



# DYNAMIC INDUSTRIES LIMITED

(A Govt. Recognised Export House)

Manufacturers & Exporters of Dyes, Pigments & Dye Intermediates

Regd. Office : Plot No. 5501/2, Phase III,  
Nr. Trikampura Cross Road, G.I.D.C.,  
Vatva, Ahmedabad - 382 445. Gujarat (INDIA)  
Tel. : 91-79-2589 7221-22-23  
Fax : 91-79-2583 4292, 2589 7232  
E-mail : admin@dynaind.com  
CIN : L24110GJ1989PLC011989

Factory : Plot No. 125, Phase I,  
G.I.D.C. Estate, Vatva,  
Ahmedabad - 382 445. Gujarat (INDIA)  
Tel. : 91-79-2583 3835, 2589 1835  
Fax : 91-79-2589 1735  
Our Website : www.dynaind.com



Date: 23<sup>rd</sup> July, 2015

DIL/BSEL/2015/07/006

To,  
Asst. General Manager  
(Corporate Relation Department)  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai - 400 001.  
Scrip Code: 524818  
Scrip Id: DYNAMIND

**Sub: Re-submission of 26<sup>th</sup> Annual report for the year ended on 31<sup>st</sup> March, 2015 due to Typographical error in previous submission.**

Sir/Madam,

This letter is with reference to the above mentioned subject line. We had Submitted the 26<sup>th</sup> Annual Report on 21<sup>st</sup> July, 2015. We are hereby *re-submitting the 26<sup>th</sup> Annual Report to Due to Oversight and Typographical error on Page No. 46 of the 26<sup>th</sup> Annual Report,*

*It should be:*

Place: Ahmedabad  
Date: 14<sup>th</sup> May, 2015

-Sd/-  
Company Secretary in Practice: Chetani R. Shah  
F.C.S. No.: 2703  
C.P. No.: 4253

*Instead of:*

Place : Ahmedabad  
Date : 29<sup>th</sup> June, 2015

For and on behalf of the Board

-Sd/-  
DEEPAK N. CHOKSHI  
Chairman & Managing Director  
DIN : 00536345

Chintan Amlani





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Our Website : www.dynaind.com



Kindly take the same on your record.

Thanking You,

Yours Sincerely,

For, Dynamic Industries Limited

*Chintan Amlani..*

Company Secretary and Compliance Officer  
Chintan Nareshkumar Amlani





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Our Website : www.dynaind.com



## Form A

(Pursuant to Clause 31(a) of the Listing Agreement)

1.	Name of the Company	Dynamic Industries Limited (Standalone)
2.	CIN	L24110GJ1989PLC011989
3.	Annual Financial Statements for the year ended	31 <sup>st</sup> March, 2015
4.	Type of Audit observation	Un-Qualified
5.	Frequency of observation	Not Applicable

For, Dynamic Industries Limited

Deepak Chokshi  
Managing Director  
DIN: 00536345



For, Dynamic Industries Limited

Harin Mamlatdarna  
Managing Director  
DIN: 00536250







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Factory : Plot No. 125, Phase I,  
G.I.D.C. Estate, Vatva,  
Ahmedabad - 382 445. Gujarat (INDIA)  
Tel. : 91-79-2583 3835, 2589 1835  
Fax : 91-79-2589 1735  
Our Website : www.dynaind.com



## Form A

(Pursuant to Clause 31(a) of the Listing Agreement)

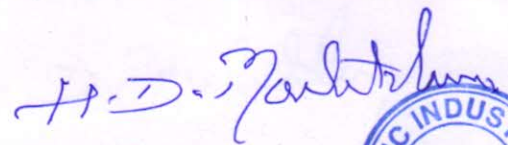
1.	Name of the Company	Dynamic Industries Limited (Consolidated)
2.	CIN	L24110GJ1989PLC011989
3.	Annual Financial Statements for the year ended	31 <sup>st</sup> March, 2015
4.	Type of Audit observation	Un-Qualified
5.	Frequency of observation	Not Applicable

For, Dynamic Industries Limited

For, Dynamic Industries Limited

  
Deepak Chokshi  
Managing Director  
DIN: 00536345



  
Harin Mamlatdarna  
Managing Director  
DIN: 00536250



*26<sup>th</sup>*

*Annual Report  
2014-2015*



**DYNAMIC INDUSTRIES LIMITED**

Registered Office : Plot No. 5501/2, Phase III, G.I.D.C., Vatva, Ahmedabad - 382 445.



## **BOARD OF DIRECTORS**



**DEEPAK N. CHOKSHI**  
CHAIRMAN & MANAGING DIRECTOR

**HARIN D. MAMLATDARNA**  
VICE CHAIRMAN & MANAGING DIRECTOR

**DINESH J. JAIN**  
WHOLE TIME DIRECTOR

**JATIN B. SURTI**  
(NON-EXECUTIVE  
DIRECTOR / INDEPENDENT)

**PRAVINCHANDRA D. MASTER**  
(NON-EXECUTIVE  
DIRECTOR / INDEPENDENT)

**RAGHAVDAS H. LAKHMANI**  
(NON-EXECUTIVE  
DIRECTOR / INDEPENDENT)



**COMPANY SECRETARY**  
(CONSULTING)  
**CHETAN R. SHAH**

**AUDITORS**  
G. K. CHOKSI & CO.  
Chartered Accountants  
"Madhuban", Nr. Madalpur Underbridge,  
Ellisbridge, Ahmedabad - 6.

**BANKERS**  
HDFC BANK LTD.  
Vatva Branch  
Vatva, Ahmedabad.

**REGISTRARS & SHARE TRANSFER AGENTS**  
SHAREPRO SERVICES (INDIA) PVT. LTD.  
(Ahmedabad Branch)  
416-420, 4th Floor, Devnandan Mall,  
Opp. Sanyas Ashram, Ashram Road,  
Ellisbridge, Ahmedabad - 380 006.



**REGISTERED OFFICE :**  
Plot No. 5501/2, Phase III,  
Nr. Trikampura Cross Roads, GIDC,  
Vatva, Ahmedabad - 382 445.  
**Website : [www.dynaind.com](http://www.dynaind.com)**  
**ISIN No. : INE457C01010**

**FACTORY :**  
Plot No. 125, Phase - I,  
Nr. Trikampura Cross Roads, GIDC,  
Vatva, Ahmedabad - 382 445.  
**E-mail : [accounts@dynaind.com](mailto:accounts@dynaind.com)**  
**CIN No. : L24110GJ1989PLC011989**

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## **NOTICE**

Notice is hereby given that 26<sup>th</sup> (Twenty Sixth) Annual General Meeting of Dynamic Industries Limited will be held at the registered office of the Company situated at Plot No.5501/2,Phase-III, Nr. Trikampura Cross Road, G.I.D.C. Vatva, Ahmedabad – 382445 on Friday, 14<sup>th</sup> Day of August, 2015 at 11:30 A.M. to transact following business:

### **ORDINARY BUSINESS :**

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2015 including audited Balance Sheet as at 31<sup>st</sup> March, 2015 and Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To declare a dividend of ₹ 1.00 (10%) per Equity Share of the nominal value of ₹ 10.00 each for the year ended 31<sup>st</sup> March, 2015.
3. To re-appoint Mr. Deepak Navinchandra Chokshi (DIN: 00536345), who is liable to retire by rotation and being eligible, offers himself for re-appointment.
4. To ratify the appointment of M/s. G. K. Choksi & Co., Chartered Accountants, Ahmedabad (Firm Reg. No. 101895W) as approved by Members at the 25<sup>th</sup> Annual General Meeting as Statutory Auditors of the Company, to hold office until the conclusion of 28<sup>th</sup> Annual General Meeting, and to fix their remuneration for the financial year ending 31<sup>st</sup> March, 2016.

"RESOLVED that, pursuant to provisions of section 139 of the Companies Act 2013 and all other applicable provisions, if any (including any statutory modification or re-enactment thereof for the time being in force) the appointment of M/s G. K. Choksi & Co., Chartered Accountants, Ahmedabad (Firm Reg. No. 101895W) be and is hereby ratified to hold the office as auditors till the conclusion of 28<sup>th</sup> Annual General Meeting to conduct audit for the financial year 2015-16 with such remuneration as may be mutually decided between board of directors and auditors."

### **SPECIAL BUSINESS :**

5. To re-appoint and re-designate Mr. Deepak Navinchandra Chokshi (DIN: 00536345) as Vice Chairman and Managing Director of the Company and in this regard to consider and if thought fit, to pass with or without modification (s) as a Special Resolution:

"RESOLVED THAT pursuant to Provisions of Section 152, 196, 197, 198, 203 and Schedule V and all other provisions applicable, if any, (including any statutory modifications or re-enactment thereof, for the time being in force), read with Companies (Appointment and Remuneration) Rules, 2014 and any other statutory approval if any, the Company hereby re-appoints and re-designates Mr. Deepak Navinchandra Chokshi (DIN: 00536345) as Vice Chairman and Managing Director from Chairman and Managing Director for a period of 2 (Two) years commencing from 1<sup>st</sup> October, 2015 to 30<sup>th</sup> September, 2017, with such remuneration as recommended by Nomination and Remuneration Committee as set out in the explanatory statement Item No. 5 appended hereto and forming part of this Notice and with liberty to the Board of Directors to alter, vary or modify the terms and conditions of perquisites in such manner as may be agreed to between the Board of Directors and Mr. Deepak Navinchandra Chokshi within the limits specified in the Companies Act, 2013 and Rules made thereunder."

"RESOLVED FURTHER THAT the remuneration and perquisites set out to be paid to Mr. Deepak Navinchandra Chokshi as minimum remuneration during the tenure of his re-appointment notwithstanding that in any financial year of the Company during the aforesaid period, the Company has made no profits or the profits made are inadequate."

"RESOLVED FURTHER THAT the remuneration and perquisites including the monetary value thereof as specified be varied, increased, expanded, enhanced, enlarged, widened or altered in accordance with the provisions relating to the payment of Managerial remuneration under the Companies Act, 2013 and Companies (Appointment and

Remuneration of Managerial Personnel) Rules, 2014 or any amendments or re-enactments thereof and as may be mutually decided between the Company and Mr. Deepak Navinchandra Chokshi be suitably amended to give effect to the same in such manner as may be agreed to by and between the Board and Mr. Deepak Navinchandra Chokshi.”

“RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby authorized, without any further reference or approval of members of the Company, to accept and alter and vary the terms and conditions of the said re-appointment or any amendments or modifications that may hereafter be made thereto within the permissible limits of Schedule V read with various provisions of the Act and rules made there under, once the same is approved by members of the company.”

“RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things incidental thereto to give effect to aforesaid resolution.”

6. To re-appoint and re-designate Mr. Harin Dhanvantrai Mamlatdarna (DIN: 00536250) as Chairman and Whole Time Director of the Company and in this regard to consider and if thought fit, to pass with or without modification (s) as a Special Resolution:

“RESOLVED THAT pursuant to Provisions of Section 152, 196, 197, 198, 203 and Schedule V and all other provisions applicable, if any, (including any statutory modifications or re-enactment thereof, for the time being in force), read with Companies (Appointment and Remuneration) Rules, 2014 and any other statutory approval if any, the Company hereby re-appoints and re-designates Mr. Harin Dhanvantrai Mamlatdarna (DIN: 00536250) as Chairman and Whole Time Director from Vice Chairman and Managing Director for a period of 2 (Two) years commencing from 1<sup>st</sup> October, 2015 to 30<sup>th</sup> September, 2017, with such remuneration as recommended by Nomination and Remuneration Committee as set out in the explanatory statement Item No. 6 appended hereto and forming part of this Notice and with liberty to the Board of Directors to alter, vary or modify the terms and conditions of perquisites in such manner as may be agreed to between the Board of Directors and Mr. Harin Dhanvantrai Mamlatdarna (DIN: 00536250) within the limits specified in the Companies Act, 2013 and Rules made thereunder.”

“RESOLVED FURTHER THAT the remuneration and perquisites set out to be paid to Mr. Harin Dhanvantrai Mamlatdarna as minimum remuneration during the tenure of his re-appointment notwithstanding that in any financial year of the Company during the aforesaid period, the Company has made no profits or the profits made are inadequate.”

