemptions. As a result of these exemptions the Group does not recognize deferred tax liability on temporary differences relating to goodwill, or to its investments in subsidiaries. Changes in deferred tax assets or liabilities are recognized as a component of tax income or expense in the statement of profit and loss, except where they relate to items that are recognized in

other comprehensive income (such as the re-measurement of defined benefit plans) or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

1.2.15. 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.

1.2.16. Provisions (other than employee benefits) 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 30.6 Contingent assets are not recognised in the financial statements.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract.

The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

1.2.17. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company's lease asset primarily consists of lease for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases.

For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

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.

1.2.18. Transfer pricing

As per the Transfer pricing norms introduced in India with effect from 1 April 2001, the Company is required to use certain specific methods in computing arm's length price of international transactions between the associated enterprises and maintain prescribed information and documents relating to such transactions. The appropriate method to be adopted will depend on the nature of transactions/class of transactions, class of associated persons, functions performed and other factors, which have been prescribed. There were no contracts or arrangements or transactions entered into during the year ended March 31, 2024 which were not at arm's length basis.

1.2.19. Translation of integral and non-integral foreign operations

The group classifies all its foreign operations as either "integral foreign operations" or "non-integral foreign operations". The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the Company itself. The assets and liabilities of a non-integral foreign operation are translated into the reporting currency at the exchange rate prevailing at the reporting date. Items of profit and loss are translated at the average exchange rates for the year. The exchange differences arising on translation are accumulated in the foreign currency translation reserve, a component of equity, except to the extent that the translation difference is allocated to non controlling interest. On disposal of a non-integral foreign operation, the accumulated foreign currency translation reserve relating to that foreign operation is recognized in the Statement of profit and loss.

1.2.20. Financial instruments

Financial assets (other than trade receivables) and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit and loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below. Trade receivables are recognized at their transaction price as the same do not contain significant financing component.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement financial assets are classified and measured based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset at:

- a. Amortized cost
- b. Fair Value Through Other Comprehensive Income (FVTOCI)
- or
- c. Fair Value Through Profit and Loss (FVTPL)

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

Financial assets at amortized Cost

Financial assets at amortized Cost Includes assets that are held within a business model where the objective is to hold the financial assets to collect contractual cash flows and the contractual terms gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are measured subsequently at amortized cost using the effective interest method. The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Company shall also measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)

Includes assets that are held within a business model where the objective is both collecting contractual cash flows and selling financial assets along with the contractual terms giving rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, the Company, based on its assessment, makes an irrevocable election to present in other comprehensive income the changes in the fair value of an investment in an equity instrument that is not held for trading. These selections are made on an instrument-by- instrument (i.e., share-by-share) basis. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognized in other comprehensive income. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. The dividends from such instruments are recognized in statement of profit and loss.

The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists. The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Company shall also measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. The loss allowance shall be recognized in other comprehensive income and shall not reduce the carrying amount of the financial asset in the balance sheet.

Financial assets at Fair Value Through Profit and Loss (FVTPL)

Financial assets at FVTPL include financial assets that are designated at FVTPL upon initial recognition and financial assets that are not measured at amortized cost or at fair value through other comprehensive income. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply. Assets in this category are measured at fair value with gains or losses recognized in profit or loss. The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Company shall also measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. The loss allowance shall be recognized in profit and loss.

1.2.21. Impairment

a) Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:

Financial assets measured at amortised cost;

At each reporting date, the Company assesses whether financial assets are carried at amortised cost. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

b) Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Consolidated statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

1.2.22. Share based payment transactions:

Employee Stock Option Plans ("ESOPs"):

The fair value of options determined at the grant date is recognized as an employee expense on a straight line basis (on the basis of multiple vesting of options granted), with a corresponding increase in other equity under "Employee Stock Options Outstanding account", over the vesting period of the grant, where the employee becomes entitled to the options. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the "Employee Stock Options Outstanding account".

Stock Options are granted to eligible employees in accordance with “Dynacons - Employees Stock Option Plan 2020” as approved by the Shareholders in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 which was amended by the Board of Directors of the Company to align with the provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

Under Ind AS 102 on Share based Payment, the cost of stock options is recognised based on the fair value of stock options as on the grant date.

1.2.23. Earnings per share

Basic earnings per equity share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). In this scenario, the number of equity shares outstanding increases without an increase in resources due to which the number of equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

2 PROPERTY, PLANT AND EQUIPMENT AND RIGHT TO USE ASSETS

(₹ In Lakhs)

Particulars	Property, Plant and Equipment					Total	Right of Use assets
	Furniture & Fixtures	Vehicles (Cars)	Office Equipment	Computer	Lease hold premises		
Balance as at 1 April 2022	13.39	203.24	6.19	307.45	353.05	530.27	
Additions	25.13	-	5.01	-	250.85	30.14	
Disposals	5.19	-	1.10	19.90	232.30	26.19	
Balance as at 31 March 2023	33.33	203.24	10.10	287.55	371.60	534.23	
Additions	28.56	-	0.57	-	-	29.13	
Disposals	-	-	-	-	3.61	-	
Balance as at 31 March 2024	61.89	203.24	10.67	287.55	367.99	563.35	
Accumulated depreciation/ amortisation							
Balance as at 1 April 2022	5.23	34.97	2.90	83.47	148.14	126.57	
Depreciation / amortisation for the year	1.60	28.86	1.07	33.29	71.46	64.82	
Reversal on disposal of assets	5.09	-	0.95	19.50	152.53	25.54	
Balance as at 31 March 2023	1.75	63.83	3.02	97.26	67.06	165.86	
Depreciation/ amortisation for the year	4.86	27.69	1.73	42.81	74.86	77.08	
Reversal on disposal of assets	-	-	-	-	3.61	-	
Balance as at 31 March 2024	6.60	91.52	4.74	140.07	138.31	242.94	
Net Block							
Balance as at 1 April 2023	31.59	139.41	7.09	190.29	304.54	368.37	
Balance as at 31 March 2024	55.28	111.72	5.93	147.48	229.68	320.42	
Capital Work In Progress							Amount
As at 31 March 2024							25.59
As at 31 March 2023							-

- a. Of the above, charge has been created over Furnitures & Fixtures, Vehicles, Office Equipments and Computers in regard to borrowings (Refer note 19.1)
- b. Refer note 1.2.17 for Right of use assets
- c. Capital-Work-in Progress (CWIP) aging schedule

CWIP	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
Projects in progress	25.59	-	-	25.59
Projects temporarily suspended	-	-	-	-

