

NOTICE

NOTICE is hereby given that the Sixteenth Annual General Meeting of the members of Dynacons Systems & Solutions Limited will be held on Thursday, 29th day, September, 2011 at 3.00 P.M., at Karl Residency, 36, Lallubhai Park Road, Andheri (West), Mumbai 400058, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2011 and Profit & Loss Account for the year ended on that date and the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Dilip Palicha, who retires from the office of Director by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

4. **To consider and if thought fit to pass, with or without modifications, the following resolution as an Ordinary resolution:**

"RESOLVED THAT subject to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the provisions of the Articles of Association of the Company and subject to such other approvals, consents, sanctions, if any, required from any authority and subject to such conditions as may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall also include any committee thereof), the consent of the Members be and is hereby accorded for consolidating the Equity shares of the Company, including the paid up shares, such that 10 (ten) Equity Shares of the Company of the face value of Re. 1/- (Rupee One) each be consolidated into 1 (one)

Concept to Commissioning *and beyond...*



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equity share of face value of Rs.10/- (Rupees Ten) each and consequently the Authorised Share Capital of the Company of Rs. 30,00,00,000 (Rupees Thirty Crores) consisting of 30,00,00,000 (Thirty Crore) Equity shares of Face value of Re. 1 each (Rupee One) be consolidated into Rs. 30,00,00,000 (Rupees Thirty Crores) consisting of 3,00,00,000 (Three Crore) Equity shares of Face value of Rs. 10 (Rupees Ten) each with effect from the "Record Date" to be determined by Board / Committee of Directors for this purpose.

RESOLVED FURTHER THAT the fractions arising out of the consolidation to be dealt with as may be decided by the Board of Directors in accordance with applicable laws including the listing agreements entered into with the Stock Exchanges where the shares of the Company are presently listed.

RESOLVED FURTHER THAT pursuant to the consolidation of the Equity shares of the Company, the Paid-up Equity share Capital of Rs. 5,92,30,800 (Rupees Five Crore Ninety Two Lacs Thirty Thousand Eight Hundred) consisting of 5,92,30,800 (Five Crore Ninety Two Lac Thirty Thousand Eight Hundred) Equity shares of Re. 1 (Rupee One) each be divided into 59,23,080 (Fifty Nine Lacs Twenty Three Thousand Eighty) Equity shares of Rs. 10 (Rupees Ten) each by consolidating in such manner that every ten of the existing shares of Re. 1 each shall constitute one share of Rs. 10 each fully paid with effect from the "Record Date" to be determined by Board / Committee of Directors for this purpose.

RESOLVED FURTHER THAT upon the consolidation of the Equity Shares as aforesaid, the existing physical share certificates in relation to the paid up Equity Shares of the Company shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date to be determined by Board / Committee of Directors for this purpose (herein after referred to as "the Board", which terms shall also include any Committee, thereof) and the Board be and is hereby authorised to call back from the shareholders, if necessary and to issue new share certificates in lieu thereof, with regard to the consolidated Equity Shares in accordance with the provisions of the Companies (Issue of Share Certificates) Rules, 1960 and in case of Members who hold the Equity Shares / opt to receive the consolidated Equity Shares, in Dematerialized Form, the consolidated Equity Shares shall be credited to the respective beneficiary account of the Members, with their respective Depository Participants and the Company shall undertake such corporate actions as may be necessary in relation to the existing Equity Shares.



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RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things and give such directions as may be necessary, in the best interests of the Company, for giving effect to the aforesaid resolution, including but not limited to signing and execution of necessary forms, papers, writings, Agreements and documents, to decide on the treatment to be given to the fractional entitlement of Equity Shares on Consolidation including giving customary representations and warranties, together with such indemnities as may be deemed necessary and expedient in its discretion and setting any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding on all the Members."

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

"RESOLVED THAT existing Clause V of the Memorandum or Association of the Company be deemed to have been substituted by the following:-

The Authorised Share Capital of the Company is Rs. 300,000,000 (Rupees Thirty Crores) divided into 3,00,00,000 (Three Crores) Equity Shares of Rs.10/- (Rupee ten) each

6. To consider and if thought fit to pass, with or without modifications, the following resolution as an Special Resolution:

"RESOLVED THAT in accordance with the provisions of Section 81(1),81 (1A) and other applicable provisions, if any, of the Companies Act, 1956 and any other law for the time being in force and the provisions in the Memorandum and Articles of Association of the Company, the regulations issued by the Securities and Exchange Board of India ("SEBI"), the Listing Agreements entered into by the Company with the stock exchanges and subject to the approval, permissions and sanctions of the lenders of the Company, SEBI, stock exchanges, Reserve Bank of India ("RBI's, the Foreign Investment Promotion Board ("FIPB"), Government of India and other concerned authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of the aforementioned authorities while granting such approvals, permissions and sanctions, which may be agreed to by the Board of



