

## **28<sup>th</sup> Annual General Meeting**

### **Dynacons Systems & Solutions Limited**

**September 30, 2023**

- **Ms. Pooja Patwa – Company Secretary, Dynacons Systems & Solutions Limited:**
- Good afternoon to all the members and Board of Directors. I, Pooja Patwa, Company Secretary, welcome all the members to this 28<sup>th</sup> Annual General Meeting of Dynacons Systems and Solutions Limited, which is being held through video conferencing in accordance with the MCA circulars, provisions of Companies Act 2013, and SEBI listing regulations. Along with all the Board of Directors and members attending this meeting, we also note the presence of our statutory auditors, secretarial auditor, and scrutinizer who have also joined through video conferencing. It is now 3:00 PM, since the requisite quorum of members is present, with the consent of the chairman I declare the meeting to be in order. The Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts or Arrangements in which directors are interested and certificate from secretarial auditors for compliance of ESOP scheme as per SEBI share based employee benefits and Sweat Equity Regulations 2021 are available. These will remain accessible to the members for inspection electronically, if they so desire during the course of AGM. Members seeking to inspect any of these documents can send the request on [investors@dynacons.com](mailto:investors@dynacons.com). As the AGM is being held through video conferencing, the facility for appointment of proxy was not available and hence the proxy register for inspection is not available.
- At the outset, I will take you through certain points regarding the participation and voting at this meeting. The company has received requests from few of the members to register them as speakers for this meeting. Accordingly, the floor will be open for these members to ask questions. Members can also post their question in the chat box on the video conference screens during the AGM. It may be noted that the company reserves the right to limit the members asking the questions depending upon the availability of the time of this AGM. If there is any connectivity problem in the current speakers, we would invite the next speaker to join. When the connectivity improves, the speaker shareholder will be called again to speak once the other registered speaker completes their turn. We request the shareholders to be slow and loud while asking questions, so as to capture them correctly. We would like to request the shareholders to limit their speech to two minutes. Members who have not voted through remote e-voting can cast their vote through e-voting facility during the AGM. Those members who are present in the AGM through video conference facility and have not casted their vote on their resolutions through remote e-voting and are otherwise bad from doing so, shall be eligible to vote through the e-voting system during this AGM. The shareholders may vote at NSDL portal and simultaneously watch the AGM.

- Members are requested to refer instructions provided in the notice for seamless participation and voting. In case any member facing any difficulty may reach out on the helpline numbers as specified in the notice. Members may note that this AGM is recorded, do not disclose any sensitive personal information or personally identified information belonging to you or any other person who has no bearing on this meeting. The company has received authorized representation for 20,87,475 equity shares constituting 16.44% of voting. So, now I request the Board of Directors to introduce themselves and forward the proceedings of this meeting.
- **Mr. Shirish Anjaria:**
- Chairman and Managing Director of your company. I'm attending this meeting from office. Thank you.
- **Mr. Parag Dalal:**
- Good afternoon, shareholders. I'm Parag Dalal, Executive Director of your company. I'm attending this meeting from Mumbai. Thank you and we welcome you all.
- **Mr. Dharmesh Anjaria:**
- Good afternoon to all shareholders and members. We welcome you to the AGM. I'm Dharmesh Anjaria, Executive Director and CFO, and I'm attending this meeting from Mumbai.
- **Mrs. Archana Phadke:**
- Good afternoon, shareholders. I'm Archana Phadke, Independent Director of your company. I am attending this meeting from Mumbai. I Chair the Stakeholders Relationship and Grievance Committee meeting and Corporate Social Responsibility Committee of the company. Thank you.
- **Mr. Jitesh Jain:**
- Good afternoon, shareholders. I'm Jitesh Jain, Independent Director of your company. I'm attending this meeting from my office in Mumbai and I Chair the Audit Committee of the company. Thank you.
- **Mr. Vijay Doshi:**
- Good afternoon, shareholders. I'm Vijay Doshi, Independent Director of your company. I'm attending this meeting from Mumbai. I Chair the Nomination and Remuneration Committee and Risk Management Committee of the company. Thank you.
- **Ms. Pooja Patwa – Company Secretary, Dynacons Systems & Solutions Limited:**
- May, I request the team to showcase the short video about the company.