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

		(₹ in Lakhs)	
Particulars	As at 31 st March, 2024	As at 31 st March, 2023	
3	NON-CURRENT FINANCIAL ASSETS - INVESTMENTS		
	Investments designated at fair value through Other Comprehensive Income		
(i)	In Equity Shares - Quoted, fully paid up		
	Bank Baroda Limited	0.25	0.25
	(220 (31 st March, 2023 - 220 Equity Shares of ₹ 10 each fully paid up)		
(ii)	In Units of Mutual Fund - Quoted, fully paid up		
a)	Bank of Baroda Large & Midcap Fund - Direct Plan - Growth Option (Unit Nil (31 st March, 2023 - 2,99,675.326)	-	50.11
b)	HDFC Focused 30 Fund - Regular Plan - Growth (Unit 13,055.264 (31 st March, 2023 - NIL))	24.17	-
c)	ICICI Prudential Bluechip Fund - Growth (Unit 25,321.713 (31 st March, 2023 - NIL))	24.34	-
d)	Parag Parikh Flexi Cap Fund - Regular Plan - Growth (Unit 31,645.487 (31 st March, 2023 - NIL))	21.94	-
	Total	70.69	50.35
	Aggregate amount of Quoted Investment	70.69	50.35
	Aggregate amount of Un Quoted Investment	-	-
	Market Value of Quoted Investment	70.69	50.35
	Equity Investment carried at cost	-	-
	Investment carried at fair value through other Comprehensive Income	70.69	50.35
	Investment carried at fair value through P & L	-	-
(iii)	The Company has made an irrevocable election of accounting policy as at the adoption date 01 April 2016 to fair value investment in equity instrument through Other Comprehensive Income ('OCI').		
(iv)	Investments in Units of Mutual Funds are considered as quoted investments as NAV's are available at the end of 31 st March, 2024/2023		
4	OTHER FINANCIAL ASSETS		
	Security Deposits	-	-
	Bank deposits with more than 12 months maturity	273.99	168.25
	Deposits Accounts of ₹ 273.99 Lakhs (As at 31 st March, 2023 ₹ 168.25 lakhs) pledged for facilities from Banks. (Refer Note 19.1)		
	Total	273.99	168.25
5	DEFERRED TAX LIABILITY NET		
(a)	Amounts recognized in profit and loss		
	Current tax expense (A)		
	In respect of current year	1,841.65	1,127.96
	Deferred tax expense (B)		
	In respect of current year	(16.87)	(4.92)
	Adjustments for earlier years (C)	-	-
	Tax expense recognized in the income statement (A+B+C)	1,824.78	1,123.04

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

(b) Amounts recognized in other comprehensive income

Particulars	For the year ended 31 st March, 2024			For the year ended 31 st March, 2023		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurement of the defined benefit plans	(50.88)	14.74	(36.14)	(11.37)	2.85	(8.52)
Equity instruments through other comprehensive income	(19.66)	-	(19.66)	(0.76)	-	(0.76)
	(70.54)	14.74	(55.80)	(12.13)	2.85	(9.28)

(c) Reconciliation of effective tax rate

Particulars	For the year ended 31 st March, 2024		For the year ended 31 st March, 2023	
	%	Amounts	%	Amounts
Profit before tax		7,206.72		4,468.42
Tax using the Company's domestic tax rate	25.14%	1,811.65	25.14%	1,123.52
Tax effect of:				
Timing Difference	0.23%	16.87	1.85%	20.81
Permanent Difference	-0.05%	-3.74	-1.90%	-21.30
Others	-	-	-	-
TOTAL	0.18%	13.13	-0.05%	-0.49
Effective income tax rate	25.32%	1,824.78	25.10%	1,123.04

(d) Movement in deferred tax

	Deferred tax (assets)		Deferred tax liabilities		Net deferred tax (assets) / liability	
	31 March, 2024	31 March, 2023	31 March, 2024	31 March, 2023	31 March, 2024	31 March, 2023
Provisions - employee benefits	56.05	53.54	-	-	(56.05)	(53.54)
Property, plant and equipment	-	-	74.88	61.58	74.88	61.58
Lease Rentals	79.98	52.33	-	-	(79.98)	(52.33)
Deferred tax (assets) liabilities	136.03	105.87	74.88	61.58	(61.16)	(44.29)

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
6 INVENTORIES		
(valued at lower of cost and net realisable value)		
Finished goods (other than those acquired for trading)		
Stock-in-trade	7,338.86	3,663.38
Total	7,338.86	3,663.38
a Goods-in-transit included above	3,859.90	-
b Inventories of Rs. 7,338.86 Lakhs (as at 31 st March, 2023: Rs. 3,663.38 Lakhs) are hypothecated against working capital facilities from banks. (Refer note 19.1)		
7 TRADE RECEIVABLES		
(Unsecured and Considered Good)		
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured;	40,168.77	30,112.35
Trade Receivables which have significant increase in Credit Risk;	-	-
Trade Receivables - credit impaired	-	-
	40,168.77	30,112.35
Less Provision for expected credit loss	-	13.68
Total	40,168.77	30,098.68
7.1 Movement in allowance for expected credit loss		
Balance at the beginning of the year	13.68	-
Amounts written off	-	-
Allowance during the year	-	13.68
Reversal during the year	-	-
Balance at the end of the year	13.68	13.68

7.2 Trade Receivables ageing schedule

Ageing for trade receivables – current outstanding as at March 31, 2024 is as follows

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables-considered good	38,506.00	885.75	323.85	263.46	189.70	40,168.77
Undisputed trade receivables-considered doubtful	-	-	-	-	-	-
Disputed trade receivables-considered good	-	-	-	-	-	-
Disputed trade receivables-considered doubtful	-	-	-	-	-	-

Ageing Schedule is in respect of Overdue cases including where no due date of payment is specified

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	As at	
	31 st March, 2024	31 st March, 2023

Ageing for trade receivables – current outstanding as at March 31, 2023 is as follows

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables-considered good	27,797.46	1,149.66	328.32	644.07	179.16	30,098.68
Undisputed trade receivables-considered doubtful	-	-	-	-	-	-
Disputed trade receivables-considered good	-	-	-	-	-	-
Disputed trade receivables-considered doubtful	-	-	-	-	-	-

Ageing Schedule is in respect of Overdue cases including where no due date of payment is specified

7.3 Trade Receivables of 40,168.77 lakhs (as at 31st March, 2023: ₹ 30098.68 Lakhs) are hypothecated against working capital facilities from banks. (Refer note 19.1)

7.4 The carrying amount of the Trade Receivables are considered as a reasonable approximation of fair value as it is expected to be collected within twelve months

7.5 The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note 30.8

8 CASH AND CASH EQUIVALENTS

Cash on hand	3.19	2.51
Balances with banks in current accounts	76.64	86.37
Demand deposits with Banks	206.48	1,540.32
Total	286.30	1,629.21

Deposits Accounts of ₹ 206.48 Lakhs (As at 31 March, 2023 ₹ 1,540.32 lakhs) pledged for facilities from Banks. (Refer Note 19.1)

9 OTHER BALANCES WITH BANKS

Balances with bank held as margin money	8,523.51	2,956.78
Total	8,523.51	2,956.78

10 SHORT TERM LOANS AND ADVANCES (Unsecured and Considered Good)

Advances to Related Parties	-	-
Loans & Advances to employees	62.39	34.59
Total	62.39	34.59