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the Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee thereof) the consent of the members of the company be and is hereby accorded to create, offer and issue Equity Shares of Rs.10/- each of the Company with or without warrants attached thereto which may eventually be converted into Equity Shares on Right Basis to the Members of the Company as on the "Record Date" (to be determined by Board / Committee of Directors for this purpose) such that the aggregate size of the issue shall not exceed Rs. Twelve Crore or such sum, as may be determined by the Board of Directors in this regard, in the ratio to be determined by the Board (the "Rights Issue") and on such other terms and conditions as may be mentioned in the draft Letter of Offer to be issued by the Company in respect of the Rights Issue.

RESOLVED FURTHER THAT the equity shares to be offered on a right basis shall rank pari passu in all respects with the existing shares of the Company.

RESOLVED FURTHER THAT Mr. Ravi Singh, Company Secretary of the company be and is hereby appointed as Compliance Officer for the purpose of the Rights Issue.

RESOLVED FURTHER THAT a Committee of the Board comprising of following namely

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| 1. Mr. Shirish Anjaria | Chairman cum Managing Director |
| 2. Mr. Parag Dalal | Executive Director |
| 3. Mr. Dharmesh Anjaria | Executive Director |
| 4. Mr. Mukesh Shah | Non-Executive Independent Director |

be and are hereby authorised and shall always be deemed to have been so authorized, to do all such acts, matters, deeds and things as may be necessary for the purpose of the Rights Issue as aforesaid including but not limited to the following :

- (i) To fix record date(s) for the purpose of the Rights Issue for ascertaining the names of members who will be entitled to the aforesaid offer of equity shares in consultation with the stock exchanges with which the Company's shares are listed;



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- (ii) To decide on terms of the issue including the ratio of rights entitlement, issue of warrants along with the rights shares, terms of payment, terms of conversion of warrants, eligibility of renounces to apply for additional shares etc.
- (iii) To decide and determine the final size of the Rights Issue, the price per share either prior to or after filing of the draft Letter of Offer with SEBI and the rights entitlement ratio for equity shares including terms of the Rights Issue;
- (iv) To decide the treatment to be given to the fractional entitlement if any, including rounding upward or downwards or ignoring such fractional entitlements or issue of fractional coupons and the terms and conditions for consolidation of fractional entitlements into a whole share and application to the Company for the same as well as to decide the disposal off the shares representing the fractional coupons which are not so consolidated and presented to the Company for allotment of whole shares or treating fractional entitlement in the manner as may be approved by SEBI and the stock exchanges;
- (v) To decide the opening and closing dates for the Rights Issue and to extend, vary or alter the same as it may deem fit at its absolute discretion or as may be suggested or stipulated by SEBI, stock exchanges or other concerned authorities from time to time;
- (vi) To finalise the draft Letter of Offer, Letter of Offer, Composite Application Form, abridged Letter of Offer (as approved) and other documents and to file the same with SEBI, stock exchanges and other concerned authorities and issue the same to the equity shareholders of the Company;
- (vii) To appoint Lead Managers to the Rights Issue, Bankers, Registrar, Legal Advisors, Monitoring Agency, Consultants, Advisors, Underwriters, Printers and such other agencies as may be desired and to remunerate such agencies in cash or otherwise including by way of payment of commission, brokerage, fees, reimbursement of expenses incurred in relation to the issue of securities and other expenses, if any;



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- (viii) To finalise the basis of allotment of equity shares in consultation with Lead Managers, Registrar and the designated stock exchange and/or other stock exchanges where the existing shares are listed;
- (ix) To issue and allot the equity shares and warrants in one or more tranches and to do all such acts, deeds, matters and things necessary or desirable in connection with or incidental to the issue of the equity shares;
- (x) To issue the Letters of Allotment and Share Certificates to the proposed allottees either in dematerialised form or in physical form as may be required by the allottees;
- (xi) To ensure the names of the allottees are entered in the Register of Members of the Company;
- (xii) Issue new shares (including new certificates where required) representing the equity shares issued as part of the Rights Issue with new distinctive numbers as laid down in the Companies (Issue of Share Certificates) Rules, 1960 and also to inform the depositories to take the necessary action to give effect to the above and do all such acts, deeds, matters and things necessary or desirable in connection with or incidental to the Rights Issue;
- (xiii) To settle any question, difficulty or doubt that may arise in connection with the Rights Issue including the issue and allotment of the equity shares as aforesaid and to do all such acts, deeds and things as the Committee may in its absolute discretion consider necessary, proper, desirable or appropriate for settling such question, difficulty or doubt and making the said Rights Issue and allotment of equity shares;
- (xiv) To decide the mode and manner of allotment of shares if any not subscribed and left/remaining after allotment of rights shares and additional shares applied by the shareholders and renounces;
- (xv) To open bank Account(s) to receive applications along with application monies in respect of the issue of the shares and to make refunds;
- (xvi) To file necessary returns, make declarations / announcements, furnish information etc, to the concerned authorities in connection with the Rights Issue;