- *(16:03 to 19:05 Video Playing)*
- Now, I request Mr. Shirish Anjaria, Chairman for the meeting to present the meeting and deliver his address.
- **Mr. Shirish Anjaria – Chairman, Dynacons Systems & Solutions Limited:**
- A very good afternoon to you. It gives me great pleasure to welcome you to the 28<sup>th</sup> Annual General Meeting of the company.
- The fiscal year 2022-23 has been both challenging and rewarding especially in the context of India's dynamic IT landscape. Our journey through this period has been marked by resilience, innovations, and a commitment to serve our nation's technological needs.
- During the previous year, our revenues grew by 23% and our net profit increased by 103%. Beyond the headline numbers, we are pleased with our holistic nature of the growth, broad-based across all our industry verticals and major markets, and with a steadily expanding number of digital transformation projects in the portfolio.
- Our vision is to build a globally respected organization delivering the best of the business solutions, leveraging technology delivered by the best in class people. We are guided by our value system, which motivates our attitudes and actions. The IT industry in India is known for its adaptability and innovations. Our company has stayed true to these principles. We have embraced cutting edge technologies to provide innovative solutions that cater to the unique need of our Indian clients.
- Within the context of the ongoing enterprise digital transformation, we observe a sustained emphasis on cloud adoption, network modernization, and ensuring the customer experience, and transforming business models. Our role is to empower clients to accelerate and broaden their technology led innovations enabling them to distinguish themselves and drive growth.
- The Company has cultivated a robust customer base, honest diverse technical talent, and constructed a proficient service delivery infrastructure. This deep contextual understanding of their customer's business serves as a foundation for the creation of unique high impact solutions meticulously designed to yield differentiated business outcomes.
- Our Company's name, Dynacons demonstrates our dynamic nature and guides everything we do. Our growth trajectory, which is driven by our 3C approach concept, capability, and culture is dynamic it is very core. Our rich portfolio of service offerings spanned across the IT infrastructure life cycle of plan, build, run, monitor, ever evolving and value creating concept, expanding capabilities and constant improvisation for a healthy company culture are the cornerstones of everything we do at Dynacons.

- We have adopted a four-prong approach to enforce our relevance to clients and drive rapid value creation. Scaling our digital capabilities and remaining agile of skilling our workforce, expanding our portfolio of offering, and revitalizing our core IT infrastructure. Our consistent growth is testimony of the strength of our business model and ability to reinvent ourselves in the ever-evolving technology landscape to stay relevant to our customers while remaining focused on creating value for our stakeholders.
- I along with the board members and team of company would like to thank all of our stakeholders, shareholders, business associates, our bankers, our clients, and last but not the least our vendors for their contribution toward company success with this platform and with the honest indent and continued support of all, I am sure the company is poised for a good performance in the coming year. Thank you very much.
- **Mr. Dharmesh Anjaria – Executive Director and CFO, Dynacons Systems & Solutions Limited:**
- So, we shall now move ahead with the meeting. With the consent of the meeting, I will now take the notice convening the 28<sup>th</sup> Annual General Meeting as read. The statutory auditor MSP have expressed unqualified opinion in their audit report for the financial year 22-23. There were no qualifications, observations, or adverse comments on the financial statements and matters, which have any material bearing on the functioning of the company. Statutory report, auditors report on the standalone and consolidated financial statements respectively are available on page 81 and 137 of the annual report. With the consent of the meeting, I will now take the directors report as read. The resolutions along with the explanatory statement is provided in the notice circulated to the members. If any member desires to ask any question pertaining to any item of the notice or to the accounts, we may do so through the chat box. Members are requested to keep the questions brief and specific. To avoid repetition, we shall answer all the questions together at the end. We deserve the right to limit the time of the members asking the question depending on the availability of time. Over to you, Pooja.
- **Ms. Pooja Patwa – Company Secretary, Dynacons Systems & Solutions Limited:**
- We now request the registered speakers to ask their questions. So, we have 8 registered speakers request. Now, our first speaker is, Mr. Satish Shah.
- **Tech Support:**
- Ma'am, Satish Shah hasn't joined up with us, but I think Lekha Shah ma'am has joined with us, so if you allow me then I can move to the panelist.
- **Mr. Dharmesh Anjaria – Executive Director and CFO, Dynacons Systems & Solutions Limited:**
- Her name is there later ahead. I think we let's go on the