11 OTHER FINANCIAL ASSETS (Unsecured and Considered Good)

Security Deposits	696.70	626.44
Total	696.70	626.44

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	As at	As at
	31 st March, 2024	31 st March, 2023
12 OTHER CURRENT ASSETS		
Duties & Taxes (Net of provisions)	682.91	316.62
Total	682.91	316.62
13 EQUITY SHARE CAPITAL		
(a) Authorised Share Capital		
30,000,000 Equity shares of ₹10 each (Previous Year 30,000,000 Equity shares of ₹10 each)	3,000.00	3,000.00
(b) Issued, Subscribed and Fully Paid up :		
(1,27,13,130) Equity shares of ₹ 10 each (Previous year 1,26,93,080 Equity shares of ₹ 10 each)	1,271.31	1,269.31

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

Particulars	As at 31 Mar 2024		As at 31 Mar 2023	
	No. of Shares	Amt	No. of Shares	Amt
Equity Shares at the beginning of the year	12,693,080	1,269.31	11,278,080	1,127.81
Issued during the year	20,050	2.01	1,415,000	141.50
Equity Shares at the end of the year	12,713,130	1,271.31	12,693,080	1,269.31

Additional Information

Sr. no	Promoter/Promoter's Group Name	2023-24			2022-23		
		Warrants held as on 31-03-2023	Converted in equity shares during F Y 2023-24	Balance Warrants (Pending for Conversion at 31-03-2024)	Warrants held as on 31-03-2022	Converted in equity shares during F Y 2022-23	Balance Warrants (Pending for Conversion at 31-03-2023)
1	Jigna D Anjaria	-	-	-	80,000	80,000	-
2	Dharmesh S Anjaria (HUF)	-	-	-	160,000	160,000	-
3	Parag J Dalal (HUF)	-	-	-	160,000	160,000	-
4	Devangi Parag Dalal	-	-	-	80,000	80,000	-
5	Shirish M Anjaria (HUF)	-	-	-	160,000	160,000	-
6	Nilam Shirish Anjaria	-	-	-	160,000	160,000	-
7	Hasumati Jitendra Dalal	-	-	-	80,000	80,000	-
8	Pankti Dalal	-	-	-	40,000	40,000	-
9	Dhvani Dalal	-	-	-	40,000	40,000	-
10	Trigem Infosolutions Limited	-	-	-	455,000	455,000	-
	Total	-	-	-	1,415,000	1,415,000	-

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

13.2 Shareholding of Promoter/Promoter Group

Sr. no	Promoter/Promoter's Group Name	As at 31 March 2024			As at 31 March 2023		
		No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
1	Shirish Mansinh Anjaria	1160948	9.13%	-	1160948	9.15%	-
2	Parag Jitendra Dalal	1039816	8.18%	8.33%	959816	7.56%	1.33%
3	Jigna Dharmesh Anjaria	291463	2.29%	-	291463	2.30%	37.83%
4	Dharmesh Shirish Anjaria HUF	410000	3.23%	-	410000	3.23%	64.00%
5	Parag Jitendra Dalal HUF	470077	3.70%	-	470077	3.70%	51.60%
6	Devangi Parag Dalal	269640	2.12%	-	269640	2.12%	42.19%
7	Shirish Mansinh Anjaria HUF	413543	3.25%	-	413543	3.26%	63.11%
8	Dharmesh Shirish Anjaria	956890	7.53%	-	956890	7.54%	-
9	Nilam Shirish Anjaria	524602	4.13%	-	524602	4.13%	43.88%
10	Hasumati Jitendra Dalal	52200	0.41%	-60.51%	132200	1.04%	103.96%
11	Trigem Infosolutions Limited	2086475	16.41%	-	2086475	16.44%	27.89%
12	Pankti Dalal	40000	0.31%	-	40000	0.32%	100.00%
13	Dhvani Dalal	40000	0.31%	-	40000	0.32%	100.00%
	Total	7755654	61.01%		7755654	61.10%	

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

Name of the Shareholder	As at 31 Mar 2024		As at 31 Mar 2023	
	Number of Shares Held	% holding	Number of Shares Held	% holding
Shirish Mansinh Anjaria	1,160,948.00	9.13	1,160,948.00	9.15
Dharmesh Shirish Anjaria	956,890.00	7.53	956,890.00	7.54
Parag Jitendra Dalal	1,039,816.00	8.18	959,816.00	7.56
Trigem Infosolutions Limited	2,086,475.00	16.41	2,086,475.00	16.44

13.4 The Company has allotted 20,050 equity shares of face value ₹ 10 each on March 29, 2024, to the eligible employees at an exercise price of ₹ 10 per share as per the 'Dynacons - Employees Stock Option Plan 2020' ('ESOP – 2020')

13.5 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.

13.6 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, the equity shareholders are eligible to receive the remaining assets of the company in proportion to their shareholdings.

13.7 During the 5 years immediately preceding the balance sheet date, there were no equity shares allotted as fully paid up pursuant to contract without payment being received in cash, no bonus shares were issued and there was no buy-back of equity shares of the Company.

13.8 The Company declares and pays dividends in Indian Rupees. The Board of Directors in their meeting held on August 24, 2023, declared an interim dividend of ₹ 0.50/- per share on the nominal value of ₹ 10/-each and paid to all the eligible shareholders as at August 24, 2023. The interim dividend paid is considered as the final dividend for the financial year ended 31st March, 2024.

13.9 Shares reserved for issue under option

For details of shares reserved for issue and shares issued under the Employee Stock Option Plan (ESOP) of the Company, refer note 30.3. These options are granted to the employees subject to cancellation under circumstance of his cessation of employment with the Company on or before the vesting date.

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

(` in Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
14 OTHER EQUITY		
Capital Reserve	1.35	1.30
Securities premium account	1,018.07	958.60
General reserve	190.46	190.46
Retained earnings	13,288.17	7,968.61
Other comprehensive income	(42.40)	(9.34)
Share option outstanding	36.71	97.23
Total	14,492.37	9,206.86

The movement in Other Equity:

(a) Capital Reserve

Opening Balance	1.30	0.78
Add : Consolidation of Susidiary Investments	0.05	0.53
Total	1.35	1.30

(b) Securities premium account

As per last Balance Sheet	958.60	703.90
Add: Premium on issue of share under employees stock option scheme (see note 30.3)	59.47	254.70
Total	1,018.07	958.60

Securities premium account represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Act.

(c) General reserve

As per last Balance Sheet	190.46	190.46
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General reserve represents an appropriation of profits by the Company, which can be utilised for purposes such as dividend payout etc.

(d) Surplus in Statement of Profit and Loss

As per last Balance Sheet	7,968.61	4,675.22
Less : Dividend Distributed	(63.71)	(52.00)
Add: Profit for the year	5,383.27	3,345.39
	13,288.17	7,968.61

Surplus in Statement of Profit and Loss comprises of prior years' undistributed earnings after taxes, which can be utilised for purposes such as dividend payout etc..