“RESOLVED FURTHER THAT the remuneration and perquisites including the monetary value thereof as specified be varied, increased, expanded, enhanced, enlarged, widened or altered in accordance with the provisions relating to the payment of Managerial remuneration under the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 or any amendments or re-enactments thereof and as may be mutually decided between the Company and Mr. Harin Dhanvantrai Mamlatdarna be suitably amended to give effect to the same in such manner as may be agreed to by and between the Board and Mr. Harin Dhanvantrai Mamlatdarna.”

“RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby authorized, without any further reference or approval of members of the Company, to accept and alter and vary the terms and conditions of the said re-appointment or any amendments or modifications that may hereafter be made thereto within the permissible limits of Schedule V read with various provisions of the Act and rules made there under, once the same is approved by members of the company.”

“RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things incidental thereto to give effect to aforesaid resolution.”

7. To re-appoint Mr. Dinesh Jasraj Jain (DIN: 00135889) as Whole Time Director of the Company and in this regard to consider and if thought fit, to pass with or without modification (s) as a Special Resolution:



“RESOLVED THAT pursuant to Provisions of Section 152, 196, 197, 198, 203 and Schedule V and all other provisions applicable, if any, (including any statutory modifications or re-enactment thereof, for the time being in force), read with Companies (Appointment and Remuneration) Rules, 2014 and any other statutory approval if any, the Company hereby re-appoints Mr. Dinesh Jasraj Jain (DIN: 00135889) as Whole Time Director for a period of 2 (Two) years commencing from 1<sup>st</sup> October, 2015 to 30<sup>th</sup> September, 2017, with such remuneration as recommended by Nomination and Remuneration Committee as set out in the explanatory statement Item No.7 appended hereto and forming part of this Notice and with liberty to the Board of Directors to alter, vary or modify the terms and conditions of perquisites in such manner as may be agreed to between the Board of Directors and Mr. Dinesh Jasraj Jain (DIN: 00135889) within the limits specified in the Companies Act, 2013 and Rules made thereunder.”

“RESOLVED FURTHER THAT the remuneration and perquisites set out to be paid to Mr. Dinesh Jasraj Jain (DIN: 00135889) as minimum remuneration during the tenure of his re-appointment notwithstanding that in any financial year of the Company during the aforesaid period, the Company has made no profits or the profits made are inadequate.”

“RESOLVED FURTHER THAT the remuneration and perquisites including the monetary value thereof as specified be varied, increased, expanded, enhanced, enlarged, widened or altered in accordance with the provisions relating to the payment of Managerial remuneration under the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 or any amendments or re-enactments thereof and as may be mutually decided between the Company and Mr. Dinesh Jasraj Jain (DIN: 00135889) be suitably amended to give effect to the same in such manner as may be agreed to by and between the Board and Mr. Dinesh Jasraj Jain (DIN: 00135889).”

“RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby authorized, without any further reference or approval of members of the Company, to accept and alter and vary the terms and conditions of the said re-appointment or any amendments or modifications that may hereafter be made thereto within the permissible limits of Schedule V read with various provisions of the Act and rules made there under, once the same is approved by members of the company.”

“RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things incidental thereto to give effect to aforesaid resolution.”

8. To appoint Mr. Pravinchandra Devidas Master (DIN:05195587) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification (s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, Schedule IV of the Companies Act, 2013 and read with Companies (Appointment and Qualification) Rules, 2014 and all other applicable provisions, if any and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Pravinchandra Devidas Master (DIN:05195587) who is an Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act, who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature of the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 3 consecutive years for a term from 14<sup>th</sup> August, 2015 to 13<sup>th</sup> August, 2018 and he shall not liable to retire by rotation.”

“RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby authorized as to do all such acts, deeds and things incidental thereto to give effect to aforesaid resolution.”

9. To appoint Mr. Raghavdas Hiralal Lakhmani (DIN:05304347) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification (s) the following resolution as an Ordinary Resolution:

## DYNAMIC INDUSTRIES LIMITED

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“RESOLVED THAT pursuant to the provisions of Sections 149, 152, Schedule IV of the Companies Act, 2013 and read with Companies (Appointment and Qualification) Rules, 2014 and all other applicable provisions, if any and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Raghavdas Hiralal Lakhmani (DIN: 05304347) who is an Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act, who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature of the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 3 consecutive years for a term from 14<sup>th</sup> August, 2015 to 13<sup>th</sup> August, 2018 and he shall not liable to retire by rotation.”

“RESOLVED FURTHER THAT Board of Directors of the Company be and are, hereby authorized as to do all such acts, deeds and things incidental thereto to give effect to aforesaid resolution.”

10. To appoint Mr. Jatinbhai Biharilal Surti (DIN: 05195572) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification (s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, Schedule IV of the Companies Act, 2013 and read with Companies (Appointment and Qualification) Rules, 2014 and all other applicable provisions, if any and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Jatinbhai Biharilal Surti (DIN: 05195572) who is an Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act, who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature of the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 3 consecutive years for a term from 14<sup>th</sup> August, 2015 to 13<sup>th</sup> August, 2018 that he shall not liable to retire by rotation.”

“RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby authorized as to do all such acts, deeds and things incidental thereto to give effect to aforesaid resolution.”

11. To approve borrowing limits under provision of section 180 (1) (c) of the Companies Act, 2013 and rules made thereunder and in this regard to consider and if thought fit, to pass, with or without modification (s) the following resolution as a Special Resolution:

“RESOLVED THAT in supersession of all the resolutions passed earlier and pursuant to provisions of Clause (c) of Sub Section (1) of Section 180 and all other applicable provisions, if any, of the Companies Act, 2013, and read with rules made thereunder and as amended from time to time, consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow such sum or sums of money, from time to time, which, together with the money already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's Bankers in ordinary course of business) may exceed, at any time, the aggregate of the paid-up share capital of the Company and its free reserves, provided that the total amount so borrowed by the Board shall not at any time exceed ₹. 100.00 Crores.”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized and empowered to arrange or settle the terms and conditions on which all such moneys are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to a Committee constituted by the Board and/or any member of such Committee with power to the said Committee to sub-delegate its powers to any of its members.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things incidental thereto to give expedient to give effect to the aforesaid resolution.”

12. To create charge on the assets of the Company under Section 180 (1) (a) of the Companies Act, 2013 and rules

made thereunder and in this regard to consider and if thought fit, to pass, with or without modification (s) the following resolution as a Special Resolution:

“RESOLVED THAT in supersession of all the resolutions passed earlier and pursuant to the provisions of Clause (a) of Sub Section (1) of Section 180 and all other applicable provisions, if any, of the Companies Act, 2013, and read with rules made thereunder and as amended from time to time, consent of the Company be and is hereby given to the Board of Directors of the Company authority to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations, if any, created by the Company, on such movable and/or immovable properties, both present and future, and in such manner as the Board may deem fit, in favour of Banks, Financial Institutions, Insurance Companies, other lending/ investing agencies or bodies/ trustees for holders of debentures/ bonds which may be issued to or subscribed to by all or any of the Banks, Financial Institutions, Insurance Companies, other lending/ investing agencies or any other person(s)/ bodies corporate by way of private placement or otherwise (hereinafter collectively referred to as 'Lenders'), provided that the total amount of loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company in respect of the said loans, for which such charges, mortgages or hypothecations are created, shall not, at any time exceed the limit of ₹. 100.00 Crores.”

“RESOLVED FURTHER THAT board of directors of the Company be and are hereby authorized to do all such acts, deeds, execute all agreements, documents and paper and all other things incidental thereto to give effect to aforesaid resolution.”

13. To regularize Ms. Viraj Darshit Shah (DIN: 07220630) as an Independent Woman Director of the Company and in this regard to consider and if thought fit, to pass with or without modification(s) as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, if any, and read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Ms. Viraj Darshit Shah (DIN 07220630) who was appointed as an Additional Director pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Woman Director of the Company to hold office for 5 consecutive years for a term from 29<sup>th</sup> June, 2015 to 28<sup>th</sup> July, 2020 that she shall not liable to retire by rotation further she has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act.”

“RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby authorized as to do all such acts, deeds and things incidental thereto to give effect to aforesaid resolution.”

**Regd. Office :**

Plot No. 5501/2, Phase III,  
Nr. Trikampura Cross Roads,  
GIDC, Vatva,  
Ahmedabad - 382 445.

Date : 29<sup>th</sup> June, 2015

**By Order of the Board**

-Sd/-

**DEEPAK N. CHOKSHI**  
*Chairman & Managing Director*  
DIN : 00536345

## DYNAMIC INDUSTRIES LIMITED

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### Notes :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten (10) percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. The instrument of Proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.
2. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board Resolution together with the specimen signatures of their authorized representatives to attend and vote on their behalf at the Meeting.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to Item Nos. 5 to 13 is annexed hereto.
4. The Board of Directors has recommended for consideration of the Members, a dividend of ₹. 1.00 (100%) per equity share of the nominal value of ₹10 each for the year ended 31<sup>st</sup> March, 2015.
5. The Register of Members and the Share Transfer books of the Company will remain closed from 13<sup>th</sup> August, 2015, Thursday and 14<sup>th</sup> August, 2015, Friday for purpose of Dividend, if declared, will be payable on before 12<sup>th</sup> September, 2015 to those members whose names are registered as such in the Register of Members of the Company as on 13<sup>th</sup> August, 2015 and to the Beneficiary holders as per the beneficiary list as on 13<sup>th</sup> August, 2015 provided by the NSDL and CDSL.
6. In accordance with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company has fixed 7<sup>th</sup> August, 2015 as the “cut-off date” to determine the eligibility to vote by electronic means or in the general meeting. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 7<sup>th</sup> August, 2015, shall be entitled to avail the facility of remote e-voting as well as voting in the general meeting.
7. Shareholders may be aware that the Companies Act, 2013, permits service of the Notice of the Annual General Meeting through electronic mode. Electronic copy of the Annual Report including Notice of the 26<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Admission Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes. However, those members who desire to have a physical copy may request for the same to the RTA. For members who have not registered their email IDs, physical copies of the Annual Report are being sent in the permitted mode.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to Sharepro Services(India) Private Limited.
9. The shareholders who are holding shares in demat form and have not yet registered their e-mail IDs with their Depository Participant are requested to register their e-mail address at the earliest, to enable the Company to use the same for serving documents to them electronically, hereinafter. Shareholders holding shares in physical form may kindly provide their e-mail address to the RTA by sending an e-mail at [sharepro@shareproservices.com](mailto:sharepro@shareproservices.com). The Annual Report of the Company would also be made available on the Company's website [www.dynaind.com](http://www.dynaind.com).
10. Voting through Electronic means In compliance with Section 108 and other applicable provisions of the Companies Act, 2013, if any, read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, and Clause 35B of the Listing Agreement, the Company is pleased to provide its Shareholders with the facility of “remote e-voting” (e-voting from a place other than venue of the AGM), to enable them to cast their votes at the 26<sup>th</sup> Annual General Meeting (AGM) and the business at the 26<sup>th</sup>AGM may be transacted through such voting. The Company has entered into an agreement with Central Depository Services (India) Ltd. (CDSL) for facilitating e-voting to enable all its Shareholders to cast their vote electronically. The facility for voting, either through electronic voting system or ballot/polling paper shall also be made available at the venue of the AGM, apart from the remote e-



voting facility provided prior to the date of AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again at the AGM. The Company has appointed Chetan R. Shah, Practicing Company Secretaries, as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. The Scrutinizer shall make a consolidated Scrutinizer's report of the total votes cast in favor or against, if any, during the remote e-voting and voting at the AGM, not later than three days of conclusion of the meeting, to the Chairman or a person, authorized by him in writing. The Chairman or a person, authorized by him in writing, shall declare the results of the AGM forthwith. The results declared along with the Scrutinizer's report shall be placed on the Company's website and on the website of CDSL and shall be communicated to the Stock Exchanges.