- **Ms. Pooja Patwa – Company Secretary, Dynacons Systems & Solutions Limited:**
- Yeah, she is the 5<sup>th</sup> speaker.
- **Tech Support:**
- Okay, okay. Fine with that.
- **Ms. Pooja Patwa – Company Secretary, Dynacons Systems & Solutions Limited:**
- Yeah. So, we can move to our second speaker. Our second speaker is, Mr. Bimal Kumar Agarwal. Ma'am Bimal Kumar Agrawal Sir hasn't joined this AGM. You can move to the next speaker shareholder.
- **Ms. Pooja Patwa – Company Secretary, Dynacons Systems & Solutions Limited:**
- Our third speaker is, Mr. Anil Parekh.
- **Tech Support:**
- Ma'am, Mr. Anil Parekh hasn't joined this AGM. You can move to the next speaker shareholder.
- **Ms. Pooja Patwa – Company Secretary, Dynacons Systems & Solutions Limited:**
- Okay. Our fourth speaker is, Mr. Shlok Dave.
- **Tech Support:**
- Shlok Sir, please unmute yourself. You can speak.
- **Mr. Shlok Dave – Shareholder:**
- Am I audible?
- **Tech Support:**
- Yes.
- **Mr. Shlok Dave – Shareholder:**
- Thank you very much for the opportunity. Thank you, Mr. Chairman for allowing me to speak at today's AGM. Sir, I'll start with a couple of compliments first. Amazing performance for the year, the compliment goes to the entire team, you guys have done remarkably well especially the improvement in margins. Second complement is on the quality of commentary written in the annual report. Somebody has like gone through I mean they have taken their time out and this was one of the better annual reports that I've read at least for the last 2-3 years. So, much detail is there, are very few qualitative questions left, which are unanswered about the business,

remarkably well written annual report, Sir. I thorough compliment to whoever has written it, please carry on doing this practice. I really appreciate it, Sir.

- Sir, the one thing which you guys missed is the quantitative aspects. So, I got to understand the business in remarkable detail, but I did not understand - for example, the system integration network services, managed services, smart city, and related projects, data center business, and digital workspace.
- I understand the individual segments, but I don't know how much is being contributed by individual segments and what is the margin profile of individual businesses and what is the future opportunity set in these businesses? Some obviously must be outgrowing the other. So, what exactly that picture is, so that is also my first question. If you can take us through the various moving parts of the business, which part is growing at what pace? What led to such a phenomenal performance this year? What led to improvement in margins and whether this revenue growth and these margin levels are sustainable? Second, Sir I'll quote one of the points that you guys have mentioned in the commentary, you guys have said that clients are undertaking vendor consolidation, it's a very important trend that we are seeing in the industry and you guys have also highlighted it. Sir can you go into a bit more details, what is happening to your wallet share across your clients? How is that changing and how do we benefit from this? What are you doing to ensure that this trend actually works in your favor, and you don't get removed out of certain relationships, but you actually gain market share, and you also gain wallet share. So, what exactly are the things we are doing?
- Sir, how is the deal piping looking like? Because in certain sections of the IT sector we are looking at some sort of a slowdown in certain geographies also there is a slowdown. So, what exactly are you seeing in terms of deal pipelines and what is your commentary about the coming year in terms of revenue growth and margins?
- Are you seeing this last couple of years of great performance, will it continue going forward or is it time to consolidate because there could be macro headwinds?
- Sir, you have mentioned SaaS, cybersecurity, and RPA quite a bit in your commentary. So again, what my understanding of the business is that you guys are more system integration and managed services, but you have mentioned these terms and I could not really make the connection between how we can gain out of these trends because these are fairly strong trends and if we are caught on the wrong foot, we may see some negative impact in our business. I am sure you guys are taking some corrective actions but what exactly are those?
- Sir, one final request, actually two final requests. One, please start making more frequent communications with shareholders, maybe through quarterly con calls. We are now approaching the 1000 crore market cap mark. We should be engaging more with the shareholders. If at all possible, I would be satisfied if you did a brief one-pager commentary after every quarterly result. If you can make two con calls a year, nothing like it. I won't press for four because questions become repetitive after every quarterly call but if you can do one or two calls every year, that is a much

