

CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2017.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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 to ensure that we gain and retain the trust of our stakeholders of all times. 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's philosophy on corporate governance is aimed at achieving fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society. It firmly believes and has consistently endeavored to practice good Corporate Governance.

The Company has a strong legacy of fair, transparent and ethical governance practices. 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, strive to conduct its business and strengthen its relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders.

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 (k) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance.

2. BOARD OF DIRECTORS

We believe that our Board needs to have an appropriate mix of executive and independent directors to maintain its independence, and separate its functions of governance and management. Listing regulations mandate that for a company with a non-executive chairman, at least one-third of the Board should be independent 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.

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.

COMPOSITION AND CATEGORY

As on March 31, 2017 our Board comprised of **SEVEN** Directors of whom one is Chairman cum Managing Director, two are Whole time Directors and Four are Non-Executive Directors. All the Four Non- Executive Directors are Independent Directors. The day-to-day management of the affairs of the Company is entrusted with the senior management personnel, headed by the Managing Director, who functions under the overall supervision, direction and control of the Board of Directors 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.

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

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

The Company has an Executive Chairman and the number of Independent Directors is more than 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 Phadke, a lady Director, has been appointed as an Independent Director on the Board.

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

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

The Number of Directorships and the positions held on Board, Committees by the Directors are in conformity with the limits on the number of Directorships and Board committee positions as laid down in the Act and the Listing Agreement. During the year 2016-17, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration.

Name of Director	Category of Directorship	Attendance at last AGM	No. of Board s Meeting Attended	No. of other Directorships	No. of membership chairmanship of other Committee
Mr. Shirish M. Anjaria	Chairman cum Managing Director	Yes	12	1	0
Mr. Parag J. Dalal	Executive & Whole-time Director	Yes	11	0	0
Mr. Dharmesh S. Anjaria	Executive & Whole-time Director	Yes	11	0	0
Mr. Dilip P. Palicha	Non- Executive & Independent Director	Yes	8	0	1
Mr. Viren C. Shah	Non- Executive & Independent Director	Yes	9	2	1
Mr. Jitesh J. Jain	Non- Executive & Independent Director	Yes	9	6	1
Mrs. Archana V. Phadke	Non- Executive & Independent Director	Yes	7	0	0

Twelve Board Meetings were held during the year 2016-2017. The Board Meetings are held at the Registered Office of the Company.

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

April 26, 2016, June 29, 2016, August 12, 2016, September 01, 2016, October 26, 2016, November 11, 2016, December 22, 2016, February 14, 2017, February 21, 2017, March 02, 2017, March 28, 2017 and March 31, 2017.

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

3. AUDIT COMMITTEE

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

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

Name of the Director	Category	
Mr. Jitesh Jain	Non-Executive & Independent Director	11
Mr. Viren Shah	Non-Executive & Independent Director	10
Mr. Dilip Palicha	Non-Executive & Independent Director	9

The Committee is presently chaired by Mr. Jitesh Jain, Chartered Accountant. Mr. Jain is a senior Chartered Accountant with more than a decades of varied experience in the fields of Bank, Government and Corporate Audits, Project Preparation and Reporting, Management Consultancy and Finance. A dynamic professional of multi-faced experience in Banking industry in the key areas of General banking, Credit operation, Export Credit Finance, Treasury & International Banking Operations

consisting of International division and Funds & Investment of domestic treasury and Investment, Risk Management Operations, Client Relationship Management, Team Management, HR Policy, Internal Risk Management policy, Information & Technology Policy etc. Based on his experience, he was appointed as a Chairman of Audit Committee meeting.

The Audit Committee met **Twelve** times during the financial year 2016-2017 on the following dates: April 26, 2016, June 29, 2016, August 12, 2016, September 01, 2016, October 26, 2016, November 11, 2016, December 22, 2016, February 14, 2017, February 21, 2017, March 02, 2017, March 28, 2017 and March 31, 2017.