**THE INSTRUCTIONS TO SHAREHOLDERS OF THE COMPANY FOR E-VOTING ARE AS FOLLOWS:**

- (i) Members holding shares in physical form or in Demat form as on 7<sup>th</sup> August, 2015, the cut-off date, shall only be eligible for e-voting.
- (ii) The voting period begins on Monday, 11<sup>th</sup> August, 2015 at 9.00 a.m. and ends on 13<sup>th</sup> August, 2015 at 5.00 p.m. During this period the eligible shareholders of the Company, holding shares either in physical form or in Demat form, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

If you are a first time user follow the steps given below :

For Members holding shares in Demat Form and Physical Form	
<b>PAN</b>	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the Sequence Number in the PAN field. The Sequence Number is printed on address sticker affixed on last page of Annual Report.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
<b>DOB</b>	Enter the Date of Birth as recorded in your Demat account or in the Company records for the said Demat account or folio in dd/mm/yyyy format
<b>Dividend Bank Details</b>	<p>Enter the Dividend Bank Details (Account Number) as recorded in your Demat account or in the Company records for the said Demat account or folio.</p> <ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v)</li> </ul>

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- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the Resolutions contained in this Notice.
- (xii) Click on the EVSN for “Dynamic Industries Limited” on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolutions you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote or cast your vote again.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) If Demat account holder has forgotten the password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non-Individual Shareholders and Custodians:
  - Non-Individual shareholders (i.e. other than Individuals, HUF and NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) Those persons, who have acquired shares and have become Members of the Company after the dispatch of Notice of the AGM by the Company and whose names appear in the Register of Members or Register of beneficial holders as on the cut-off date i.e. 7<sup>th</sup> August, 2015 shall view the Notice of the 26<sup>th</sup> AGM on the Company's website or on the website of CDSL. Such Members shall exercise their voting rights through remote e-voting by following the procedure as mentioned above or by voting at the AGM.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

## Annexure to the Notice

### Explanatory Statement under Section 102 of the Companies Act, 2013.

#### Item No. 5

Mr. Deepak Navinchandra Chokshi was re-appointed and re-designated as Chairman and Managing Director of the Company for a period of 2 years (1<sup>st</sup> October, 2013 to 30<sup>th</sup> September, 2015) hence his term as Managing Director of the Company is going to be expired on 30<sup>th</sup> September, 2015. The Board Members re-appointed and re-designated Mr. Deepak Navinchandra Chokshi as Vice chairman and Managing Director of the Company on 30<sup>th</sup> May, 2015 for a period of two years w.e.f. 1<sup>st</sup> October, 2015 to 30<sup>th</sup> September, 2017 on the terms & conditions recommended by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee has considered the matter and recommended the terms of the Remuneration to the Board, subject to the approval of members by way of special resolution under various Sections of the Act read with Schedule- V of the Companies Act, 2013.

He is graduate in commerce and handling finance and banking, commercial matters, accounting and administration of the Company. He has experience of 34 years in the field of dyes and chemicals and as managing director of the Company from more than 25 years. He has vast experience in management, administration and effective policy formulations for efficient and smooth running of the Company. In view of the manifold increase in role and responsibility of Mr. Deepak Navinchandra Chokshi, the Board approved the re-appointment and re-designation of Mr. Deepak Navinchandra Chokshi as Vice Chairman and Managing Director of the Company for a period of two years w.e.f. 1<sup>st</sup> October, 2015 as his period of office is to be expired on 30<sup>th</sup> September, 2015. The details of the remuneration payable to Mr. Deepak Navinchandra Chokshi, as Vice Chairman and Managing Director as contained in the resolution, are set out below:

- a) Salary: Basic Salary of ₹. 1.75 Lacs per month with suitable increment on 1<sup>st</sup> April each year at the discretion of the Board of Directors but within the limit of Schedule V and other applicable provisions of the Companies Act, 2013. So, long as he functions as such, he shall not be paid any sitting fees for attending meeting of the Board of Directors or committees thereof.
- b) Perquisites: Furnished accommodation, electricity, water, gas and furnishings, medical reimbursements, leave travel concessions for self and family, club fees, medical insurance, personal accident insurance, leave encashment, benefits of Provident Fund and Gratuity Fund, car and telephone, any other allowances etc. in accordance with the rules of the Company.

In case, no accommodation is provided to Mr. Deepak Navinchandra Chokshi, he will be paid House Rent Allowance as per rules of the Company.

The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, within the maximum amount payable to Managing and whole Time Directors in accordance with Schedule V to the Act or any amendments made hereafter in this regard. In the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company may pay to Mr. Deepak Navinchandra Chokshi remuneration by way of Salary, allowances and perquisites as per section II of part II of Schedule V of the Companies Act, 2013.

The Company shall reimburse actual entertainment and travelling expense incurred by the Managing Director in connection with the Company's business.

This statement containing following information is given as per Clause-A of Section II of part II of Schedule V of the Companies Act, 2013.

I.	GENERAL INFORMATION	
	1) Nature of Industry	Manufacturing of Chemicals and Dyes.
	2) Date or expected date of commencement commercial production.	Existing Company and hence not applicable.
	3) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Existing Company and hence not applicable.

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4) Financial Performance based on given indicators (As at 31st March, 2015)	<b>Particulars</b>	<b>₹. in Lacs</b>
	<b>Turnover (Net Sales)</b>	<b>6908.70</b>
	<b>Gross Profit</b>	<b>1181.07</b>
	<b>Net Profit Before Tax</b>	<b>393.20</b>
	<b>Debt Equity Ratio</b>	<b>0.72</b>
	<b>Current Ratio</b>	<b>2.09</b>
	<b>Net Worth</b>	<b>1949.24</b>
5) Export Performance	The Company has achieved export Turnover FOB value of ₹. 3584.14 lacs for the financial year ended on 31st March, 2015.	
6) Foreign Investments or Collaborators, if any	None	
<b>II.</b>	<b>INFORMATION ABOUT THE APPOINTEE :</b>	
1) Background Details	Mr. Deepak Navinchandra Chokshi is graduate in commerce and handling finance and banking, commercial matters, accounting and administration of the Company. He has experience of 34 years in the field of dyes and chemicals and as managing director of the Company from more than 25 years	
2) Past Remuneration	Remuneration paid for the financial year 2014-15 is ₹. 16.29 Lacs.	
3) Recognition or Awards	None	
4) Job Profile and his suitability	Mr. Deepak Navinchandra Chokshi is handling multiple portfolio in field of Administration, finance and banking. He has wide knowledge of the industry and markets that the company operates in, and has been instrumental in the turnaround of the company over the last few years.	
5) Remuneration Proposed	As mentioned in the abstract of remuneration given in the preceding paras.	
6) Comparative remuneration profile with respect to industry size of the company, profile of the position and person.	The proposed remuneration is commensurate with level skills, experience of the appointee. Mr. Deepak Navinchandra Chokshi has been re-appointed and re-designated as Vice Chairman and Managing Director having superintendence and control of the Board of Directors of the Company to carry out such duties on day to day basis as entrusted to him. The remuneration proposed is in line with and prevailing in similar industry and having regard to the size of the Company	
7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	He belongs to promoter group and KMP of the Company apart from this There is no monetary pecuniary relation whether directly or indirectly with the company.	
<b>III.</b>	<b>OTHER INFORMATION :</b>	
1) Reasons of loss or inadequate profits	Due to increase in competition in the Chemical industry the profit margin were low in order to survive in the market. So, profit for the financial year ended on 31 <sup>st</sup> March, 2015 was inadequate to for payment of such remuneration	



	2) Steps taken or proposed to be taken for improvement	Efforts are made for cost cutting for improving margins. Further other administrative and other expenses will be controlled.
	3) Expected increase in productivity and profits in measurable terms.	Strict steps will be taken to control fixed costs and inventory costs, which will enable Company to improve its turnover and profits in years to come with normative numbers calculated with reference to good returns from the Chemical Industry.
<b>IV.</b>	<b>DISCLOSURES :</b>	
	1) The remuneration package of Mr. Deepak Navinchandra Chokshi has been enumerated above. Resolution for the same include all the details.	
	2) The required disclosure to the shareholders of the Company about remuneration package of the managerial person and all elements of remuneration package such as salary, benefits, bonuses, stock options, pensions etc., of all the directors; details of fixed component and performance linked incentives along with the performance criteria; Service contract, notice period, severance fees; Stock option details, if any and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable has been made in the Annual Report of the Company for the Financial Year 2014-15, wherever applicable.	

The re-appointment and re-designation of Mr. Deepak Navinchandra Chokshi as Vice Chairman and Managing Director of the company requires special majority of the members under Section 196, 197, 198 & 203 read with provisions of sub-clause (A) of section II of part II of Schedule V of the Companies Act, 2013, for payment of remuneration.

The Company has not made any default in repayment of any of its debts, loans (including public deposits) or debentures or interest payable thereon in terms of the proviso of sub clause (ii) of Clause B of section II of Part II of schedule V of the Companies Act, 2013.

Consequently the said resolution for re-appointment and re-designation of Mr. Deepak Navinchandra Chokshi as Vice Chairman and Managing Director for a period of two years on the remuneration as set out in the resolution, requires approval of Members in General Meeting with special majority.

Hence, your directors recommend the resolution for your approval.

As the resolution for re-appointment has been proposed for two years with remuneration within the limits prescribed under Clause-A of section II of part II of schedule V of the Act, and hence the approval of Central Government is not required.

Except Mr. Deepak Navinchandra Chokshi none of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP is concerned or interested in the Resolution and recommend your acceptance thereof in the interest of the Company.

The notice and explanatory statement may be treated as an abstract of terms and memorandum of interest under section 190 of the Companies Act, 2013, regarding re-appointment and re-designation of Mr. Deepak Navinchandra Chokshi as Vice Chairman and Managing Director of the Company to be circulated to the shareholders of the company and the requirement of the said act may be deemed to have been sufficiently complied with.

#### **Item No. 6 :**

Mr. Harin Dhanvantrai Mamlatdarna was re-appointed and re-designated as Vice Chairman and Managing Director of the Company for a period of 2 years (1<sup>st</sup> October, 2013 to 30<sup>th</sup> September, 2015) hence his term as Managing Director of the Company is going to be expired on 30<sup>th</sup> September, 2015. The Board Members re-appointed and re-designated Mr. Harin Dhanvantrai Mamlatdarna as Chairman and Whole Time Director of the Company on 30<sup>th</sup> May, 2015 for a period of two years w.e.f. 1<sup>st</sup> October, 2015 to 30<sup>th</sup> September, 2017 on the terms & conditions recommended by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee has considered the matter and recommended the terms of the Remuneration to the Board, subject to the approval of members by way of special resolution under various Sections of the Act read with Schedule- V of the Companies Act, 2013.

He is graduate in commerce and handling marketing, finance, accounting and administration of the Company. He has experience of 34 years in the field of dyes and chemicals and as managing director of the Company from more than 25

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years. He had also visited number of European and Asian Countries as well as USA to acquaint himself with latest technology. He has vast experience in management, administration and effective policy formulations for efficient and smooth running of the Company. In view of the manifold increase in role and responsibility Mr. Harin Dhanvantrai Mamlatdarna, the Board approved the re-appointment and re-designation of Mr. Harin Dhanvantrai Mamlatdarna as Chairman and Whole Time Director of the Company for a period of two years w.e.f. 1<sup>st</sup> October, 2015 as his period of office is to be expired on 30<sup>th</sup> September, 2015. The details of the remuneration payable to Mr. Harin Dhanvantrai Mamlatdarna, as Chairman and Whole Time Director and as contained in the resolution, are set out below:

- a) Salary: Basic Salary of ₹ 1.75 Lacs per month with suitable increment on 1<sup>st</sup> April each year at the discretion of the Board of Directors but within the limit of Schedule V and other applicable provisions of the Companies Act, 2013. So, long as he functions as such, he shall not be paid any sitting fees for attending meeting of the Board of Directors or committees thereof.
- b) Perquisites: Furnished accommodation, electricity, water, gas and furnishings, medical reimbursements, leave travel concessions for self and family, club fees, medical insurance, personal accident insurance, leave encashment, benefits of Provident Fund and Gratuity Fund, car and telephone, any other allowances etc. in accordance with the rules of the Company.

In case, no accommodation is provided to Mr. Harin Dhanvantrai Mamlatdarna, he will be paid House Rent Allowance as per rules of the Company. The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, within the maximum amount payable to Managing and Whole Time Directors in accordance with Schedule V to the Act or any amendments made hereafter in this regard. In the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company may pay to Mr. Harin Dhanvantrai Mamlatdarna remuneration by way of Salary, allowances and perquisites as per section II of part II of Schedule V of the Companies Act, 2013.

The Company shall reimburse actual entertainment and travelling expense incurred by the Managing Director in connection with the Company's business.