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- (xvii) To sign and execute any other, document, agreement, undertaking in connection with the Rights Issue; and
- (xviii) To take all such other steps as may be necessary in connection with this Rights Issue.

RESOLVED FURTHER THAT the following persons namely:

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|-------------------------|--------------------------------|
| 1. Mr. Shirish Anjaria | Chairman cum Managing Director |
| 2. Mr. Parag Dalal | Executive Director |
| 3. Mr. Dharmesh Anjaria | Executive Director |
| 4. Mr. Ravi Singh | Company Secretary |

be and are hereby severally authorised and shall always be deemed to have been so authorized, to do all such acts, matters, deeds and things and to execute all such deeds, documents, agreements etc. as may be necessary for the purpose of the proposed Rights Issue including but not limited to the following :

- (i) To obtain the requisite approvals, consents and sanctions from SEBI, stock exchanges, RBI, Registrar of Companies, Government of India, Foreign Investment Promotion Board ("FIPB"), lenders of the Company etc.;
- (ii) To file necessary certificates / returns / forms with SEBI, Stock Exchanges, Reserve Bank of India, Registrar of Companies, Government of India and other authorities;
- (iii) To issue public advertisements and notices;
- (iv) To apply to the stock exchanges for obtaining in-principle approval for listing and for permission to trade the equity shares and to do all such acts, deeds, matters and things and to sign all such papers, documents and agreements, as may be necessary to seek the listing of such equity shares on the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited with power to settle any query, difficulty or doubt that may arise in regard to the Rights Issue;



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- (v) To apply to the concerned depositories for the admission of the equity shares into the depository system; and
- (vi) To incur necessary expenses such as fees of various agencies, filing fees, stamp duty etc

RESOLVED FURTHER THAT Mr. Ravi Singh, Company Secretary & Compliance Officer will act as the Secretary to the Committee and shall do all such acts, deeds as may be required."

**By Order of the Board
For DYNACONS SYSTEMS & SOLUTIONS LTD**

Shirish M. Anjaria
Chairman & Managing Director

Dharmesh S. Anjaria
Executive Director

Date: August 29, 2011

Registered Office

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



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NOTES:

1. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to special business set out in the accompanying Notice is annexed hereto and forms part of this Notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. The instrument appointing a proxy should, however, be deposited at the Registered office of the Company not less than 48 hours before the commencement of the meeting.
4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote in their behalf at the Meeting.
5. Members / Proxies should bring the attendance slip duly filled in for attending the meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, the 23rd day of September, 2011 to Thursday, the 29th day of September, 2011. (both days inclusive).
7. Members desirous of seeking information relating to the Accounts and operations of the Company are requested to address their queries to the Company at least 7 days before the date of the meeting, so that the information required may be made available at the meeting.
8. Shareholders holding shares in physical form are requested to advise any change of address immediately to Company's Registrar and Share Transfer Agents, Bigshare Services Pvt. Ltd. Shareholders holding shares in electronic



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form must advise their respective depository participants about change in address and not to the Company.

9. The relevant details as required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges of person seeking re-appointment as Director under item no. 2 above is annexed hereto.
10. Members who hold shares in dematerialized form are requested to bring their DP ID and Client ID numbers for easy identification of attendance at the meeting.
11. 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 INE417B01032.
12. Annual Listing fee for the year 2010-11 has been paid to all stock exchange wherein shares of the company are listed.
13. As per the provisions of Companies Act 1956, facility for making nominations is available to the shareholders in respect of the shares or deposits held by them. Nomination forms can be obtained from the Share Registrars of the Company.
14. As an austerity measure copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.



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15. The Ministry of Corporate Affairs has taken a "**Green Initiative in the Corporate Governance**" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail address with **M/s.Bigshare Services Pvt. Ltd.,** Registrar and Transfer Agents of the Company.