The terms of reference of the Audit Committee includes:-

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment and removal of statutory auditor, fixation of audit fees and also approval of payment of any other services.
- Reviewing with management the quarterly / annual financial statements before submission to the Board focusing primarily on the following:
 - Matters required to be included in the Director's Responsibility Statement.
 - Any change in accounting policies and practices.
 - Major accounting entries based on exercise of 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.
- Reviewing with the management, statutory and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors any significant findings and follow up thereon.
- Reviewing the finding of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity of a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with statutory auditors before the audit commences, nature and scope of audit as well as have post audit discussion to ascertain any area of concern.
- Reviewing the Company's financial and risk management policies.
- 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.

4. NOMINATION AND REMUNERATION COMMITTEE

Brief description of terms of reference

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

- To approve the annual Remuneration of the Directors and Employees of the Company.
- To review the performance of the Chairman and Managing Director and the 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).

The Nomination and Remuneration committee consists of Non-Executive Directors with the Chairman being an Independent Director. The members of Committee were Mr. Dilip Palicha, Mr. Viren Shah and Mr. Jitesh Jain. The Committee is chaired by Mr. Viren Shah. The Nomination and Remuneration committee met once during the year. Company Secretary of the Company acted as the Secretary to the Committee.

Remuneration Policy

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

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

Name of the Director	Category	No. of Meetings attended
Mr. Viren Shah	Non-Executive & Independent Director	2
Mr. Dilip Palicha	Non-Executive & Independent Director	2
Mr. Jitesh Jain	Non-Executive & Independent Director	2

Details of Remuneration to the Executive Directors for the year ended March 31, 2017

Name of Director	
Mr. Shirish Anjaria, Chairman cum Managing Director	21,00,000
Mr. Parag Dalal, Whole time Director	18,00,000
Mr. Dharmesh Anjaria, Whole time Director	18,00,000

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

5. STAKEHOLDERS RELATIONSHIP & GRIEVANCE COMMITTEE

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

Functions

The Shareholders Committee is chaired by Mr. Dilip Palicha. Mr. Ravishankar Singh, Company Secretary of the Company is the Compliance Officer of the Company. 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. Viren Shah	Non-Executive & Independent Director	3
Mr. Dilip Palicha	Non-Executive & Independent Director	3
Mr. Jitesh Jain	Non-Executive & Independent Director	3
Mrs. Archana Phadke	Non-Executive & Independent Director	3

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

During the year under review, 16 complaints were received from shareholders/investors of which 4 complaints were unreplyed/unresolved as on 31.03.2017, but the same were replied/resolved in the following month to the satisfaction of the investors. The numbers of pending share transfers as on March 31, 2017 were Nil.

6. RISK MANAGEMENT COMMITTEE

The risk management committee of the Company is constituted 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 Chairman being an Independent Director. The members of Committee were Mr. Dilip Palicha, Mr. Viren Shah, and Mr. Jitesh Jain. The Committee is chaired by Mr. Viren Shah. The Risk Management committee met once during the year.

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

- 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.

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

7. 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 2, 2017, 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.

8. FAMILIARIZATION PROGRAMME OF INDEPENDENT DIRECTORS

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 Directors appointed by the Board are given induction and orientation with respect to the Company's vision, strategic direction, core values, including ethics, corporate governance practices, financial matters and business operations by having one-to-one meetings. The new Board members are also requested to access the necessary documents / brochures, Annual Reports and internal policies available at our website www.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.

9. 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.

Sitting fees

During the year 2016-2017, the Company paid sitting fees of Rs. 80,000/- to its Non-Executive Directors for attending meetings of the Board and Meeting of Committees of the Board. The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending the Meetings.

The details of sitting fees paid to the Directors during the year 2016-2017 are as under:

Sr. No.	Name of the Director	Sitting Fees for	Salary &	Commission (Rs.)	Total (Rs.)
1	Mr. Jitesh Jain	20000	0	0	20000
2	Mr. Dilip Palicha	20000	0	0	20000
3	Mr. Viren Shah	20000	0	0	20000
4	Mrs. Archana Phadke	20000	0	0	20000

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

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors 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.