This statement containing following information is given as per Clause-A of Section II of part II of Schedule V of the Companies Act, 2013.

I.	GENERAL INFORMATION															
	1) Nature of Industry	Manufacturing of Chemicals and Dyes.														
	2) Date or expected date of commencement commercial production.	Existing Company and hence not applicable.														
	3) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Existing Company and hence not applicable.														
	4) Financial Performance based on given indicators (As at 31st March, 2015)	<table><tr><td><b>Particulars</b></td><td><b>₹. in Lacs</b></td></tr><tr><td><b>Turnover (Net Sales)</b></td><td><b>6908.70</b></td></tr><tr><td><b>Gross Profit</b></td><td><b>1181.07</b></td></tr><tr><td><b>Net Profit Before Tax</b></td><td><b>393.20</b></td></tr><tr><td><b>Debt Equity Ratio</b></td><td><b>0.72</b></td></tr><tr><td><b>Current Ratio</b></td><td><b>2.09</b></td></tr><tr><td><b>Net Worth</b></td><td><b>1949.24</b></td></tr></table>	<b>Particulars</b>	<b>₹. in Lacs</b>	<b>Turnover (Net Sales)</b>	<b>6908.70</b>	<b>Gross Profit</b>	<b>1181.07</b>	<b>Net Profit Before Tax</b>	<b>393.20</b>	<b>Debt Equity Ratio</b>	<b>0.72</b>	<b>Current Ratio</b>	<b>2.09</b>	<b>Net Worth</b>	<b>1949.24</b>
<b>Particulars</b>	<b>₹. in Lacs</b>															
<b>Turnover (Net Sales)</b>	<b>6908.70</b>															
<b>Gross Profit</b>	<b>1181.07</b>															
<b>Net Profit Before Tax</b>	<b>393.20</b>															
<b>Debt Equity Ratio</b>	<b>0.72</b>															
<b>Current Ratio</b>	<b>2.09</b>															
<b>Net Worth</b>	<b>1949.24</b>															
	5) Export Performance	The Company has achieved export Turnover FOB value of ₹. 3584.14 lacs for the financial year ended on 31st March, 2015.														
	6) Foreign Investments or Collaborators, if any	None														

II.	INFORMATION ABOUT THE APPOINTEE :	
	1) Background Details	Mr. Harin Dhanvantrai Mamlatdarna is graduate in commerce and handling production, marketing, finance, banking, commercial matters, accounting and administration of the Company. He has experience of 34 years in the field of dyes and chemicals and as managing director of the Company from more than 25 years.
	2) Past Remuneration	Remuneration paid for the financial year 2014-15 is ₹. 16.45 Lacs.
	3) Recognition or Awards	None
	4) Job Profile and his suitability	Mr. Harin Dhanvantrai Mamlatdarna Handling multiple portfolio in field of production, marketing, finance, banking, commercial matters, accounting and administration. He has wide knowledge of the industry and markets that the company operates in, and has been instrumental in the turnaround of the company over the last few years.
	5) Remuneration Proposed	As mentioned in the abstract of remuneration given in the preceding paras.
	6) Comparative remuneration profile with respect to industry size of the company, profile of the position and person.	The proposed remuneration is commensurate with level skills, experience of the appointee. Mr. Harin Dhanvantrai Mamlatdarna has been re-appointed and re-designated as Chairman and Whole Time Director having superintendence and control of the Board of Directors of the Company to carry out such duties on day to day basis as entrusted to him. The remuneration proposed is in line with and prevailing in similar industry and having regard to the size of the Company.
	7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	He belongs to promoter group and KMP of the Company apart from this There is no monetary pecuniary relation whether directly or indirectly with the company.
III.	OTHER INFORMATION :	
	1) Reasons of loss or inadequate profits	Due to increase in competition in the Chemical industry the profit margin were low in order to survive in the market. So, profit for the financial year ended on 31 <sup>st</sup> March, 2015 was inadequate to for payment of such remuneration
	2) Steps taken or proposed to be taken for improvement	Efforts are made for cost cutting for improving margins. Further other administrative and other expenses will be controlled.
	3) Expected increase in productivity and profits in measurable terms.	Strict steps will be taken to control fixed costs and inventory costs, which will enable Company to improve its turnover and profits in years to come with normative numbers calculated with reference to good returns from the Chemical Industry.

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IV.	DISCLOSURES :
	1) The remuneration package of Mr. Harin Dhanvantrai Mamlatdarna has been enumerated above. Resolution for the same include all the details.
	2) The required disclosure to the shareholders of the Company about remuneration package of the managerial person and all elements of remuneration package such as salary, benefits, bonuses, stock options, pensions etc., of all the directors; details of fixed component and performance linked incentives along with the performance criteria; Service contract, notice period, severance fees; Stock option details, if any and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable has been made in the Annual Report of the Company for the Financial Year 2014-15, wherever applicable.

The re-appointment and re-designated Mr. Harin Dhanvantrai Mamlatdarna as Chairman and Whole Time Director of the company requires special majority of the members under Section 196, 197, 198 & 203 read with provisions of sub-clause (A) of section II of part II of Schedule V of the Companies Act, 2013, for payment of remuneration.

The Company has not made any default in repayment of any of its debts, loans (including public deposits) or debentures or interest payable thereon in terms of the proviso of sub clause (ii) of Clause B of section II of Part II of schedule V of the Companies Act, 2013.

Consequently the said resolution for re-appointment and re-designated Mr. Harin Dhanvantrai Mamlatdarna as Chairman and Whole Time Director for a period of two years on the remuneration as set out in the resolution, requires approval of Members in General Meeting with special majority.

Hence, your directors recommend the resolution for your approval

As the resolution for re-appointment has been proposed for two years with remuneration within the limits prescribed under Clause-A of section II of part II of schedule V of the Act, and hence the approval of Central Government is not required.

Except Mr. Harin Dhanvantrai Mamlatdarna none of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP is concerned or interested in the Resolution and recommend your acceptance thereof in the interest of the Company.

The notice and explanatory statement may be treated as an abstract of terms and memorandum of interest under section 190 of the Companies Act, 2013, regarding re-appointment and re-designation of Mr. Harin Dhanvantrai Mamlatdarna Chairman and Whole Time Director of the Company to be circulated to the shareholders of the company and the requirement of the said act may be deemed to have been sufficiently complied with.

### Item No. 7 :

Mr. Dinesh Jasraj Jain re-appointed Whole Time Director of the Company for a period of 2 years (1<sup>st</sup> October, 2013 to 30<sup>th</sup> September, 2015) hence his term as Whole Time Director of the Company is going to be expired on 30<sup>th</sup> September, 2015. The Board Members re-appointed Mr. Dinesh Jasraj Jain as Whole Time Director of the Company on 30<sup>th</sup> May, 2015 for a period of two years w.e.f. 1<sup>st</sup> October, 2015 to 30<sup>th</sup> September, 2017 on the terms & conditions recommended by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee has considered the matter and recommended the terms of the Remuneration to the Board, subject to the approval of members by way of special resolution under various Sections of the Act read with Schedule- V of the Companies Act, 2013.

He is graduate in commerce and handling marketing, finance, accounting and administration of the Company. He has experience of 29 years in the field of dyes and chemicals and as managing director of the Company from more than 7 years. He had also visited number of European and Asian Countries as well as USA to acquaint himself with latest technology. He has vast experience in management, administration and effective policy formulations for efficient and smooth running of the Company. In view of the manifold increase in Mr. Dinesh Jasraj Jain role and responsibility, the Board approved the re-appointment of Mr. Dinesh Jasraj Jain as Whole Time Director of the Company for a period of two years w.e.f. 1<sup>st</sup> October, 2015 as his period of office is to be expired on 30<sup>th</sup> September, 2015. The details of the remuneration payable to Mr. Dinesh Jasraj Jain, as Whole Time Director as contained in the resolution, are set out below:

- a) Salary: Basic Salary of ₹ 0.75 Lacs per month with suitable increment on 1<sup>st</sup> April each year at the discretion of the Board of Directors but within the limit of Schedule V and other applicable provisions of the Companies Act, 2013 So, long as he functions as such, he shall not be paid any sitting fees for attending meeting of the Board of Directors or committees thereof.



- b) Perquisites: Furnished accommodation, electricity, water, gas and furnishings, medical reimbursements, leave travel concessions for self and family, club fees, medical insurance, personal accident insurance, leave encashment, benefits of Provident Fund and Gratuity Fund, car and telephone, any other allowances etc. in accordance with the rules of the Company.

In case, no accommodation is provided to Mr. Dinesh Jasraj Jain, he will be paid House Rent Allowance as per rules of the Company. The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, within the maximum amount payable to Managing and whole Time Directors in accordance with Schedule V to the Act or any amendments made hereafter in this regard. In the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company may pay to Mr. Dinesh Jasraj Jain remuneration by way of Salary, allowances and perquisites as per section II of part II of Schedule V of the Companies Act, 2013.

The Company shall reimburse actual entertainment and travelling expense incurred by the Managing Director in connection with the Company's business.

This statement containing following information is given as per Clause-A of Section II of part II of Schedule V of the Companies Act, 2013

I.	GENERAL INFORMATION															
	1) Nature of Industry	Manufacturing of Chemicals and Dyes.														
	2) Date or expected date of commencement commercial production.	Existing Company and hence not applicable.														
	3) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Existing Company and hence not applicable.														
	4) Financial Performance based on given indicators (As at 31st March, 2015)	<table><tr><td>Particulars</td><td>₹. in Lacs</td></tr><tr><td>Turnover (Net Sales)</td><td>6908.70</td></tr><tr><td>Gross Profit</td><td>1181.07</td></tr><tr><td>Net Profit Before Tax</td><td>393.20</td></tr><tr><td>Debt Equity Ratio</td><td>0.72</td></tr><tr><td>Current Ratio</td><td>2.09</td></tr><tr><td>Net Worth</td><td>1949.24</td></tr></table>	Particulars	₹. in Lacs	Turnover (Net Sales)	6908.70	Gross Profit	1181.07	Net Profit Before Tax	393.20	Debt Equity Ratio	0.72	Current Ratio	2.09	Net Worth	1949.24
Particulars	₹. in Lacs															
Turnover (Net Sales)	6908.70															
Gross Profit	1181.07															
Net Profit Before Tax	393.20															
Debt Equity Ratio	0.72															
Current Ratio	2.09															
Net Worth	1949.24															
	5) Export Performance	The Company has achieved export Turnover FOB value of ₹. 3584.14 lacs for the financial year ended on 31st March, 2015.														
	6) Foreign Investments or Collaborators, if any	None														
II.	INFORMATION ABOUT THE APPOINTEE :															
	1) Background Details	Mr. Dinesh Jasraj Jain is graduate in commerce and handling finance and banking, commercial matters, accounting and administration of the Company. He has experience of 29 years in the field of dyes and chemicals and as Whole Time Director of the Company from more than 7 years.														
	2) Past Remuneration	Remuneration paid for the financial year 2014-15 is ₹. 10.43 Lacs.														
	3) Recognition or Awards	None														

## DYNAMIC INDUSTRIES LIMITED

	4) Job Profile and his suitability	Mr. Dinesh Jasraj Jain is Handling multiple portfolio in field of Administration, finance and banking. He has wide knowledge of the industry and markets that the company operates in, and has been instrumental in the turnaround of the company over the last few years.
	5) Remuneration Proposed	As mentioned in the abstract of remuneration given in the preceding paras.
	6) Comparative remuneration profile with respect to industry size of the company, profile of the position and person.	The proposed remuneration is commensurate with level skills, experience of the appointee. Mr. Dinesh Jasraj Jain has been re-appointed as Whole Time Director having superintendence and control of the Board of Directors of the Company to carry out such duties on day to day basis as entrusted to him. The remuneration proposed is in line with and prevailing in similar industry and having regard to the size of the Company.
	7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	He belongs to promoter group and KMP of the Company apart from this There is no monetary pecuniary relation whether directly or indirectly with the company.
<b>III.</b>	<b>OTHER INFORMATION :</b>	
	1) Reasons of loss or inadequate profits	Due to increase in competition in the Chemical industry the profit margin were low in order to survive in the market. So, profit for the financial year ended on 31 <sup>st</sup> March, 2015 was inadequate to for payment of such remuneration
	2) Steps taken or proposed to be taken for improvement	Efforts are made for cost cutting for improving margins. Further other administrative and other expenses will be controlled.
	3) Expected increase in productivity and profits in measurable terms.	Strict steps will be taken to control fixed costs and inventory costs, which will enable Company to improve its turnover and profits in years to come with normative numbers calculated with reference to good returns from the Chemical Industry.
<b>IV.</b>	<b>DISCLOSURES :</b>	
	1) The remuneration package of Mr. Dinesh Jasraj Jain has been enumerated above. Resolution for the same include all the details.	
	2) The required disclosure to the shareholders of the Company about remuneration package of the managerial person and all elements of remuneration package such as salary, benefits, bonuses, stock options, pensions etc., of all the directors; details of fixed component and performance linked incentives along with the performance criteria; Service contract, notice period, severance fees; Stock option details, if any and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable has been made in the Annual Report of the Company for the Financial Year 2014-15, wherever applicable.	