(e) Money received against share warrants	-	99.05
Add : Monies received during the year	-	297.15
	-	396.20
Less : Issue of Shares	-	141.50
Less : Transfer to Securities Premium Account	-	254.70
Balance for subsequent conversion	-	-
Total reserves and surplus	14,498.06	9,118.97

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

Particulars	(` in Lakhs)	
	As at 31 st March, 2024	As at 31 st March, 2023
(f) Other comprehensive income		
Balance at the beginning of the year	(9.34)	(0.06)
Add : Movement during the year	(55.80)	(9.28)
Add : Prior year Adjustment	22.74	0.00
Balance at the end of the year	(42.40)	(9.34)
(g) Share option outstanding		
Opening balance	97.23	0.00
Add : Granted/ vested during the year	0.00	97.23
Less : Transfer to Securities Premium Account	(59.47)	0.00
Less : Written back to Statement of Profit and Loss during the year	(1.04)	0.00
Balance at the end of the year	36.71	97.23
Total Other Equity	14,492.37	9,206.86
15 Non Current Financial Liabilities -Borrowings		
Term Loans		
Secured		
From Banks	1,322.99	1,749.57
Unsecured		
From Banks	134.81	221.09
	1,457.80	1,970.65
Less: Current maturities of long-term loan from bank (included in note 19)		
Secured	427.40	291.16
Unsecured	83.25	83.25
	510.65	374.41
Total	947.15	1,596.25
Non Current Liabilities - Long Term Borrowings		
Secured		
From Banks	895.59	1,458.41
	895.59	1,458.41
Unsecured		
From Banks	51.56	137.84
	51.56	137.84
Total	947.15	1,596.25

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

15.1 Nature of Security & terms of Repayment of secured borrowing :

FY 2023-24

Particulars	Security	Currency	Rate of interest	Non - Current	Current
1) Term loan from banks Repayable in 1 quarterly instalment of Rs 39.60 Lakhs & balance 6 Quarterly instalments of Rs 94.80 Lakhs from 07 December 2024 and ending on 23 June 2026. *Balance outstanding is net of Pre Payments of ₹ 150 Lakhs made during the year.	Security Details : 1) 1 st Charge Pari Passu by way of Hypothecation on Current Assets and All Movable Fixed Assets(excluding vehicles) both present and Future. Other charge sharing bank/ institutions: HDFC Bank 2) Sole Charge by way of Equitable Mortgage on Property/ FD. 3) Personal Guarantee of Director	INR	MCLR 3 Month	474.02	134.41
2) Vehicle Loan - Repayable in balance 32 monthly instalments of 0.98 lakhs, ending on 07 November 2026.	Motor Vehicle (Hypothecation)	INR	7.00%	18.60	10.17
3) Vehicle Loan - Repayable in balance 36 monthly instalments of 1.28 lakhs, ending on 07 March 2027.	Motor Vehicle (Hypothecation)	INR	6.80%	28.67	12.94
4) Term loan from banks - Repayable in balance 24 monthly instalments of 14.58 lakh, ending on 03 March 2026.	Extension of ranking charge over existing primary and collateral securities including mortgages created in favour of the Bank.	INR	MCLR +1%	189.58	175.00
5) Term loan from banks - Repayable in balance 36 monthly instalments of 7.59 lakh, ending on 10 March 2027.	Extension of ranking charge over existing primary and collateral securities including mortgages created in favour of the Bank.	INR	MCLR +1%	182.10	91.05
6) Term loan from banks - Repayable in balance 20 monthly instalments of 0.35 lakh, ending on 10 November 2025.	Motor Vehicle	INR	8.01%	2.61	3.83
		Total		895.59	427.40

FY 2022-23

Particulars	Security	Currency	Rate of interest	Non - Current	Current
1) Term loan from banks Repayable in 8 equal Quarterly instalments of 94.80 lakhs beginning from 07 September 2024 and ending on 23 June 2026.	Security Details : 1) 1 st Charge Pari Passu by way of Hypothecation on Current Assets and All Movable Fixed Assets(excluding vehicles) both present and Future. Other charge sharing bank/ institutions: HDFC Bank 2) Sole Charge by way of Equitable Mortgage on Property/ FD. 3) Personal Guarantee of Director	INR	MCLR 3 Month	758.44	0.00

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

Particulars	Security	Currency	Rate of interest	Non - Current	Current
2) Vehicle Loan - Repayable in balance 44 monthly instalments of 0.98 lakhs, ending on 07 November 2026.	Motor Vehicle (Hypothecation)	INR	7.00%	28.77	9.48
3) Vehicle Loan - Repayable in balance 48 monthly instalments of 1.28 lakhs, ending on 07 March 2027.	Motor Vehicle (Hypothecation)	INR	6.80%	41.61	12.09
4) Term loan from banks - Repayable in balance 36 monthly instalments of 14.58 lakh, ending on 03 March 2026.	Extention of ranking charge over existing primary and collateral securities including mortgages created in favour of the Bank.	INR	MCLR +1%	350.00	175.00
5) Term loan from banks - Repayable in balance 48 monthly instalments of 7.59 lakh, ending on 10 March 2027.	Extention of ranking charge over existing primary and collateral securities including mortgages created in favour of the Bank.	INR	MCLR +1%	273.15	91.05
6) Term loan from banks - Repayable in balance 32 monthly instalments of 0.35 lakh, ending on 10 November 2025.	Motor Vehicle	INR	8.01%	6.45	3.54
		Total		1,458.41	291.16

15.2 Nature of Security & terms of Repayment of unsecured borrowing :

FY 2023-24

Particulars	Security	Currency	Rate of interest	Non - Current	Current
Term loan from banks - Repayable in balance 21 monthly instalments of 6.93 lakh, ending on 30 December 2025.	Unsecured	INR	MCLR 3M + 1.10	51.56	83.25

FY 2022-23

Particulars	Security	Currency	Rate of interest	Non - Current	Current
Term loan from banks - Repayable in balance 33 monthly instalments of 6.93 lakh, ending on 30 December 2025.	Unsecured	INR	MCLR 3M + 1.10	137.84	83.25

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
16 LEASE LIABILITIES -NON-CURRENT		
Lease Liabilities	186.48	257.41
Refer Note no 30.9		
Total	186.48	257.41
17 LONG TERM PROVISIONS		
Provision for employee benefits:		
i) Provision for other defined benefit plans		
- Gratuity (Refer Note 30.2)	287.38	202.27
ii) Leave Encashment	59.37	58.27
Total	346.76	260.54
18 OTHER NON CURRENT LIABILITIES		
Unpaid Dividends	15.10	13.74
Total	15.10	13.74
19 CURRENT FINANCIAL LIABILITIES - BORROWINGS		
Secured		
Loans repayable on demand		
Working Capital Loans :		
-Working Capital Loans From Banks	1,861.56	4,572.24
-Current maturities of long-term debt	427.40	291.16
Unsecured		
-Current maturities of long-term debt	83.25	83.25
	2,372.21	4,946.65
19.1 Working capital loans are secured by hypothecation of present and future stock, book debts, outstanding monies, receivables, claims, bills, material in transit, Bank Fixed Deposits and Fixed Assets and personal guarantees of directors.		
20 LEASE LIABILITIES - CURRENT		
Lease Liabilities	70.93	62.53
Total	70.93	62.53
21 TRADE PAYABLES		
Total outstanding dues of micro enterprises and small enterprises	6.32	3.06
Total outstanding dues of creditors other than micro enterprises and small enterprises	38,198.19	21,911.05
Total	38,204.51	21,914.11

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

21.1 Trade Payable ageing Schedule

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

Particulars	Less than 1 year	1-2 yrs	2-3 yrs	More than 3 years	Total
MSME	6.32	-	-	-	6.32
Others	38,068.60	56.28	35.68	37.63	38,198.19
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Ageing Schedule is in respect of overdue cases including where no due date of payment is specified.					