11. 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.

12. GENERAL BODY MEETINGS

The last three Annual General Meetings and Extra-ordinary General Meetings of the Company were held as under:-

- **21st AGM** : September 30, 2016 at 4.30 P.M., at Hotel Planet Residency, Subhash Road, Adjacent to Garware House, Vile Parle (East), Mumbai-400057.
Number of Special Resolutions passed: 3
Details of Special Resolution are as follows:
 - 1) Appointment of Mr. Shirish Anjaria (Din no.:00444104) as Chairman cum Managing Director
 - 2) Appointment of Mr. Parag Dalal (Din no.: 00409894) as Whole-time Director.
 - 3) Appointment of Mr. Dharmesh Anjaria (Din no.:00445009) as Whole-time DirectorSpecial resolution passed or proposed to be passed by Postal Ballot : 0

- EGM: March 29, 2017 at 04.00 P.M. at Karl Residency, 36, Lallubhai Park Road, Andheri (W), Mumbai -400058.
Number of Special Resolutions passed: 3
Details of Special Resolution are as follows:
 1. Alteration in the Articles of Association of the Company
 2. Issue of upto 4,55,000 Equity shares on a preferential issue basis to the promoter/ promoter group.
 3. Issue of upto 27,95,000 Warrants Convertible into Equity Shares of the Company on preferential basis to promoter/promoter group and others.
- **20th AGM** : September 30, 2015 at 2.30 P.M. at Karl Residency, 36, Lallubhai Park Road, Andheri (W), Mumbai -400058.
Number of Special Resolutions passed: 2
Details of Special Resolution are as follows:
 - 1) Adoption of new set of Articles of Association of the Company
Special resolution passed or proposed to be passed by Postal Ballot : 0
- **19th AGM** : September 30, 2014 at 3.00 P.M. at Karl Residency, 36, Lallubhai Park Road, Andheri (W), Mumbai - 400058.
Number of Special Resolutions passed: Nil
Special resolution passed or proposed to be passed by Postal Ballot : 0

13. CODE OF CONDUCT

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

14. VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

Pursuant to Section 177 of the Companies Act, 2013 and under Regulation 22 of SEBI (Listing 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, 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.

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.

15. DISCLOSURES

a) Materially significant related party transactions i.e. transactions of the company of material nature with its Promoters, Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large : **None**

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.

c) Board Disclosures - Risk Management

The Company has laid down procedures to inform the Board of Directors about the Risk Management and its minimization procedures. The Audit Committee and Board of Directors review these procedures periodically.

- d) Proceeds from public issues, right issues, preferential issues etc.

The Company had issued 4,55,000 Equity Shares of Rs. 20 each including a premium of Rs. 10 each through preferential basis and shares were offered, issued and allotted to promoter and promoter group and 27,95,000 Warrants convertible into Equity of Rs. 20 each including a premium of Rs. 10 each were offered, issued and allotted to promoter, promoter group and others during the year under review.

- e) Management Discussion and Analysis Report

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

- f) 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: Notice under Rule 4 of Securities and Exchange Board of India(Procedure for holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 in the matter of Dynacons Technologies Limited was issued by SEBI dated 15th March, 2017 on the Company as well as on all the promoters and promoter group of the Company for non compliance of the provisions of Regulations 30(1) and 30(2) read with Regulation 30(3) of SEBI (Substantial Acquisition of shares and Takeovers) Regulations, 2011 for the year ended on March 31, 2013 and March 31, 2014 for which the board has made adequate reply to SEBI .