The re-appointment of Mr. Dinesh Jasraj Jain as Whole Time Director of the company requires special majority of the members under Section 196, 197, 198 & 203 read with provisions of sub-clause (A) of section II of part II of Schedule V of the Companies Act, 2013, for payment of remuneration.

The Company has not made any default in repayment of any of its debts, loans (including public deposits) or debentures or interest payable thereon in terms of the proviso of sub clause (ii) of Clause B of section II of Part II of schedule V of the Companies Act, 2013.

Consequently the said resolution for re-appointment of Mr. Dinesh Jasraj Jain as Whole Time Director for a period of two years on the remuneration as set out in the resolution, requires approval of Members in General Meeting with special majority.

Hence, your directors recommend the resolution for your approval.

As the resolution for re-appointment has been proposed for two years with remuneration within the limits prescribed under Clause-A of section II of part II of schedule V of the Act, and hence the approval of Central Government is not required.

Except Mr. Dinesh Jasraj Jain none of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP is concerned or interested in the Resolution and recommend your acceptance thereof in the interest of the Company.

The notice and explanatory statement may be treated as an abstract of terms and memorandum of interest under section 190 of the Companies Act, 2013, regarding re-appointment of Mr. Dinesh Jasraj Jain as Whole Time Director of the Company to be circulated to the shareholders of the company and the requirement of the said act may be deemed to have been sufficiently complied with.

**Item No. 8 to 10:**

The Company had, pursuant to the provisions of clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Mr. Jatinbhai Biharilal Surti (DIN: 05195572), Mr. Pravinchandra Devidas Master (DIN: 05195587) & Mr. Raghavdas Hiralal Lakhmani (DIN: 05304347), as an Independent Directors at various times, in compliance with the requirements of the clause. Pursuant to the provisions of section 149 of the Act, which came in to effect from 1<sup>st</sup> April, 2014, every listed public company is required to have at least one-third of the total number of directors as Independent Directors, who are not liable to retire by rotation. The Nomination and Remuneration Committee has recommended the appointment of these directors as Independent Directors from 14<sup>th</sup> August, 2015.

Mr. Jatinbhai Biharilal Surti (DIN: 05195572), Mr. Pravinchandra Devidas Master (DIN: 05195587) & Mr. Raghavdas Hiralal Lakhmani (DIN: 05304347), non-executive directors of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, each of these directors fulfil the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and they are independent of the management.

A notice has been received along with prescribed fees from members proposing Mr. Jatinbhai Biharilal Surti (DIN: 05195572), Mr. Pravinchandra Devidas Master (DIN: 05195587) & Mr. Raghavdas Hiralal Lakhmani (DIN: 05304347) as the candidates for the office of Director of the Company.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being placed before the Members for their approval.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Sunday.

A brief profile of the Independent Directors to be appointed is given below:

Mr. Jatinbhai Biharilal Surti (DIN: 05195572) is an Independent Director of the company and he hold this position in the company since, 2012. Mr. Jatinbhai Biharilal Surti is Bachelor in Commerce further he has wide experience of more than 4 years of experience in the field of chemical industry.

Mr. Pravinchandra Devidas Master (DIN: 05195587) is an Independent Director of the company and he hold this position in the company since, 2012 Mr. Pravinchandra Devidas Master (DIN: 05195587). He is Master in Commerce along with that he also had completed bachelors in law and he has wide experience in field of Accounts and administration.

Mr. Raghavdas Hiralal Lakhmani (DIN: 05304347) is an Independent Director of the company and he hold this position in the company since 2012. Mr. Raghavdas Hiralal Lakhmani (DIN: 05304347). He is graduate in chemistry and He has more than 35 years of experience in dye industry.

Mr. Jatinbhai Biharilal Surti (DIN: 05195572), Mr. Pravinchandra Devidas Master (DIN: 05195587) & Mr. Raghavdas Hiralal Lakhmani (DIN: 05304347) respectively, are concerned or interested in the Resolutions of the accompanying Notice relating to their own appointment. Resolutions placed at Item Nos. 8 to 10 of the notice are recommended for approval of the Shareholders.

**Item No. 11:**

Under the erstwhile Section 293 (1) (d) of the Companies Act, 1956, the Board of Directors of the Company could, with the consent of the shareholders obtained by an Ordinary Resolution, borrow moneys, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the aggregate of paid-up capital and free

## DYNAMIC INDUSTRIES LIMITED

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reserves of the Company, that is to say, reserves not set apart for any specific purpose.

Under the provisions of Section 180 (1) (c) of the Companies Act, 2013, the above powers can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution. As such, it is necessary to obtain fresh approval of the shareholders by means of a Special Resolution, to enable the Board of Directors of the Company to borrow moneys, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the aggregate of paid-up share capital and free reserves of the Company up The Board recommends the Resolution at Item No.11 of the Notice for approval of the shareholders by a Special Resolution.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No.11 of the Notice.

### Item No. 12:

Under the erstwhile Section 293 (1) (a) of the Companies Act, 1956, the Board of Directors of a Company could, with the consent of the shareholders obtained by an Ordinary Resolution, create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees for the holders of debentures/ bonds, to secure the repayment of moneys borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business).

Under the provisions of Section 180 (1) (a) of the Companies Act, 2013, the above powers can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution. As such, it is necessary to obtain fresh approval of the shareholders by means of a Special Resolution, to enable the Board of Directors of the Company to create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees for the holders of debentures/ bonds, to secure the repayment of moneys borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business). As the documents to be executed between the Company and the lenders/ trustees for the holders of debentures/ bonds may contain the power to take over the management of the Company in certain events, it is necessary to obtain Members' approval under Section 180 (1) (a) of the Companies Act, 2013, by way of a Special Resolution.

The Board commends the Resolution at Item No.12 of the Notice for approval of the shareholders by a Special Resolution.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No.12 of the Notice.

### Item No. 13:

Ms. Viraj Darshit Shah (DIN 07220630) was appointed as an Additional Director on the Board of Director of the Company and also as Independent Woman Director of the Company under section 152, 149 and 161 of the Companies Act, 2013 and Rules made thereunder. She was appointed as an additional Director of the Company w.e.f. 29<sup>th</sup> June, 2015 and holds the directorship up to the ensuing Annual General Meeting. The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of Woman Director by a listed company and hence Ms. Viraj Darshit Shah (DIN 07220630) is being proposed to be regularized as Director of the Company and to be designated as Independent Woman Director under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for a term of 5 consecutive years commencing from 29<sup>th</sup> June, 2015 to 28 June, 2020. Further Company has also received declaration form Ms. Viraj Darshit Shah under Section 149 (6) of the Act.

#### Regd. Office :

Plot No. 5501/2, Phase III,  
Nr. Trikampura Cross Roads,  
GIDC, Vatva,  
Ahmedabad - 382 445.

Date : 29<sup>th</sup> June, 2015

#### By Order of the Board

-Sd/-

**DEEPAK N. CHOKSHI**

*Chairman & Managing Director*

DIN : 00536345

## DIRECTORS' REPORT

**Dear Members,**

Your Directors have pleasure in presenting their 26<sup>TH</sup> (Twenty Sixth) Annual Report on the business and operations of the Company and the Audited Accounts for the Financial Year ended 31<sup>st</sup> March, 2015

### 1) FINANCIAL SUMMARY / HIGHLIGHTS OF PERFORMANCE OF THE COMPANY :

Financial Results		[₹ in Lacs]
Particulars	Year Ended 31-03-2015	Year Ended 31-03-2014
Total Revenue	7,050.11	10,475.49
Profit before Depreciation and Tax	492.66	646.73
Depreciation	99.46	68.59
Profit (Loss) before Tax	393.20	578.14
Less : Tax Expenses	168.14	178.55
<b>Net Profit (Loss) for the year</b>	<b>225.06</b>	<b>399.59</b>

### 2. PERFORMANCE :

Due to recession and acute competition in the Chemical Industry, Performance of your Company for the year under review was affected. Total Revenue Plunged from ₹ 10,475.49 Lacs to ₹ 7,050.11 Lacs viz., reduction of 32.70% in the total revenue of the Company as compared to previous financial year, further due to decrease in total revenue of the Company Net Profit for the year under the review has been decreased from ₹ 399.59 Lacs to ₹ 225.06 Lacs resulting in decrease of about 43.68% of Net Profit of the Company. Overall Performance of the Company was satisfactory as compared to the peers of the Company.

Further, the Board of Directors of the Company is continuously making efforts for the growth of your Company.

### 3. DIVIDEND:

Your directors are pleased to recommend the dividend @ 10% p.a. (₹ 1.00 per share) on equity shares with nominal value of ₹ 10.00 each for the year ended 31<sup>st</sup> March, 2015. The total dividend pay-out excluding dividend distribution tax shall be ₹ 30.29 Lacs.

### 4. SHARE CAPITAL:

At present, the Company has only one class of shares – equity shares with face value of ₹ 10.00 each. The authorized share capital of the company is ₹ 350.00 Lacs divided into 35,00,000 equity shares of ₹ 10.00 each. The paid up share capital of the company is ₹ 302.85 Lacs divided into 30,28,500 equity shares of ₹ 10.00 each.

During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

### 5. RESERVES:

The Board has transferred ₹17.10 Lacs from Revaluation Reserve to General Reserve Account for the Financial Year ended on 31<sup>st</sup> March, 2015 as per requirement of Schedule II to Companies Act, 2013.

### 6. DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

### 7. FUTURE OUTLOOK :

There is cut throat competition in the chemical industry and more particularly in dyes and intermediates. To mitigate the same, management had adopted defensive strategy in order to maintain the market share of your Company. At Present many policies are being formed/adopted by the present Government which may be beneficial to the Company in future. As crude oil prices has come down which directly have a positive effect on the economy and in same line we expect many more positive things to happen in the global market which may have positive impact on the Company.



## DYNAMIC INDUSTRIES LIMITED

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The global economy in FY 2014-15 witnessed divergent trends among major economies. The Indian economy and business environment remained largely subdued during 2014-15. The global economic recovery is gaining momentum coupled with some divergence. India's economy is poised to return to its high-growth path, thanks to lower fiscal and current account deficits, falling inflation, low crude oil price, moderate commodity prices, and structural reforms to boost investments. Monetary policy is also likely to be supportive with the Reserve Bank of India (RBI) having moved to flexible inflation targeting. The manufacturing sector is likely to benefit from lower interest rates. However, productivity and capital efficiency improvement are likely to drive near-term growth. Demand from export as well as domestic markets has not increased substantially. Volatility of rupee may hamper growth of economy.

The Company enjoys strong exposure to the Global market. The quality products of the Company have received warm response in the overseas market. The thrust on the competitive strength, newer product development and consolidation of customer relationship has resulted into a bright future for the Company. The company expects to retain the performance in the current year.

### **8. UNCLAIMED DIVIDEND:**

During the year, dividend amounting to ₹ 0.52 lacs that had not been claimed by the shareholders for the year ended 31<sup>st</sup> March, 2007, was transferred to the credit of Investor Education and Protection Fund as required under Section 205A read with Section 205C of the Companies Act, 1956. As on 31<sup>st</sup> March, 2015, dividend amounting to ₹ 1.29 lacs has not been claimed by shareholders of the Company. Shareholders are required to lodge their claims with the Registrar, Sharepro Services (India) Pvt. Ltd., for unclaimed dividend. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on 14<sup>th</sup> August, 2014 (date of the last Annual General Meeting) on the website of the Company ([www.dynaind.com](http://www.dynaind.com)), as also on the website of the Ministry of Corporate Affairs ([www.mca.gov.in](http://www.mca.gov.in)).