better forum for me to engage with you with more specific questions. And final request is, sir, please don't keep your AGM so late in the season. Today is the last day of AGMs and you get lost in a clutter of so many other companies which are doing the AGMs today. You are such a well-managed company. I'm sure you can manage to probably do your AGM 10-15 days before the end of the season. These are my requests, sir. Again, I must congratulate you. The margin improvement was really positively surprising. I hope you guys... By the way, one more question, sir. Do you have a roadmap to get to double-digit margins? Is that possible? Because the finest companies in your segment...

– **Mr. Chirag – Moderator:**

– Shlok, sir, sorry to interrupt you.

– **Mr. Shlok Dave - Shareholder:**

– Yes, yes, I'm done. See, there were previous three speakers, none of them turned up so I thought I had some additional time. But thank you very much, sir. Great. Thank you very much for the opportunity. Thank you for giving me time. Thank you. All the best.

– **Ms. Pooja Patwa – Company Secretary, Dynacons Systems & Solutions Limited:**

– Our fifth speaker is Mrs. Lekha Shah.

– **Mr. Chirag – Moderator:**

– Lekha ma'am, you can unmute yourself. You can speak, ma'am.

– **Mrs. Lekha Shah - Shareholder:**

– Can you hear me, Pooja ma'am? Hello? Hello?

– **Ms. Pooja Patwa – Company Secretary, Dynacons Systems & Solutions Limited:**

– Hello? Yes, we can hear you.

– **Mrs. Lekha Shah - Shareholder:**

– Thank you, ma'am. Respected Chairperson ma'am, Board of Directors, and my fellow members, good afternoon to all of you. I am Lekha Shah from Mumbai. First of all, I'm very much thankful to our company secretary, Pooja ma'am, for sending the AGM notice well in time, which is full of knowledge, facts, and figures in place. Thank

you, Chairman sir, for explaining to us well about the company. Congratulations for your excellent work, sir. Sir, I pray to God that he always showers his blessing upon you. Thank you, Chairman.

Chair Madam (34:18 -34:23 – No Audio) Hello?

– **Ms. Pooja Patwa – Company Secretary, Dynacons Systems & Solutions Limited:**

– Yes. Yes, ma'am.

– **Mrs. Lekha Shah - Shareholder:**

– Pooja ma'am, I hope the company will continue video conference AGM in future. So, I strongly and wholeheartedly support all the resolutions for today's meeting. My best wishes are always with our company, and its prosperity. Pooja ma'am, please stay connected my previous speaker, Anil Parikh, has to speak.

– **Ms. Pooja Patwa – Company Secretary, Dynacons Systems & Solutions Limited:**

– Okay.

– **Mr. Anil Parekh - Shareholder:**

– Hello.

– **Ms. Pooja Patwa – Company Secretary, Dynacons Systems & Solutions Limited:**

– Yes, sir.

– **Mr. Anil Parekh - Shareholder:**

– I'm Anil Parikh here. Thank you for providing me with this platform to deliver my speech. I'm a little worried. Why? Because, you know, our Parag Bhai is never available for me to talk. And I would like to express here that Parag Bhai, kindly spare some time for us, for at least 5 minutes or 10 minutes in 365 days. Otherwise, I have no questions to ask. I'm pleased with the company's progress and wish you the best of luck for the future.