Ageing for trade payables outstanding as at March 31, 2023 is as follows:

Particulars	Less than 1 year	1-2 yrs	2-3 yrs	More than 3 years	Total
MSME	3.06	-	-	-	3.06
Others	21,826.76	44.84	21.31	18.14	21,911.04
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Ageing Schedule is in respect of overdue cases including where no due date of payment is specified.					

21.2 The Company has certain dues to suppliers registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosures pursuant to the said MSMED Act are as follows :

Particulars	As at 31 Mar, 2024	As at 31 Mar, 2023
Principal amount due and remaining unpaid	6.32	3.06
Interest due and unpaid on the above amount	-	-
Interest paid by the Company in terms of section 16 of the Micro, Small and Medium enterprises Act, 2006	-	-
-	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable	-	-

21.3 Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made during the year.

22 OTHER CURRENT LIABILITIES

Other Payables*	830.46	734.10
Total	830.46	734.10

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

* includes statutory dues and others

(₹ in Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
23 REVENUE FROM OPERATIONS		
Revenue from Information Technology Products	102,446.38	80,446.86
Total	102,446.38	80,446.86
a) The Company is engaged in systems Integration which includes the sales of products and services as a complete solution		
b) Disaggregate Revenue		
The table below presents disaggregated revenues of the Company from contracts with customers by geography. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected by industry, market and other economic factors.		
Total Revenue from contracts with customers		
India	101,627.60	77,874.75
Export (Including deemed export)	815.89	2,539.75
Singapore (1)	2.89	32.37
Total	102,446.38	80,446.86
(1) Related to operations in Singapore		
c) Reconciliation between revenue with customers and contracted price:		
Revenue as per contracted price	108,957.13	86,822.88
Less: Adjustements		
Sales return	(6,510.74)	(6,376.02)
Revenue from contracts with Customers	102,446.38	80,446.86
d) Contract balances		
The following table provides information about receivables from contracts with customers:		
Trade receivables	40,168.77	30,112.35
Allowance as per Expected credit loss model	-	13.68
Total	40,168.77	30,098.68
Trade receivables are non-interest bearing and are generally on terms of 90 to 120 days.		
24 Other Income		
Interest income	397.39	202.14
Other Non-Operating Income	40.87	0.00
Others #	0.09	27.52
Total	438.36	229.65

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
# includes Miscellaneous income		
25 PURCHASES OF STOCK-IN-TRADE		
Purchases of Information Technology Products	93,257.28	67,281.72
Total	93,257.28	67,281.72
26 CHANGES IN INVENTORIES OF STOCK-IN-TRADE		
Inventories at close		
Stock-in-Trade	7,338.86	3,663.38
	7,338.86	3,663.38
Inventories at commencement		
Stock-in-Trade	3,663.38	7,090.64
	3,663.38	7,090.64
Total	(3,675.48)	3,427.26
27 EMPLOYEE BENEFITS EXPENSE		
Salaries and wages	3,570.40	2,849.96
Contributions to provident and other funds	178.15	152.40
Staff Welfare Expenses	106.65	74.01
Total	3,855.19	3,076.37
28 FINANCE COST		
a) Interest on financial liabilities carried at amortised cost	35.02	29.56
b) Interest on borrowings	709.81	904.30
c) Others	133.99	152.99
	878.82	1,086.84
29 Other Expenses		
Electricity Expenses	12.88	9.99
Rent	57.58	32.67
Communication Expenses	20.52	19.54
Auditors Remuneration (Refer Note 29.1 below)	12.48	9.00
Bank Charges	8.19	5.07
Conveyance And Travelling Expenses	431.99	379.29
Insurance Charges	18.69	37.00
Legal & Professional Charges	130.78	128.70
Loss on expiry of useful life of assets	-	0.65
Membership & Subscription	40.29	45.66
Miscellaneous Expenses (Refer Note 29.2 below)	66.75	47.24
Corporate social responsibility expenditure ((Refer Note 29.3 below)	52.31	27.54

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Motor Car Expenses	13.42	12.62
Bad Debts Written off	6.82	13.68
Printing & Stationary Expenses	18.62	18.72
Rates & Taxes	47.71	59.18
Repairs & Maintenance -Building	2.54	2.58
Repairs & Maintenance - Others	4.80	10.76
Sales Promotion Expenses	14.81	16.75
Transportation Charges	249.09	322.97
Total	1,210.26	1,199.61

29.1 Auditors Remuneration

- Audit Fees	9.50	9.00
- Other	2.98	0.00
Total	12.48	9.00

29.2 Miscellaneous Expenses includes office expenses postage & telegram exp etc.

29.3 Details of corporate social responsibility expenditure

(a) Amount required to be spent by the Company	52.17	27.49
(b) Amount spent during the year on:		
i Construction or acquisition of any asset	-	-
ii On purposes other than (i) above		
CSR Committee has identified & approved projects which was paid as under.		
Out of CSR fund of F.Y.- 23-24	52.31	-
Out of CSR fund of F.Y.- 22-23	-	27.54
iii Shortfall at the end of the year out of the amount required to be spent by the Company during the year;	-	-
iv Total of previous years shortfall	-	-
v Reason for shortfall	Not Applicable	Not Applicable
vi Nature of CSR activities	Promoting Education, Healthcare, Eradicating hunger, poverty & Animal welfare	
vii Details of related party transactions:		
Josh Foundation	-	8.00

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

30.1.Earnings per share (EPS)

Particulars	Units	Year Ended March 31, 2024	Year Ended March 31, 2023
Profit after Tax	(₹/lakhs)	5,381.94	3,345.39
Weighted Number of Equity Shares	Nos. Lakhs	126.93	120.42
Earnings Per Share (of paid up Value of ₹ 10 each) Basic	₹	42.41	27.78
Weighted average number of shares outstanding and dilutive shares	Nos. Lakhs	127.05	120.75
Earnings Per Share (of paid up Value of ₹ 10 each) Diluted	₹	42.37	27.70

30.2.EMPLOYEE BENEFIT OBLIGATIONS

Defined benefit plans – Gratuity:

Gratuity is payable to all the members at the rate of 15 days salary for each year of service. In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (“the Gratuity Plan”) covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date.