"The Company has received a show cause in the matter of Dynacons Technologies Limited, issued by SEBI dated 15th March, 2017 for non-compliance of the provisions of Regulations 30(1) and 30(2) read with Regulation 30(3) of SEBI (Substantial Acquisition of shares and Takeovers) Regulations, 2011 for the year ended on March 31, 2013 and March 31, 2014. The Company has made an adequate reply to SEBI and the matter is pending for a hearing." and remove "Notice under Rule 4 of Securities and Exchange Board of India(Procedure for holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 in the matter of Dynacons Technologies Limited was issued by SEBI dated 15th March, 2017 on the Company as well as on all the promoters and promoter group of the Company for non compliance of the provisions of Regulations 30(1) and 30(2) read with Regulation 30(3) of SEBI (Substantial Acquisition of shares and Takeovers) Regulations, 2011 for the year ended on March 31, 2013 and March 31, 2014 for which the board has made adequate reply to SEBI"

- g) A qualified Practicing Company Secretary carried out a Reconciliation of Share Capital Audit , the total admitted capital with National Securities Depository Limited NSDL) and Central Depository Services (India) Ltd (CDSL) and the total issued and listed capital.The Company has issued and allotted 4,55,000 Equity shares and 27,50,000 warrants convertible into Equity shares on a preferential basis dated 31.03.2017 and application for listing of Equity shares is pending with BSE Ltd. and National Stock Exchange of India Limited. The audit confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

- h) The Company has laid down procedures to inform the Board of Directors about the Risk Management and its minimization procedures. The Audit Committee and the Board of Directors review these procedures periodically as per guidelines of SEBI / Stock Exchange.

- i) The Company has established a mechanism called "Whistle Blower Policy" for employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy.

- j) Shareholders

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

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

(iii) Pursuant to Section 149 of the Companies Act, 2013, Mr. Viren Shah and Mr. Dilip Palicha whose term expires in the ensuing Annual General Meeting (AGM) of 2017, the Board recommended their re-appointment for a period of 5 years as Non-executive, Independent Directors of the Company, not liable to retire by rotation from the date of its 22nd AGM till 27th AGM, subject to approval of the Members of the Company. The Directors have given the declaration to the Board that they met the criteria of independence as provided under Section 149(6) of the said Act and also confirmed that they will abide by the provisions as mentioned in Schedule IV of the Companies Act, 2013. Their brief profile is published in the Annual Report.

- k) Auditors' certificate on corporate governance

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

16. POLICY FOR PROHIBITION OF INSIDER TRADING

In compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended and to preserve the confidentiality and prevent misuse of unpublished price sensitive information, the Company has adopted a Code for Prohibition of Insider Trading for Directors/Designated persons of the Company, relating to dealings by them in the securities of the Company. The Code also provides for periodical disclosures from Directors/ Designated persons as well as pre-clearance of transactions by such persons, whenever required.

17. CEO & CFO Certification

The Managing Director of the Company give quarterly/annual certification on financial reporting and internal controls to the Board in terms SEBI Listing Regulations, 2015.

18. 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 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.

19. MEANS OF COMMUNICATION

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board. These are widely published in Leading newspapers and local language newspapers. After adoptions by the Board of Directors in their Board 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.

20. GENERAL SHAREHOLDER INFORMATION**20.1 Annual General Meeting:-**

Date and Time	September 29, 2017 at 04.30 P.M
Venue	Karl Residency, 36, Lallubhai Park Road, Andheri (West), Mumbai 400058

20.2 Financial Calendar: - April'17 – March'18 (Tentative)**Financial Reporting for quarter ending: -**

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

20.3 Book Closure Date September 23, 2017 to September 29, 2017 (Both days inclusive)

20.4 Dividend Payment Date N.A.

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

Name	Code Nos.
The Bombay Stock Exchange Ltd., Mumbai	532365
The National Stock Exchange of India Ltd.	DSSL
(b) Listing of Global Depository Receipts	N. A.
(c) Demat ISIN numbers in NSDL & CDSL	INE417B01040

(d) Annual listing fees for the year 2017-2018 have been duly paid to all the above Stock Exchanges.