– **Ms. Pooja Patwa – Company Secretary, Dynacons Systems & Solutions Limited:**

– Our sixth speaker is Mr. Rajendra Seth.

– **Mr. Chirag – Moderator:**



- Ma'am, Mr. Rajendra Seth sir hasn't joined this AGM. You can move to the next speaker shareholder.
- **Ms. Pooja Patwa – Company Secretary, Dynacons Systems & Solutions Limited:**
- Okay. So, our seventh speaker is Mr. Naresh Kachalia.
- **Mr. Chirag – Moderator:**
- Mr. Naresh Kachalia hasn't joined this AGM. You can move to the next speaker shareholder.
- **Ms. Pooja Patwa – Company Secretary, Dynacons Systems & Solutions Limited:**
- Okay. Our eighth speaker is Mr. Sunil Chakraborty.
- **Mr. Chirag – Moderator:**
- Mr. Sunil Chakraborty hasn't joined this meeting.
- **Mr. Dharmesh Anjaria – Executive Director and CFO, Dynacons Systems & Solutions Limited:**
- Okay. So, yeah. So, since we have gone through all the questions, and I don't see any further questions in the chat box. So, I will take all the questions which I have learned. So, thank you, members. Thank you for all the compliments that you have given for our performance. The full credit goes to the entire team, our dynamites, who are completely responsible for what we are today. And to all our stakeholders who have always supported us there in all our endeavors there, whether it is our bankers, whether it is our vendors, our customers, and above all our members. So, thank you so much. It's because of all of you that we are where we are, and we look forward to taking this journey to the next level. The credit for the annual report will go to the secretarial team. So, thank you so much for the comments on the same. We have also noted your comments on the AGM there and on the holding of the con call, two con calls there, plus having a one-pager commentary with the results. Further, thank you so much for all the other compliments that have been shared with us. And we also note the request of Mr. Anil Parekh there to have a word with Parag Bhai. We are there and we will try and see how and in what best way this is possible. Moving over to the questions that are there.
- As you are aware, during the previous year, we had one single segment, which was system integration. System integration is itself divided into various different facets, whether it is data center, networking, security, workplace, smart city, managed

services. So, these are all components of the system integration projects. We are identifying and declaring revenue basis, the entire system integration, because the nature of our business is such that, you know, in between data center and networks, there is a very, very thin line there in terms of the projects that we undertake there. So, hence, the entire business is recognized as a single segment for the previous year there.

- With reference to the growth that we have seen, as you are aware, we have seen consistent and constant growth over the last few years. And that's been the result of all the strategic initiatives that the company has taken to build its technology expertise, to build its delivery infrastructure, to build the connects with all the technology companies, and above all, to build a connect with the customers. I think that is one of the key. These are some of the key reasons for our success there. And this, we believe, is something that we have been able to, not only sustain over the last previous years, but will continue to do so there. I will specifically dwell on certain key project areas, key projects that the company has worked upon in the previous year. As you have, we have declared, several projects there to the stock exchange that we have won from time to time, whether it is the Union Bank, Private Cloud, the Bank of Baroda, SD-WAN solution, which is over to 8,500 locations there. The e-passport project that Dynacons is very, very proud to be associated with and which will lead to the next wave of our growth there. So, we firmly believe that the expertise that we have built during these years there, the credentials that we have built in delivering, successfully delivering all these different scale projects, will hold us in good stead for growth forward.
  
- In terms of margin profile, yes, we have a conscious effort made to improve the margin profile, and you have been seeing the results of the same there. And we are definitely striving to, work towards, move towards a double-digit margin profile there. So, that's definitely an aim there, to move towards the improvement in the margin profile there. One of the factors which contributed to our margin profile over the years, we have built a good amount of customers there. We have got some key marquee names in the BFSI space, in the public sector, in global customers. So, these leading marquee customers, and we have a large amount of solutions that we can work across. So, we can, what we do is, when we are working with the account, then we move horizontally across. We may acquire an account with any one particular solution portfolio, but then we move horizontally across, and then we partner with the customer rather than act as a vendor supplier. We partner with the customer, address their pain areas, and work with them, and offer our entire solution portfolio, and our services. A large amount of all our projects have a lot of embedded services built into this, which has led to increase in the margin profile.
  