The following table sets out the status of the Gratuity Plan and the amounts recognized in the financial statement:

(₹ in Lakhs)

Particulars	2024	2023
	Amount (₹)	Amount (₹)
I. Assumptions :		
Discount Rate	7.19%	7.44%
Salary escalation rate	5.00%	5.00%
II. Table Showing Change in Benefit Obligation :		
Liability at the beginning of the year	202.27	180.93
Current Service Cost	94.22	28.64
Benefits Paid	(9.10)	(7.30)
Balance	287.38	202.27
Liability at the end of the year	287.38	202.27
III. Amount Recognized in the Balance Sheet		
Liability at the end of the year	287.38	202.27
Difference Adjusted	-	-
Amount Recognized in the Balance Sheet	287.38	202.27
IV. Expenses Recognized in the Income Statement:		
Current Service Cost	43.34	40.00
Expense Recognized in P & L	43.34	40.00
V. Expenses Recognized in the OCI :		
Current Service Cost	(50.88)	11.37
Expense Recognized in P & L	(50.88)	11.37

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

Maturity Analysis of the Benefit Payments

(₹ in Lakhs)

Projected Benefits Payable in Future Years From the Date of Reporting		
	Year Ended March 31, 2024	Year Ended March 31, 2023
1 st Following Year	13.52	10.07
2 nd Following Year	7.93	9.68
3 rd Following Year	14.07	6.75
4 th Following Year	13.89	7.72
5 th Following Year	9.61	7.50
Sum of Years 6 To 10	107.63	50.00
Sum of Years 11 and above	595.95	530.34

Sensitivity Analysis

(₹ in Lakhs)

	Year Ended March 31, 2024	Year Ended March 31, 2023
Projected Benefit Obligation on Current Assumptions	287.38	202.27
Delta Effect of +1% Change in Rate of Discounting	(29.75)	(22.73)
Delta Effect of -1% Change in Rate of Discounting	35.09	27.22
Delta Effect of +1% Change in Rate of Salary Increase	34.71	27.44
Delta Effect of -1% Change in Rate of Salary Increase	(29.84)	(23.42)
Delta Effect of +1% Change in Rate of Employee Turnover	5.94	5.88
Delta Effect of -1% Change in Rate of Employee Turnover	(6.85)	(6.83)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Defined contribution plans

The Company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligations of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. Employer's contribution to Provident Fund during the year is 126.53 Lakh (P.Y. 104.30 Lakhs)

30.3. Employee Stock Option Plan

The Company had a Dynacons - Employees Stock Option Plan 2020 (ESOP – 2020) which provided for the grant of equity shares of the Company to the eligible employees of the Company. The Board of Directors recommended the establishment of the ESOP 2020 on September 03, 2020 and shareholders approved the recommendations of the Board of Directors in Annual General Meeting held on September 30, 2020. ESOP- 2020 was further amended by the Nomination and Remuneration Committee and Board of Directors of the Company at their meetings held on March 10, 2022 in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI SBEB

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

and Sweat Equity Regulations). The maximum aggregate number of shares that may be awarded on the grant of stock options under ESOP 2020 is 15,00,000 equity shares. Under ESOP 2020, the Company had approved grant vide its Nomination and Remuneration committee meeting held on August 10, 2022 under ESOP 2020. As per the plan, option granted under ESOP- 2020 would vest over a period of 1 year to 2 years from the date of grant of such options. The Plan is Equity Settled Plan.

Particulars	Grant I	Grant II
	ESOP 2020	
Date of Grant	August 10, 2022	August 10, 2022
Date of Share holders Approval	September 30, 2020	September 30, 2020
Date of Board of Directors Approval / Committee	September 03, 2020	September 03, 2020
No. of Option	21550	11950
Method of settlement (Cash/ Equity)	Equity	Equity
Vesting Period	1 Years	2 Years
Exercise Price (Per Share Rs.)	Rs 10	Rs 10
Exercise Period	Options vested may be exercised by the Option Grantee within a maximum period of two Year from the date of last vesting of Options. Hence maximum term of Options granted is 3 years	Options vested may be exercised by the Option Grantee within a maximum period of two Year from the date of last vesting of Options. Hence maximum term of Options granted is 4 years
Ext. of Exercise Period	None	None

Reconciliation of Employee's Stock Options

Particulars	As on 31 March, 2024		As on 31 March, 2023	
	DSSL ESOP 2020		DSSL ESOP 2020	
	Grant I	Grant II	Grant I	Grant II
1 Outstanding at the beginning				
– Shares arising out of options	20,800	11,950	–	–
– Weighted average exercise price	10	10	–	–
2 New option granted during the year				
– Shares arising out of options	–	–	21,550	11,950
– Weighted average exercise price	–	–	10	10
3 Forfeited and expired				
– Shares arising out of options	350	–	750	–
– Weighted average exercise price	10	–	10	–
4 Options Exercised during the year				
– Shares arising out of options	20,050	–	–	–
– Weighted average exercise price	10	–	–	–
5 Outstanding at the end				
– Shares arising out of options	–	11,950	20,800	11,950
– Weighted average exercise price	–	10	10	10
6 Exercisable at the end				
– Shares arising out of options	400	–	–	–
– Weighted average exercise price	10	–	–	–

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

30.4. Related Party Disclosures

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

(i) Holding Company

Dynacons Systems & Solutions Limited

(ii) Entities in which Directors or their relatives are interested and with whom transaction taken place

S. P. Corporation
Trigem Infosolutions Limited
Josh Foundation

(iii) Key Managerial Personnel

a) Executive Director

Shirish M. Anjaria
Parag J. Dalal
Dharmesh S. Anjaria

b) Other than Directors

Pooja Patwa (Company Secretary & Compliance Officer)

(iv) Non-Executive Director and Independent Director

Jitesh Jain
Archana Phadke
Vijay Maganlal Doshi

(v) Other Related Party (Significant Influences)

Jigna D Anjaria
Dharmesh S Anjaria (HUF)
Parag J Dalal (HUF)
Devangi Parag Dalal
Shirish M Anjaria (HUF)
Nilam Shirish Anjaria
Hasumati Jitendra Dalal
Pankti Dalal
Dhvani Dalal

The transactions with the related parties are as under:

A. Payments for expenses

Party	Nature of Payment	2024 (₹/lakhs)	2023 (₹/lakhs)
M/s S.P. Corporation	Rent for Premises	1.80	1.80
M/s S.P. Corporation	Reimbursement of Expenses	2.49	2.49
Mr. Shirish M. Anjaria	Remuneration	120.00	78.00
Mr. Parag J. Dalal	Remuneration	108.00	72.00
Mr. Dharmesh S. Anjaria	Remuneration	108.00	72.00
Mr. Ravishankar Singh	Remuneration	-	0.52
Ms. Pooja Patwa	Remuneration	10.20	8.20
Josh Foundation	Corporate social responsibility expenditure	-	8.00

Notes : Service transactions with related parties are made at arm's length price.

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024**30.5. Segment Information**

The Company operates in the segment of Systems Integration and Services. The Company has identified Technology Workforce Augmentation Services as a focus business segment from the existing services provided by the Company. Hence the two business segments, which forms the operating segments for segment reporting are :

- System Integration
- Technology Workforce Augmentation Services

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue of the segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. The assets and liabilities of the Group are used interchangeably amongst segments. Allocation of such assets and liabilities is not practicable and any forced allocation would not result in any meaningful segregation. Hence assets and liabilities have not been identified to any of the reportable segments.