### **9. ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE:**

In accordance with the provisions of Clause (m) of Sub Section (3) of Section 134 the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the relevant information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo is given in ANNEXURE - I and forms part of this report.

### **10. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There were no such material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report which can affect the financial position of the Company.

### **11. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS:**

No such Orders have been passed by the Regulators/Court or Tribunals which can impact the going concern status and Company's operation in future.

### **12. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:**

The Company has a Wholly Owned Subsidiary Company Named Neo Farbe Private Limited (CIN: U24100GJ2013PTC073930). It has not commenced commercial operations during the year under review. Hence, details relating to Subsidiary Company are not provided for.

### **13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT BY THE COMPANY:**

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

### **14. MEETING OF BOARD OF DIRECTORS:**

During the year under the review, 5 (Five) Board meetings were held, with gap between Meetings not exceeding the period prescribed under the Companies Act, 2013 and Rules made thereunder. Details of Board and Board committee meetings held during the year are given in the Corporate Governance Report.

Board meeting dates are finalized in consultation with all directors and agenda papers backed up by comprehensive notes and detailed background information are circulated well in advance before the date of the meeting thereby enabling the Board to take informed decisions.

The intervening gap between the Board Meetings was within the period prescribed under the Companies Act, 2013.

**15. EXTRACTS OF ANNUAL RETURN:**

An extract of Annual Return in Form MGT-9 is attached herewith as ANNEXURE-II.

**16. INSURANCE:**

All the Properties of the Company are adequately insured.

**17. RELATED PARTY TRANSACTIONS:**

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company which may have a potential conflict with the interest of the Company at large and thus disclosure in Form AOC-2 is not required. The Board has formulated Policy on Related Party Transactions.

**18. DIRECTORATE AND KEY MANAGERIAL PERSONNEL:**

The Board of Directors of your company has various executive and non-executive directors including Independent Directors who have wide and varied experience in different disciplines of corporate functioning.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Deepak Navinchandra Chokshi (DIN: 00536345) retires by rotation at the ensuing Annual General Meeting and being eligible in terms of Section 164 of the Act offers himself for re-appointment.

The Company had, pursuant to the provisions of clause 49 of the Listing Agreements entered into with Stock Exchanges, appointed Mr. Jatinbhai Biharilal Surti (DIN: 05195572), Mr. Pravinchandra Devidas Master (DIN: 05195587), Mr. Raghavdas Hiralal Lakhmani (DIN: 05304347), as an Independent Directors of the Company & Ms. Viraj Darshit Shah as additional director.

As per section 149(4) of the Companies Act, 2013 (Act), which came into effect from 1<sup>st</sup> April, 2014, every listed public company is required to have at least one-third of the total number of directors as Independent Director. In accordance with the provisions of section 149 of the Act, these Directors are being appointed as Independent Directors to hold office as per their tenure of appointment mentioned in the Notice of the forthcoming Annual General Meeting (AGM) of the Company.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Mr. Deepak Navinchandra Chokshi (DIN: 00536345) and Mr. Harin Dhanvantrai Mamlatdarna (DIN:00536250) were appointed as Managing Directors of the Company for two years w.e.f. 1<sup>st</sup> October, 2013. Mr. Dinesh Jasraj Jain (DIN: 00135889) was appointed as Whole Time Director of the Company for two years w.e.f. 1<sup>st</sup> October, 2013. The Board has on the recommendation of the Nomination and Remuneration Committee, re-appointed and re-designated w.e.f. 1<sup>st</sup> October, 2015, Mr. Harin Dhanvantrai Mamlatdarna as Chairman and Whole Time Director, Mr. Deepak Navinchandra Chokshi as Vice Chairman and Managing Director and Mr. Dinesh Jasraj Jain as Whole Time Director of the Company for two years, subject to approval of members by way of Special Majority.

The Board recommends re-appointment/ re-designation of Mr. Deepak Navinchandra Chokshi, Mr. Harin Dhanvantrai Mamlatdarna and Mr. Dinesh Jasraj Jain, as stated above, at the ensuing Annual General Meeting. Based on disclosures provided by them, none of them are disqualified from being appointed as Directors as per section 164 of the Companies Act, 2013.

There were no changes in the constitution of Board of Directors or Key Managerial Personnel during the year.

As required under Section 203 of the Companies Act, 2013, the Company has Mr. Deepak Navinchandra Chokshi, Mr. Harin Dhanvantrai Mamlatdarna and Mr. Dinesh Jasraj Jain under Key Managerial Personnel of the Company.

Remuneration to Key Managerial Personnel, Senior Management and other employees will involve a balance between fixed and incentive pay reflecting short and long term performance objectives of the employees in line with the working of the Company and its goals.

**19. EVALUATION OF BOARD, COMMITTEES AND DIRECTORS:**

Pursuant to the provisions of the Act and Clause 49 of the Listing Agreement and Companies Act, 2013, the Board had carried out performance evaluation of its own, the Board Committees and of the Independent directors. Independent Directors at a separate meeting evaluated performance of the Non-Independent Directors, Board as a whole and of the Chairman of the Board. The manner in which the evaluation has been carried out has been detailed in the Corporate Governance Report.

## DYNAMIC INDUSTRIES LIMITED

### 20. POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS:

The Board has on the recommendation of the Nomination & Remuneration Committee, formulated criteria for determining Qualifications, Positive Attributes and Independence of a Director and also a Policy for remuneration of Directors, Key managerial Personnel and senior management. The details of criteria laid down and the Remuneration Policy are given in the Corporate Governance Report.

### 21. MANAGERIAL REMUNERATION

Details of remuneration paid / payable to the Directors for Financial Year 2014-2015

[₹ in Lacs]

Name	Salary and Perquisites F.Y. 2014-15	Commission	Shares issued under ESOP	Details of Service contracts; notice period and severance fees
Deepak N. Chokshi	16.29	Nil	Nil	Ordinary Resolution dt. 14-08-2013, valid up to 30-09-2015; no Notice period and no severance fees
Harin D. Mamlatdarna	16.45	Nil	Nil	
Dinesh J. Jain	10.43	Nil	Nil	

The statement containing particulars of employees as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report as Annexure - III.

### 22. INDEPENDENT DIRECTORS' MEETING:

Independent Directors of the Company had met during the year under the view details of which are given in the Corporate Governance Report.

### 23. COMMITTEES OF THE BOARD:

During the year, in accordance with the Companies Act, 2013, the Board re-constituted some of its Committees and also formed a Corporate Social Responsibility Committee.

There are currently four Committees of the Board, as follows:

1. Audit Committee
2. Corporate Social Responsibility Committee
3. Nomination and Remuneration Committee
4. Stakeholders' Relationship Committee

Details of all the Committees along with their charters, composition and meetings held during the year, are provided in the "Report on Corporate Governance", a part of this Annual Report.

### 24. AUDITORS:

#### A. Statutory Auditors

M/s. G. K. Choksi & Co., Chartered Accountants, Ahmedabad (FRN 101895W) were appointed as Statutory Auditors of your Company at the previous Annual General Meeting held on 14<sup>th</sup> August, 2014 for a term of three consecutive years. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by Members at every Annual General Meeting.

The Company has obtained a written confirmation under section 139 of the Companies Act, 2013 from M/s. G. K. Choksi & Co., Chartered Accountants, Ahmedabad (FRN 101895W) that their appointment, if made, would be in conformity with the limits specified under the Act.

It is proposed to ratify the appointment M/s. G. K. Choksi & Co., Chartered Accountants, Ahmedabad (FRN 101895W) to audit the accounts of the Company for the financial year 2015-2016.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. The notes to the accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

**B. Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Chetan R. Shah, Practicing Company Secretaries, Ahmedabad to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as Annexure IV

There is no qualification, reservation or adverse remark in the report

**25. INTERNAL CONTROL SYSTEM AND COMPLIANCE FRAMEWORK:**

The Company has an Internal Control System, commensurate with size, scale and complexity of its operations. The internal financial controls are adequate and are operating effectively so as to ensure orderly and efficient conduct of business operations. The Company has appointed M/s. VKJD & Associates (FRN 128985W) as an Internal Auditors of the Company. The Audit Committee in consultation with the internal auditors formulates the scope, functioning, periodicity and methodology for conducting the internal audit. The internal auditors carry out audit, covering inter alia, monitoring and evaluating the efficiency & adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations and submit their periodical internal audit reports to the Audit Committee. Based on the internal audit report and review by the Audit committee, process owners undertake necessary actions in their respective areas. The internal auditors have expressed that the internal control system in the Company is robust and effective. The Board has also put in place requisite legal compliance framework to ensure compliance of all the applicable laws and that such systems are adequate and operating effectively.

**26. RISK MANAGEMENT:**

Company has implemented an integrated risk management approach through which it reviews and assesses significant risks on a regular basis to help ensure that there is a robust system of risk controls and mitigation in place. Senior management periodically reviews this risk management framework to keep updated and address emerging challenges. Major risks identified for the Company by the management are Currency fluctuation, Compliances of various applicable Laws, Regulatory changes, Manufacturing & Supply, Litigation, Technological Changes and new capital investments return. The management is however, of the view that none of the above risks may threaten the existence of the Company as robust Risk mitigation mechanism is put in place to ensure that there is nil or minimum impact on the Company in case any of these risks materialize.

**27. VIGIL MECHANISM AND WHISTLE BLOWER POLICY:**

In accordance with Section 177 of the Companies Act, 2013 and revised Clause 49 of the Listing Agreement, the Company has constituted a Whistle Blower Policy/ Vigil Mechanism to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed and to report to the management instances of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct.

The detail of the Whistle Blower Policy is explained in the Corporate Governance Report.

**28. CORPORATE SOCIAL RESPONSIBILITY (CSR):**

Pursuant to the provisions of section 135 of the Act, read with CSR Rules, the Company has constituted CSR committee and formulated CSR policy. The Policy primarily rests on four broad categories: Environment, Health, Education and Community Development.

Though the CSR policy was formulated, the Company has not contributed to CSR activities as prescribed in CSR Policy. Despite of rigorous efforts, management was not able to find suitable institution/organization through which CSR activities can be performed effectively to benefit the society at large.

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 are made and the same is enclosed as Annexure-V

**29. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:**

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made thereunder, your Company has assigned the responsibilities to Audit Committee. During the year, no complaint with allegations of sexual harassment was filed with the Company.

**30. PREVENTION OF INSIDER TRADING:**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in

## DYNAMIC INDUSTRIES LIMITED

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securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code.

### 31. DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the provisions of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors state that-

- i. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 31<sup>st</sup> March, 2015 and of the profit and loss of the company for that period;
- iii. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 and Rules made thereunder for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. The directors had prepared the annual accounts on a going concern basis; and
- v. The directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 32. CORPORATE GOVERNANCE:

As required by the existing Clause 49(X) of the Listing Agreement entered into with the Stock Exchanges, a detailed report on Corporate Governance is given as a part of the Annual Report. The Company is in full compliance with the requirements and disclosures that have to be made in this regard. The Auditors' Certificate of the compliance with Corporate Governance requirements by the Company is attached to the Report on Corporate Governance. Report on Corporate Governance is given elsewhere in this Annual Report, herewith attached as ANNEXURE VI.

### 33. CORPORATE GOVERNANCE CERTIFICATE :

The Compliance certificate from the auditors regarding compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing agreement is appended to the report on Corporate Governance., herewith attached as Annexure VII.

### 34. GENERAL SHAREHOLDER INFORMATION :

General Shareholder Information is given in Report on Corporate Governance forming part of the Annual Report.

### 35. ACKNOWLEDGEMENT :

Your Directors take this opportunity to express their gratitude for the unstinted commitment, dedication, hard work and significant contribution made by employees at all levels in ensuring sustained growth of the Company. Your Directors also sincerely thank to all the stakeholders, customers, vendors, bankers, business associates, government, other statutory bodies and look forward to their continued assistance, co-operation and support.