By Order of the Board
For DYNACONS SYSTEMS & SOLUTIONS LTD.

Shirish M. Anjaria
Chairman & Managing Director

Dharmesh S. Anjaria
Executive Director

Date: August 29, 2011

Registered Office

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Irla Lane, Vile Parle (W),
Mumbai – 400 056



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EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) of the Companies Act, 1956 in respect of item nos. 4, 5 and 6 of the notice as set out herein before is annexed hereto.

Item no. 4 & 5

It is proposed to consolidate the to value of equity share capital of the Company from the present paid-up amount of Re.1 per equity share into paid-up amount of Rs.10 per equity share. The proposal to consolidate the equity shares into greater amount is permissible as per Sec:94 (1) (b) of the provisions of the Companies Act, 1956.

The proposed consolidation of the face value of the Equity Shares of the Company from Re.1/- per share to Rs.10/- per share, requires that the existing physical share certificates in relation to the paid up Equity Shares of the Company is cancelled and new share certificates be issued in lieu thereof in accordance with the provisions of the Companies (Issue of Share Certificate) Rules, 1960 and in case of Members who hold the Equity Shares / opt to receive the consolidated Equity Shares, in Dematerialized Form, the consolidated Equity Shares will be credited to the respective beneficiary account of the Members, with their respective Depository Participants

The proposed consolidation also requires an amendment to the Memorandum of Association of the Company. Accordingly, Clause V of the Memorandum of Association of the Company is proposed to be altered in the manner set out in the Resolution, to reflect the alteration in the Authorised Share Capital of the Company.

The approval of the Members of the Company is sought pursuant to the provisions of Sections 16 of the Act, for the proposed alterations to the Memorandum of Association of the Company, respectively.

The Directors commend the Resolutions at Item Nos. 4 & 5 of the accompanying Notice for acceptance by the Members of the Company.

The Memorandum and Articles of Association are available for inspection of any member of the Company at the Registered Office of the Company between 11 A.M. to 5 P.M. on any working day excluding public holidays from the date of this notice till the date of Annual General Meeting. The same will also be available for inspection at the meeting.



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The Directors of the Company may be deemed to be concerned or interested in the above resolutions to the extent of their respective holdings in the Company.

Item no. 6:

Your Company is in requirement of funds to carry out its capital expenditure and growth plans, besides re-orienting its debt-equity position in a desired manner. Towards this purpose, the Company intends to issue fresh equity shares of the Company through Rights Issue. The proposed Rights Issue offers an opportunity to all the members of the company to participate in the proposed business plans of the Company and facilitate raising of requisite funds for its aforesaid plans.

Keeping in view the proposed business plans and Schedule of Depolyment the Board of Directors of the Company proposes to offer for subscription such number of equity shares with or without warrants attached thereto which may eventually be converted into Equity Shares on Rights Basis to the Members of the Company in proportion of their present shareholding in existing paid up capital of the Company, subject to rounding off as on the record date (to be determined by Board / Committee of Directors for this purpose) such that the aggregate size of the issue shall not exceed Rs. Twelve Crore or such sum, may be determined by the Board of Directors in this regard.

The equity shares to be offered on a right basis shall rank pari passu in all respects with the existing shares of the Company and shall be listed on the Exchanges on which he existing Equity shares of the Company are listed

This Resolution seeks the consent of the Shareholders authorizing the Board to make the proposed Rights Issue of Equity Shares and to deal with any matter connected with the said Rights Issue of Equity Shares.

The Board of Directors, therefore recommend passing of the special resolution set out in the Notice convening Annual General Meeting.

The Directors of the Company may be deemed to be concerned or interested in the special resolution to the extent of their rights entitlement arising out of the proposed issue and to apply for additional shares in accordance with the provisions of applicable laws and regulations.



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DETAILS OF DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

(In Pursuance of Clause 49 of the Listing Agreement)

Name of Director	Mr. Dilip P. Palicha
Age	63
Date of Appointment on the Board	March 15, 2001
Qualifications	Graduate with Certificate in Printing Technology, Associate of Federation of Insurance Institutes.
Expertise	Vast experience in Management and Administration, Insurance, Expertise in Printing Technology & Animation.
Directorships held in other Public Companies (excluding Foreign and Private Companies)	1
Memberships/Chairmanships of Committees across public companies	2

By Order of the Board
For DYNACONS SYSTEMS & SOLUTIONS LTD.

Shirish M. Anjaria

Chairman & Managing Director

Dharmesh S. Anjaria

Executive Director

Date : August 29, 2011

Registered Office

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