(₹ in Lakhs)

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
Segment Revenue		
- System Integration	101,925.22	79,977.96
- Technology Workforce Augmentation Services	521.16	468.90
Total Income from Operations	102,446.38	80,446.86
Segment Results		
- System Integration	7,774.71	5,363.35
- Technology Workforce Augmentation Services	24.44	98.55
	7,799.15	5,461.90
Finance Costs	878.82	1,086.84
unallocable Expenses	151.94	136.28
Other income	438.36	229.65
Profit before tax	7,206.72	4,468.43
Tax expense	1,824.78	1,123.04
Profit after tax	5,381.94	3,345.39

30.6. Contingent Liabilities

- a) Claims against the Company not acknowledged as debts:

Particulars	Period to which the amount relates	Forum where the dispute is pending	2024 (₹/lakhs)	2023 (₹/lakhs)
GST	FY 2018-19	Appeal To Appellate Authority	9.64	9.64

- b) Guarantees given by the company's bankers ₹ 8522.72 lakhs (previous year ₹ 4635.69 lakhs)

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

30.7. Financial Instruments

A. Capital Management :

The Company manages its capital structure with a view to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings as detailed in notes 13, 15 and 19) and total equity of the Company.

The Company's management reviews the capital structure of the Company on an annual basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital.

The gearing ratio at the end of the reporting period was as follows:

(₹ in Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Non-current borrowings	947.15	1,596.25
Current maturities of non-current borrowings	510.65	374.41
Current borrowings	1,861.56	4,572.24
Total Debt	3,319.36	6,542.89
Equity	15,767.35	10,476.16
Net debt to equity ratio	0.21	0.62

For the purpose of computing debt to equity ratio, equity includes Equity Share Capital and Other Equity and Debt includes Long term borrowings, short term borrowings and current maturities of long term borrowings.

B. Financial Instruments-Accounting Classifications and Fair value measurements (Ind AS 107)

i) Classification of Financial Assets and Liabilities:

(₹ in Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Financial Assets		
Measured at amortised cost		
Trade receivables	40,168.77	30,098.68
Cash and cash equivalents	286.30	1,629.21
Bank balances other than above	8,523.51	2,956.78
Short Term Loans and advances	62.39	34.59
Other Financial Assets	696.70	626.44
Designated at fair value through other comprehensive income		
Investments in Mutual Fund Units	70.69	50.35
Total	49,808.35	35,396.05
Financial Liabilities		
Measured at amortised cost		
Long-Term Borrowings	947.15	1,596.25
Lease Liabilities	257.41	319.94
Short-Term Borrowings	2,372.21	4,946.65
Trade Payables	38,204.51	21,914.11
Total	41,781.28	28,776.94

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

ii) Fair Value Measurements (Ind AS 113):

Fair value measurement hierarchy

The Company records certain financial assets and financial liabilities at fair value on a recurring basis. The Company determines fair values based on the price it would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability.

The Company holds certain fixed income investments and other financial assets, which must be measured using the fair value hierarchy and related valuation methodologies. The guidance specifies a hierarchy of valuation techniques based on whether the inputs to each measurement are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's assumptions about current market conditions. The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

Financial assets and Financial liabilities measured at fair value in the balance sheet are grouped into three Levels of fair value hierarchy. These levels are based on the observability of significant inputs to the measurement, as follows:

- > Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- > Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- > Level 3: Unobservable inputs for the asset or liability.

The following table shows the Levels within the hierarchy of financial and non-financial assets and liabilities measured at fair value on a recurring basis at 31 March 2024 and 31 March 2023:

(a) Quantitative disclosures fair value measurement hierarchy for assets as at the reporting date:

(₹ in Lakhs)

			Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	Date of valuation	Total			
Financial Assets Fair value through Other Comprehensive Income Investments in quoted - equity instrument					
	31-Mar-24	70.69	70.69	-	-
	31-Mar-23	50.35	50.35	-	-

There have been no transfers between levels during the year.

Investment in quoted equity instrument are valued based on the quoted prices available in the market as at the reporting date.

The following tables shows a reconciliation from the opening balance to the closing balance for level 1 fair values:

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	Total	FVTOCI financial investments
Balance as at 31 March, 2022	51.11	51.11
Addition / (Deletion) during the year	(0.76)	(0.76)
Balance as at 31 March, 2023	50.35	50.35
Addition / (Deletion) during the year	20.34	20.34
Balance as at 31 March, 2024	70.69	70.69

Loans, cash and bank balances, trade receivables, other financial assets, trade payables, and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

30.8. Nature and extent of risks arising from financial instruments and respective financial risk management objectives and policies

The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its and group companies operations. The Company's principal financial assets include loans, trade and other receivables, investments, cash and short-term deposits that derive directly from its operations. The Company also enters into derivative transactions to hedge and holds short term investments. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by the Group Treasury Team that advises on financial risks and the appropriate financial risk governance framework in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by Group Treasury Team that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors review and agree on policies for managing each of these risks, which are summarised below:

a) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example trade receivables, investment in mutual funds etc.

Trade and other receivables

Customer credit is managed by each business unit subject to the Company's established policies, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 90 to 120 days credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The Company does not hold collateral as security. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

The following table provides information about the exposure to credit risk and Expected Credit Loss Allowance for trade and other receivables:

(₹ in Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
0-180 days	38,506.00	27,797.46
More than 180 Days	1,662.77	2,301.22
Total	40,168.77	30,098.68

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by the Company, and incorporates this information into its credit risk controls. The Company's policy is to transact only with counterparties who are highly creditworthy which are assessed based on internal due diligence parameters. In respect of trade receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various geographical areas. Based on historical information about customer default rates management consider the credit quality of trade receivables that are not past due or impaired to be good.

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, investments in Debentures, Preference shares, mutual funds, derivative contracts and loan to subsidiary companies. The Company has diversified portfolio of investment with various number of counter-parties which have secure credit ratings hence the risk is reduced. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Management of the Company.

b) Liquidity risk

Liquidity risk is that the Company might be unable to meet its obligations. The Company manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecast cash inflows and outflows due in day-to-day business. The data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on a monthly, quarterly, and yearly basis depending on the business needs. Net cash requirements are compared to available borrowing facilities in order to determine headroom or any shortfalls. This analysis shows that available borrowing facilities are expected to be sufficient over the lookout period.

Liquidity risk is managed by Company through effective fund management. The Company's principal sources of liquidity are cash and cash equivalents, borrowings and the cash flow that is generated from operations. The Company believes that current cash and cash equivalents, tied up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements. Accordingly, liquidity risk is perceived to be low.

The Company considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources and trade receivables. The Company's existing cash resources and trade receivables significantly exceed the current cash outflow requirements. Cash flows from trade receivables are all contractually due within 90 -120 days based on the credit period. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, and short-term borrowings. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding.