- Another area which is very important is vendor consolidation. Globally, you are seeing that companies today and enterprises today are looking to consolidate their vendors. They don't want to reinvent the wheel every time. They don't want multiple vendors. They're looking for a single vendor with whom they can work across and

build their technology stack. This is, you know, we are well poised in this, and this is an advantage that Dynacons possesses because we work across the entire IT infrastructure landscape. We have capabilities right from data center to workplace, and all services around all these areas. So, hence we are able to be like a one-stop solution provider to a company, a partner to a company, so that, we can fulfill, help them in their entire digital transformation journey there. So, this vendor consolidation initiative is a big positive for the company.

- SaaS, cybersecurity, and RPA. These are, you know, cybersecurity is definitely, security is one of the biggest concerns for not only Dynacons, but the entire industry as a large there. We are building out our cybersecurity portfolio and are offering various solutions to help customers tide over all these security scenarios, which they are facing in day-to-day life. So, definitely, that's a very, very important part of our product portfolio that we are building out. RPA is AI with chat GPT being announced, and it's now become a household name. Everybody uses chat GPT, but really, the power of AI and RPA will enable each and every segment, each and every company, each and every enterprise to build on their technology stack and make it much more user-friendly, much more stakeholder-friendly for their internal stakeholders, that is, their employees, and all their external stakeholders, which is their customers, vendors there. And our idea here is to use all these technologies in delivering the right kind of solutions that we have and building our solution stack.
- I think we have covered all the questions there. We note all your comments that you have mentioned. Thank you so much for supporting us through all this and we continue to work to ensure that our company progresses. Thank you so much.
- **Ms. Pooja Patwa – Company Secretary, Dynacons Systems & Solutions Limited:**
- So, now we will put the resolution to vote through e-voting.
  - o The first item of the agenda is Adoption of Audited Statement of Accounts as an Ordinary Resolution.
  - o The second item of the agenda is Confirmation of Payment of Interim Dividend as Final Dividend on Equity Shares for the Financial Year 2022-2023.
  - o The third item of the agenda is to reappoint Mr. Shirish Anjaria, who is retiring by rotation and being eligible, offers himself as a chairman cum managing director of the company.
  - o The fourth item of the agenda is to approve remuneration of the cost auditors of the company.
- Over to you, Dharmesh sir.

- **Mr. Dharmesh Anjaria – Executive Director and CFO, Dynacons Systems & Solutions Limited:**
- The company has appointed Mr. Hemant Shetye, partner of HSPN and Associates LLP, Practicing Company Secretary as the scrutinizer for conducting e-voting at the meeting and to scrutinize the voting process in a fair and transparent manner. The resolution set forth in the notice shall be deemed to be passed today, subject to the receipt of regular number of votes which are required to pass this in. We have now come to the end of the meeting as the business on the agenda is over. I thank all members of the company who have been kind enough to spare your time and for attending this meeting. The results of the AGM shall be put up on the registered office of the company as well as on the website of the company and will be simultaneously forwarded to BSE and NSE within the required time. With this, I now hereby declare the proceedings of the 28<sup>th</sup> Annual General Meeting as closed. Members may note that the e-voting at the NSDL platform will continue for the next 15 minutes. The members who have not cast their votes can now cast their votes in the next 15 minutes. I would now like to propose a vote of thanks to the chair. Thank you so much again members and we look forward to seeing you next year again.
- **Mr. Chirag – Moderator:**
- Thank you, Dharmesh sir. If you allow me, can I close this session?
- **Mr. Dharmesh Anjaria – Executive Director and CFO, Dynacons Systems & Solutions Limited:**
- Yes, I think we can close this session.
- **Mr. Chirag – Moderator:**
- Okay, thank you, sir. Thank you, everyone.
- **Ms. Pooja Patwa – Company Secretary, Dynacons Systems & Solutions Limited:**
- Thank you.

***E- Voting begins.***

***END OF TRANSCRIPT***