**For and on behalf of the Board**

Place : Ahmedabad

Date : 29<sup>th</sup> June, 2015

-Sd/-

**DEEPAK N. CHOKSHI**

*Chairman & Managing Director*

DIN : 00536345



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## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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### INDUSTRIAL STRUCTURE AND DEVELOPMENT:

The Company is in business of manufacturing of Chemical and main product of the Company is Dye and Dye Stuffs, Majority of the production of Company is Exported, Company is making good progress in the same. However Competition in the industry is continuously increasing but overall Performance of the Company is satisfactory.

### OVERVIEW:

The financial statements have been prepared in compliance with the requirement of the Companies Act, 2013 and Generally Accepted Accounting Principles (GAAP) in the India. The management of the company accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present the company's state of affairs and profit for the year.

### OPPORTUNITY:

India is one of the largest exporter of Dyes & Intermediates across the globe. India's capability in low cost manufacturing, availability of technically trained manpower, better price realization globally and strong presence in market are the key growth drivers

### THREATS:

### COMPETITION:

Competition in the domestic as well as international market has intensified and forced the players to adopt aggressive marketing strategy and promotional campaigns to capture and protect their market shares, The Company has the plans to penetrate better in to world market, especially through the customer retention and business development in the regions which have not been tapped.

Sharp fluctuations in value of the Indian Rupee and the rising inventory prices have put pressure on the profitability of the Company.

The Company sells its products through a well-established network in different countries, which are supported by the Company's strong marketing force. The Company has developed a well-defined Trade Relationship Management Policy. The Company's broad product range and frequent visits by its marketing people to the outlets and the importing countries ensure that the Company's products receive maximum response and are adequately promoted.

### SEGMENT WISE AND PRODUCT WISE PERFORMANCE:

The Company operates within a solitary business segment i.e. manufacturing of chemicals and pigments. Further, all products of company are classified as "Dyes". Hence, Segment/Product wise report is not given separately.

### RISK AND CONCERN:

The risk management function is integral to the company and its objectives includes ensuring that critical risk are identified continuously, monitored and managed effectively in order to protect the company's business.

However, the changes in the tax laws, Government policies and regulatory requirement might affect the company's business. Uncontrolled variation in price of input materials could impact the company's profitability to the extent that the same are not absorbed by the market through price increase and / or could have a negative impact on the demand in the market. Currency risks mainly arise out of overseas operations and financing activities. Exchange rate fluctuation could significantly impact earnings because of earning in foreign currencies, expenditures in foreign currencies, borrowing in foreign currency. The company is operating in highly competitive market.

The management has already taken initiatives in advance for mitigating the above mentioned risk and concerns/challenges. The company has taken major initiatives like hedging of exposure in foreign currencies, strong marketing efforts, focus on cost reduction through inventory management techniques, introduction of new products and manufacturing process without compromising quality of products and retain talented employees etc.

## **DYNAMIC INDUSTRIES LIMITED**

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### **INITIATIVES BY THE COMPANY:**

The Company has taken the following initiatives:

- Concentration on reduction of costs by undertaking specific exercise in different fields.
- Concentration in Increase of Exports.
- Stress on Far East Asian and Latin American markets which are growing on a regular basis.
- Focusing on modernization of manufacturing process to improvise quality and reduction of costs.
- The Company is quite confident that the overall productivity, profitability would improve in a sustainable manner, as a result of this strategy.

### **OUTLOOK:**

The profit margins in the industry are under pressure. However, the Company has taken remedial measures. The Company is confident to meet the challenges with its strength in marketing network, its strategic planning, Research & Development productivity improvement and cost reduction exercise.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

Your Company places significant emphasis and efforts on the internal control systems. The Company has appointed and independent firm of Chartered Accountant for the same with such powers and responsibilities that are required to ensure the adequacy of the internal Control System.

### **HUMAN RESOURCE:**

Your Company firmly believes that employees are the most valuable assets and key players of business success and sustained growth. Various employee benefits, recreational and team building efforts are made to enhance employee skills, motivation as also to foster team spirit. Industrial relations were cordial throughout the year. The Company has 56 employees as on year ended 31<sup>st</sup> March, 2015

### **CAUTIONARY STATEMENT**

The statements in the "Management Discussion and Analysis Report" section describes the Company's objectives, projections, estimates, expectations and predictions, which may be "forward looking statements" within the meaning of the applicable laws and regulations. The annual results can differ materially from those expressed or implied, depending upon the economic and climatic conditions, Government policies and other incidental factors.

## FINANCIAL HIGHLIGHTS

➤ **REVENUES:**

Total income during the year under review was ₹ 7050.11 Lacs (Previous year ₹ 10475.49 Lacs).

➤ **OPERATING EXPENSES:**

The operating and other expenses for the year ended 31<sup>st</sup> March, 2015 were ₹ 623.24 Lacs (Previous year ₹ 862.34 Lacs).

➤ **PROFIT AFTER TAX:**

The net profit after tax during the year under review period was ₹ 225.06 Lacs (Previous year ₹ 399.59 Lacs).

➤ **INTEREST ON BORROWINGS:**

The Company has incurred interest cost of ₹ 123.06 Lacs (Previous year ₹ 129.92 Lacs).

➤ **CAPITAL EMPLOYED:**

The Return on Average Capital Employed (ROCE) for the year ended 31<sup>st</sup> March, 2015 was 7.50% as compared to 11.05 % for the same period last year.

➤ **RETURN ON NET WORTH:**

The Return on Average Net worth (RONW) for the year ended 31<sup>st</sup> March, 2015 was 6.41% as compared to 12.29 % for the same period last year.

➤ **FIXED ASSETS:**

There was addition of ₹ 11.36 Lacs to the Fixed Assets of the Company. (Previous year ₹ 139.59 Lacs).

➤ **SHARE CAPITAL:**

At present, the Company has only one class of shares – equity shares with face value of ₹ 10.00 each. The authorized share capital of the company is ₹ 350.00 Lacs divided into 35,00,000 equity shares of ₹ 10.00 each. The paid up share capital of the company is ₹ 302.85 Lacs divided into 30,28,500 equity shares of ₹ 10.00 each.

During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. Out of the profits for the year ended 31<sup>st</sup> March, 2015, The Board has transferred ₹ 17.10 Lacs from Revaluation Reserve to General Reserve Account for the Financial Year ended on 31<sup>st</sup> March, 2015 as per requirement of Schedule II to Companies Act, 2013.

➤ **SUNDRY DEBTORS:**

Sundry debtors amount to ₹ 904.01 Lacs as of 31<sup>st</sup> March, 2015, as compared with ₹ 3236.06 Lacs as of 31<sup>st</sup> March, 2014. These debtors are considered good and realizable. The need for provisions is assessed based on various factors including collectability of specific dues, risk perceptions of the industry in which the customer operates and general economic factor, which could affect the customer's ability to settle.

➤ **CASH AND CASH EQUIVALENTS :**

The bank balances include both Rupee accounts and foreign currency accounts. Advances are primarily towards amounts paid in advance for value and services to be received in future. Advance income tax represents payments made towards tax liability and also refunds due for the previous year. The Company's liability towards income tax is provided for. Electricity and other deposits represent electricity deposits, telephone deposits, insurance deposits and advances of a similar nature. Sundry creditors for other liabilities represent amounts accrued for various other operational expenses. Advances received from clients denote monies received for the delivery in future. Provisions for taxation represent estimated income tax liabilities.

**For and on behalf of the Board**

Place : Ahmedabad

Date : 29<sup>th</sup> June, 2015

-Sd/-

**DEEPAK N. CHOKSHI**

*Chairman & Managing Director*

DIN : 00536345

## DYNAMIC INDUSTRIES LIMITED

### ANNEXURE I TO THE DIRECTORS' REPORT

#### CONSERVATION OF ENERGY / ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

##### A. TECHNOLOGY ABSORPTION:-

The Company has no foreign collaboration and is well versed with the indigenous technology.

##### B. CONSERVATION OF ENERGY:-

(i) As power and energy expenditure are not main cost constituent of company's overall product costing. So at present company is not required to take any conservation measures.

(ii) Power and fuel consumption

[₹ in Lacs]

	2014-2015	2013-2014
<b>Electricity</b>		
Purchase Unit	8,04,413	11,87,416
Total Amount	70.25	86.65
Average Rate ₹ per unit	8.73	7.30
<b>Light Diesel Oil / Diesel Oil / Furnace Oil</b>		
Quantity (in LTRS)	2,087.11	3,709.57
Total Amount	1.27	2.19
Average rate ₹ per unit	60.66	59.02
<b>Gas</b>		
Quantity (in scm.)	4,40,763.66	8,28,023.35
Total Amount	203.36	369.19
Average rate ₹ per unit	46.14	44.59

##### C. RESEARCH AND DEVELOPMENT

###### a. Specific areas in which R&D carried out by the company:-

Dyes

###### b. Benefits derived as a result of the above R&D

By addition on new products the company has been able to improve presence in overseas market. R & D has also resulted in to cost reduction.

###### c. Future plan of Action

R&D is being strengthened and equipped to play an effective role for improving the quality.

###### d. Expenditure on R&D

No separate expenditure on R&D is booked in the accounts but is included in laboratory expenses.

##### D. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

###### a. Efforts Made:-

The Company deploys indigenous technology and continues its efforts to increase its yield, production, scale of operations and upgradation of technology.

###### b. Benefits derived as a result of above efforts

Product improved through high efficiency and energy saving has improved an overall working of the Company.

##### E. Foreign Exchange earning and out go

	2014-2015	2013-2014
Foreign Exchange Earning	3584.14	5218.53
Foreign Exchange out go	1916.71	3221.14

For and on behalf of the Board

Place : Ahmedabad

Date : 29<sup>th</sup> June, 2015

-Sd/-

**DEEPAK N. CHOKSHI**

Chairman & Managing Director

DIN : 00536345

**ANNEXURE – II TO THE DIRECTORS REPORT**

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2015**

Pursuant to Section 92 (3) of the Companies Act, 2013 and  
Rule 12(1) of the Company (Management & Administration) Rules, 2014.

**I. REGISTRATION & OTHER DETAILS :**

1.	CIN	L24110GJ1989PLC011989
2.	Registration Date	10th March, 1989
3.	Name of the Company	Dynamic Industries Limited
4.	Category/Sub-category of the Company	Company limited by shares & Indian Non-Government Company
5.	Address of the Registered Office & Contact Details	Plot No. 5501/2, Phase-III, Nr. Trikampura Cross Road, G.I.D.C., Vatva, Ahmedabad - 382 445.
6.	Whether Listed Company	Yes
7.	Name, Address & Contact details of the Registrar & Transfer Agent, if any.	Sharepro Services (India) Pvt. Ltd. 416-420, 4th Floor, Devnandan Mall, Opp. Sanyas Ashram, Ashram Road, Ellisbridge, Ahmedabad - 380 006. Phone : 079 - 2658 2381 E-mail : sharepro@shareproservices.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated

Sr. No.	Name & Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
1	Manufacture of Dyes	24114	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated

Sr. No.	Name & Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
1	Neo Fabre Private Limited	24114	Not Applicable



## IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

## A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year as on 31st March, 2014				No. of Shares held at the end of the year as on 31st March, 2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual / HUF	13,35,220	13,500	13,48,720	44.53	13,46,701	13,500	13,60,201	44.91	+0.38
b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt. (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	1,48,774	Nil	1,48,774	4.91	1,48,774	Nil	1,48,774	4.91	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any other Foreign Individual	52,180	Nil	52,180	1.72	3,780	Nil	3,780	0.12	-1.60
<b>Total Shareholding of Promoter A</b>	<b>15,36,174</b>	<b>13,500</b>	<b>15,49,674</b>	<b>51.16</b>	<b>14,99,255</b>	<b>13,500</b>	<b>15,12,755</b>	<b>49.94</b>	<b>-1.22</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt. (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIs	Nil	Nil	Nil	Nil	7,453	Nil	7,453	0.25	+0.25
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Other (Specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-Total (B)(1) :</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>7,453</b>	<b>Nil</b>	<b>7,453</b>	<b>0.25</b>	<b>+0.25</b>
<b>2) Non-Institutions :</b>									
a) Bodies Corp.									
i) Indian	1,85,348	801	1,86,149	6.15	1,77,377	801	1,78,178	5.88	-0.27
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Category of Shareholders	No. of Shares held at the beginning of the year as on 31st March, 2014				No. of Shares held at the end of the year as on 31st March, 2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh	6,80,493	1,32,550	8,13,043	26.85	6,89,592	1,28,450	8,18,042	27.01	-0.16
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	40,77,77	Nil	40,77,77	13.46	4,89,684	Nil	4,89,684	16.17	+2.71
c) Others (specify) NRI REPT.	9,560	Nil	9,560	0.32	12,071	Nil	12,071	0.40	+0.08
NRI NON	56,700	Nil	56,700	1.87	3,328	Nil	3,328	0.11	-1.76
REPT. Others	5,597	Nil	5,597	0.18	6,989	Nil	6,989	0.23	+0.05
Non Resident Indians	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Overseas Corporate Bodies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Foreign Nationals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Clearing Members	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Trusts	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Foreign Bodies - D R	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Total (B)(2) :	13,45,475	1,33,351	14,78,826	48.83	13,79,041	1,29,251	15,08,292	49.80	+0.97
Total Public Shareholding	13,45,475	1,33,351	14,78,826	48.83	13,86,494	1,29,251	15,15,745	50.05	+1.22
(B)=(B)(1) + (B)(2)									
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A + B + C)	28,81,649	1,46,851	30,28,500	100	28,85,749	1,42,751	30,28,500	100.00	0.00