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

The Company's non-derivative financial liabilities have contractual maturities as summarised below:

(₹ in Lakhs)

Particular	Carrying amount	Contractual cash flows	
		Upto 1 year	More than 1 year
As at 31st March 2024			
Borrowings	1,861.56	1,861.56	-
Trade Payables	38,204.51	38,204.51	-
Long-Term Borrowings (Borrowings (including Current Maturities of Long-Term Debts)	1,457.80	510.65	947.15
As at 31st March 2023			
Borrowings	4,572.24	4,572.24	-
Trade Payables	21,914.11	21,914.11	-
Long-Term Borrowings (Borrowings (including Current Maturities of Long-Term Debts)	1,970.65	374.41	1,596.25

c) Market risk

The Company is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risks, which result from both its operating and investing activities.

Foreign currency risk

Most of the Company's transactions are carried out in Indian rupees. Exposures to currency exchange rates arise from the Company's overseas sales and purchases, which are primarily denominated in US dollars (USD)

To mitigate the Company's exposure to foreign currency risk, cash flows are continuously monitored.

Foreign currency denominated financial assets and financial liabilities which expose the Company to currency risk are disclosed below. The amounts shown are those reported to key management translated at the closing rate: -

(₹ in Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Financial assets		
Trade receivables	183.04	216.43
Net exposure for assets	183.04	216.43
Financial liabilities		
Trade Payables	26.71	-
Net exposure for liabilities	26.71	-
Net exposure (Assets - Liabilities)	156.33	216.43

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.

Sensitivity analysis

The following table details the Company's sensitivity to a 5% increase and decrease in the Rupee against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the net exposure outstanding on receivables or payables in the Company at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% charge in foreign currency rate. This analysis assumes

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets or recognised directly in reserves, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

Impact on profit or loss

Movement in currency (Before tax)	Increase in Exchange rate by 5%		Decrease in Exchange rate by 5%	
	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
USD	7.82	10.82	(7.82)	(10.82)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates are managed by borrowing at fixed interest rates. During the year Company did not have any floating rate borrowings.

The Company's investments in term deposits (i.e. certificates of deposits) with banks, investments in preference shares, mutual funds and debentures are at fixed interest rate and therefore do not expose the company to significant interest rate risk.

Interest Rate Exposure

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Variable Rate Borrowings	3,311.68	6,440.96
Fixed Rate Borrowings	76.82	101.93
	3,319.36	6,542.89

Interest rate sensitivities for floating rate borrowings:

Movement in rate	Increase in Interest rate by 0.25%		Decrease in Interest rate by 0.25%	
	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Variable rate borrowings	8.28	16.10	(8.28)	(16.10)

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period.

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

30.9. Lease Commitments

Operating Lease

The company has lease contract for office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

As a lessee, the Company determines the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors, such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The following is the movement in lease liabilities during the year ended March 31, 2024:

(₹ in Lakhs)

Particulars	31 st March, 2024	31 st March, 2023
Balance at the beginning of the year	319.93	240.07
Leased liability recognised during the year	-	250.85
Reversals	-	(107.11)
Finance cost accrued during the period	35.02	29.56
Payment of lease liabilities	(97.54)	(93.43)
Balance at the end	257.41	319.93
Lease Liability – Current	70.93	62.53
Lease Liability - Non-Current	186.48	257.41

Expenses relating to short term leases and low value assets have been disclosed under Rent in Note. 29

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

30.10. Disclosures as required under schedule III to the Companies Act 2013 with respect to Consolidated Financial Statements

(₹ in Lakhs)

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in Other comprehensive income		Share in Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated Other comprehensive income	Amount	As % of consolidated profit or loss	Amount
Dynacons Systems & Solutions PTE Ltd.	0.02%	3.51	(0.21%)	(11.43)	-	-	(11.43)	(0.21%)
Cybercons Infosec Private Limited	0.05%	7.34	(0.05%)	(2.66)	-	-	(2.66)	(0.05%)

30.11. KEY FINANCIAL RATIOS

No.	Ratio	As at 31 st March 2024	As at 31 st March 2023	% Variance	Remarks
1	Current ratio (in times)	1.39	1.42	(2.06%)	Not Applicable
	Numerator: Total current assets				
	Denominator: Total current liabilities				
2	Debt- Equity ratio (times)	0.21	0.62	(66.29%)	Increase in ratio is due to improvement in Shareholder's Equity and repayment of term loans during the current year.
	Numerator: Debt consists of borrowings				
	Denominator: Total equity				
3	Debt service coverage ratio (in times)	8.66	8.41	3.03%	Not Applicable
	Numerator: Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments				
	Denominator: Debt service = Interest + Principal repayments				
4	Return on equity ratio (in %)	41.02%	38.73%	5.90%	Not Applicable
	Numerator: Profit for the year				
	Denominator: Average total equity				
5	Trade receivables turnover ratio (in times)	2.92	3.38	(13.61%)	Not Applicable
	Numerator: Revenue from operations				
	Denominator: Average trade receivables				
6	Trade payables turnover ratio (in times)	2.98	3.72	(19.99%)	Not Applicable
	Numerator: Cost of equipment and software licenses + Other expenses				
	Denominator: Average trade payables				
7	Net Working capital turnover ratio (in times)	6.29	6.89	(8.73%)	Not Applicable
	Numerator: Revenue from operations				
	Denominator: working capital (i.e., Total current assets less Total current liabilities)				

Notes forming part of the consolidated financial statements for the year ended 31st March, 2024

No.	Ratio	As at 31 st March 2024	As at 31 st March 2023	% Variance	Remarks
8	Net profit ratio (in %)	5.25%	4.16%	26.33%	Ratio has improved on account of higher margin & consequently increase in PAT & higher Revenue during the year
	Numerator: Profit for the year				
	Denominator: Revenue from operations				
9	Return on capital employed (in %)	38.19%	36.99%	3.24%	Not Applicable
	Numerator: Profit before tax and finance costs				
	Denominator: Average Capital employed (Capital Employed: Total Equity+ Borrowings)				
10	Return on investment (in %)	54.29%	0.00%	100%	Due to gain on sale of Investment
	Numerator: Income generated from invested funds				
	Denominator: Average invested funds in treasury investments				

Variance in ratios +/-25% are explained in all other cases they are shown as "Not Applicable"

30.12. The Company has not traded or invested in Crypto currency or Virtual Digital Assets during the year.

Description	Amount
Profit/Loss on transactions involving crypto/VDA	Nil
Amount of currency held as at reporting date	Nil
Deposits/advances from any purpose of trading/investing in crypto currency/virtual currency	Nil

30.13. The management have neither come across any instance of fraud on or by the Company, noticed or reported during the financial year.

30.14. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**As per our report of even date attached
For M S P & CO.**

Chartered Accountants
Firm Registration 107565W

M. S. PARIKH

Partner
Membership No. 08684

Mumbai : May 30, 2024

**For and on behalf of the Board of Directors
Dynacons Systems & Solutions Ltd.**

CIN No: L72200MH1995PLC093130

Shirish Anjaria

Chairman cum Managing Director
DIN : 00444104

Dharmesh Anjaria

Executive Director
DIN : 00445009

Parag Dalal

Executive Director
DIN : 00409894

Pooja Patwa

Company Secretary &
Compliance Officer
Membership No. A60986



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