20.6 Stock Market Data

Month	Bombay Stock Exchange (BSE) (in `)		National Stock Exchange (NSE) (in `)	
	Month's high Price	Month's low Price	Month's high Price	Month's low Price
April 2016	15.00	12.40	14.80	11.05
May 2016	14.60	12.05	15.50	11.35
June 2016	12.65	11.00	12.10	11.00
July 2016	12.80	10.35	12.10	10.30
Aug 2016	12.62	09.61	11.45	09.05
Sep 2016	13.40	10.01	13.30	10.20
Oct 2016	26.79	11.65	25.65	11.40
Nov 2016	24.30	14.00	24.50	14.50
Dec 2016	18.90	13.40	18.25	13.30
Jan 2017	20.60	14.65	25.65	09.05
Feb 2017	19.95	16.60	25.65	09.05
Mar 2017	20.45	16.50	19.55	16.10

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

20.8 Share Transfer System-

The Company's shares are traded on the Stock Exchanges compulsorily in Demat mode. The Company has issued and allotted 4,55,000 Equity shares and 27,50,000 warrants convertible into Equity shares on a preferential basis dated 31.03.2017 and application for listing of Equity shares is pending with BSE Ltd. and National Stock Exchange of India Limited. Shares in physical mode which are lodged for transfer at Share Transfer Agent are processed and subject to exercise of option under compulsory transfer-cum-demat procedures. Share Certificates are either de-matted or returned within the time prescribed by the authorities. The Share related information is available online.

20.9 Distribution of Shareholding as on March 31, 2017

No. of Equity Shares	No of Folios	% of Total	Total Holding in Rupees	% of Total
1-5000	12012	90.86	12599900	19.76
5001-10000	644	4.87	4956260	7.77
10001-20000	276	2.09	4172740	6.54
20001-30000	85	0.64	2155810	3.38
30001-40000	57	0.43	2052770	3.22
40001-50000	30	0.23	1378090	2.16
50001-100000	57	0.43	3999650	6.27
100001-999999999	60	0.45	32465580	50.90
Total	13221	100.00	63780800	100.00

20.10 Shareholding of Directors

Sr. No	Name of Directors	No. of Shares	Percentage (%)
1.	Mr. Shirish Anjaria	590948	9.27
2.	Mr. Dharmesh Anjaria	386220	6.06
3.	Mr. Parag Dalal	377200	5.91
4.	Mr. Dilip Palicha	Nil	Nil
5.	Mr. Viren Shah	Nil	Nil
6.	Mrs. Archana Phadke	80	0.00
7.	Mr. Jitesh Jain	Nil	Nil

20.11 Dematerialization of Shares as on March 31, 2017

Total No. of shares	Shares in physical form	Percentage %	Share in demat form	Percentage %
63,78,080	497184	7.80%	5880896	92.20%

Note : The Company has issued and allotted 4,55,000 Equity shares and 27,50,000 warrants convertible into Equity shares on a preferential basis dated 31.03.2017 and application for listing of Equity shares is pending with BSE Ltd. and National Stock Exchange of India Limited.

20.12 Shareholding Pattern as on March 31, 2017

Category	No of Shares held	Percentage of Shareholding
Clearing Member	5089	0.08%
Corporate Bodies	285867	4.48%
Corporate Bodies (Promoter Company)	71475	1.12%
Non Resident Indians	77413	1.21%
Promoters/Directors	1417988	22.23%
Public	3689727	57.85%
Relative of Director	830521	13.03%
Total	6378080	100.00%

20.13 Capital of the Company : The authorized and paid-up capital of your Company is Rs. 300,000,000 and Rs. 63,780,800 respectively.

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

20.15 Compliance Officer : **Mr. Ravishankar Singh**

20.16 Address for Investor Correspondence : Bigshare Services Pvt. Ltd.
SEBI Regn. No. INR 00001385
1st Floor Bharat Tin Works, Building,Opp. Vasant Oasis,
Makwana Road, Marol,Andheri East, Mumbai- 400059
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

20.17 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.