**B) SHAREHOLDING OF PROMOTER**

Shareholder's Name	No. of Shares held at the beginning of the year as on 31st March, 2014			No. of Shares held at the end of the year as on 31st March, 2015			% Change in share holding during the year
	No. of Shares	% of total Shares of the Co.	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Co.	% of Shares Pledged / encumbered to total shares	
1 Deepak N. Chokshi	2,71,487	8.96	Nil	2,71,487	8.96	Nil	Nil
2 Harin D. Mamlatdarna	2,85,380	9.42	Nil	3,33,780	11.02	Nil	+1.60
3 Mayaben H. Mamlatdarna	2,11,247	6.98	Nil	2,11,247	6.98	Nil	Nil
4 Beenaben D. Chokshi	85,937	2.84	Nil	85,937	2.84	Nil	Nil
5 Ronak D. Chokshi	99,086	3.27	Nil	99,086	3.27	Nil	Nil
6 Bimal D. Chokshi	93,657	3.09	Nil	93,657	3.09	Nil	Nil
7 Asita H. Mamlatdarna	87,785	2.90	Nil	87,785	2.90	Nil	Nil
8 Mansi Mamlatdarna	78,086	2.58	Nil	78,086	2.58	Nil	Nil
9 Ornet Intermediates Ltd.	1,48,774	4.92	Nil	1,48,774	4.92	Nil	Nil
10 Dinesh Jain	1,36,055	4.49	Nil	99,136	3.27	Nil	-1.22
11 Chandresh Mamlatdarna	52,180	1.72	Nil	3,780	0.12	Nil	-1.60

**C) CHANGE IN PROMOTER'S SHAREHOLDING**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding During the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company

1.	<b>Mr. Harin D. Mamlatdarna</b>				
2.	At the beginning of the year	2,85,380	9.42	2,85,380	9.42
3.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	Acquired 48,400 shares by way of gift	1.60	3,33,780	11.02
4.	At the end of the year	2,85,380	11.02	3,33,780	11.02

1	<b>Mr. Chandresh D. Mamlatdarna</b>				
2.	At the beginning of the year	52,180	1.72	52,180	1.72
3.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	Transferred 48,400 shares by way of gift	-1.60	3,780	0.12
4.	At the end of the year	52,180	0.12	3,780	0.12

1.	<b>Mr. Dinesh Jain</b>				
2.	At the beginning of the year	1,36,055	4.49	1,36,055	4.49
3.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	Sold in open market, 36,919 shares	-1.22	99,136	3.27
4.	At the end of the year	99,136	3.27	99,136	3.27

## DYNAMIC INDUSTRIES LIMITED

### D) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS AS ON 31ST MARCH, 2015 (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND DRS) :

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Increase / Decrease	Reason	Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company
1.	Pradyuman Haribhai Naik	56,400	1.86	Decrease	Sale	00	00
2.	Bodal Chemicals Limited	50,000	1.65	Decrease	Sale	00	00
3.	Bijendra Katta	49,399	1.63	Increase	Purchase	55,004	1.82
4.	Deepinder Singh Poonian	44,889	1.48	Decrease	Sale	00	00
5.	Vasudev M. Shah	35,667	1.18	Decrease	Sale	3,800	0.13
6.	Usha Katta	31,731	1.05	Increase	Purchase	46,937	1.55
7.	Mahendrabhai Ambalal Patel	44,700	1.48	NA	NA	44,700	1.48
8.	Bhupatrai Amritlal Sanghrajka	27,499	0.91	Decrease	Sale	00	00
9.	Supriya Prabhu	25,000	0.83	Increase	Purchase	34,500	1.15
10.	Trimuty Equity And Finance Bombay Pvt. Ltd.	23,732	0.78	Decrease	Sale	10,400	0.34



**E) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding During the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company

1.	<b>Mr. Dinesh Jasraj Jain</b>				
2.	At the beginning of the year	1,36,055	4.49	1,36,055	4.49
3.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	Sold in open market, 36,919 shares	-1.22	-36,919	-1.22
4.	At the end of the year	99,136	3.27	99,136	3.27

1.	<b>Mr. Harin Mamlatdarna</b>				
2.	At the beginning of the year	2,85,380	9.42	2,85,380	9.42
3.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	Acquired 48,400 shares by way of gift	+1.60	3,33,780	11.02
4.	At the end of the year	3,33,780	11.02	3,33,780	11.02

1.	<b>Mr. Deepak Chokshi</b>				
2.	At the beginning of the year	2,71,487	8.96	2,71,487	8.96
3.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	<b>Not Applicable</b>			
4.	At the end of the year	99,136	3.27	99,136	3.27

1.	<b>Mr. Jatin Surti</b>				
2.	At the beginning of the year	500	0.02	500	0.02
3.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	<b>Not Applicable</b>			
4.	At the end of the year	500	0.02	500	0.02

## DYNAMIC INDUSTRIES LIMITED

### V. INDEBTEDNESS :

Indebtedness of the Company including interest outstanding / accrued but not due for payment.

[₹ in Lacs]

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	157.69	0.00	0.00	157.69
ii) Interest due but not paid	1.45	0.00	0.00	1.45
iii) Interest accrued but not due	0.10	0.00	0.00	0.10
<b>Total (i+ii+iii)</b>	<b>159.24</b>	<b>0.00</b>	<b>0.00</b>	<b>159.24</b>
<b>Change in Indebtedness during the financial year</b>				
i) Addition	0.00	0.00	0.00	0.00
ii) Reduction	65.20	0.00	0.00	65.20
<b>Net Change</b>	<b>-65.20</b>	<b>0.00</b>	<b>0.00</b>	<b>-65.20</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	93.35	0.00	0.00	93.35
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.69	0.00	0.00	0.69
<b>Total (i+ii+iii)</b>	<b>94.04</b>	<b>0.00</b>	<b>0.00</b>	<b>94.04</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

## A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER :

[₹ in Lacs]

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Deepak Chokshi MD	Dinesh Jain WTD	Harin Mamlatdarna MD	
1	Gross Salary				
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12.60	9.00	12.60	34.20
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3.04	1.20	3.20	7.44
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL
4	Commission - as % of profit - others, specify...	NIL	NIL	NIL	NIL
5	Others, please specify 1. PF Contribution 2. Gratuity Accrued for the year (Payable at Retirement / resignation)	0.65 0.00	0.00 0.23	0.65 0.00	1.30 0.23
	Total (A)	16.29	10.43	16.45	43.17
	Ceiling as per the Companies Act, 2013	42.00	42.00	42.00	126.00

## B. REMUNERATION TO OTHER DIRECTORS :

[₹ in Lacs]

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Pravinchandra Master	Raghavdas Lakhmani	Jatin Surti	
1	Independent Directors				
	Fee for attending board committee meetings	0.15	0.15	0.15	0.15
	Commission	NIL	NIL	NIL	NIL
	Others, Please specify	NIL	NIL	NIL	NIL
	Total (1)	0.15	0.15	0.15	0.15
2	Other Non-Executive Directors				
	Fee for attending board committee meetings	NIL			
	Commission				
	Others, Please specify				
	Total (2)				
	Total (B) = (1+2)	0.15	0.15	0.15	0.15
	Total Management Remuneration				43.62
	Overall Ceiling as per the Companies Act, 2013				126.00

**DYNAMIC INDUSTRIES LIMITED****C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD :**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	CS	CFO	
1	Gross Salary	NIL			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission - as % of profit - others, specify...				
5	Others, please specify 1. PF Contribution 2. Gratuity Accrued for the year (Payable at Retirement / resignation)				
	<b>Total</b>				

## VI. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / COURT)	Appeal made, if any (give details)
A. COMPANY					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	Default under Section 82 of the Companies Act, 2013	Petition filed under section of 87 of The Companies Act, 2013 for condonation of delay in filing form of satisfaction of charge	Ordered by Honorable Regional Director (NWR) Ahmedabad of Rs. 15,000/- (Rupees Fifteen Thousand)	RD (NWR), Ahmedabad, Gujarat	NONE
B. DIRECTORS					
Penalty	NONE				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NONE				
Punishment					
Compounding					

For and on behalf of the Board

Place : Ahmedabad  
Date : 29<sup>th</sup> June, 2015

-Sd/-

**DEEPAK N. CHOKSHI**  
Chairman & Managing Director  
DIN : 00536345



**ANNEXURE – III TO THE DIRECTORS REPORT**

**1. Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

- i. The ratio of the remuneration of each Director to the Median Remuneration of the Employees of the Company for the Financial Year 2014-15 and
- ii. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year.

[₹ in Lacs]

<b>Sr. No.</b>	<b>Name of Director / KMP and its Designation</b>	<b>Remuneration to the Director/KMP for the Financial Year 2014-15</b>	<b>Percentage Increase/decrease in remuneration in the Financial Year 2014-15</b>	<b>Ratio of Remuneration of each director to the Median Remuneration of Employees</b>
1	Mr. Deepak Navinchandra Chokshi (Chairman and Managing Director)	16.29		9.05
2	Mr. Harin Dhanvantrai Mamlatdarna (Vice Chairman and Managing Director)	16.45	Nil	9.14
3	Mr. Dinesh Jasraj Jain Whole Time Director	10.43		5.80
4	Mr. Jatinbhai Biharilal Surti (Independent Director)	0.15*	Nil	0.08
5	Mr. Pravinchandra Devidas Master (Independent Director)	0.15*	Nil	0.08
6	Mr. Raghavdas Hiralal Lakhmani (Independent Director)	0.15*	Nil	0.08

\*Only Sitting Fees is paid to Independent-Non-Executive Directors.

- iii. The Median Remuneration of Employees (MRE) of the Company is ₹1.80 Lacs for the Financial Year 2014-15. The MRE for the year increased by 30.48% compared to ₹ 1.39 Lacs during the previous financial year.
- iv. The number of permanent employees on the rolls of the Company is 56 for the year ended 31<sup>st</sup> March, 2015.
- v. Sales and Operating Income for the year ended 31<sup>st</sup> March, 2015 decreased by 33.94% and Profit before Tax was reduced by 31.99% as compared to the previous year. Average increase in employees' remuneration was 5.12%. Overall increase in remuneration is in line with the performance of the Company.
- vi. The remuneration of the Key Managerial Personnel (KMP) of the Company and the percentage increase in the remuneration of KMP during 2014-15 is as given in (i) and (ii) above. The performance of the Company is as state din (v) above.
- vii. The Market Capitalization as on, 31<sup>st</sup> March, 2015 was ₹ 714.73 Lacs as compared to ₹ 627.20 Lacs as on 31<sup>st</sup> March, 2014. Price Earnings Ratio of the Company increased to 3.18 as on 31<sup>st</sup> March, 2015 as against 1.57 as on 31<sup>st</sup> March, 2014.
- viii. Average percentage increase made in the salaries of employees other than the managerial personnel in the last Financial Year was 5.12%. Managerial Remuneration was not increased during the year under consideration, but excess perquisite were paid to the tune of 0.49% compared to previous year. The increase in remuneration is determined based on the performance by the employees of the Company.

- ix. The remuneration of each of the Key Managerial Personnel is given in (i) and (ii) above. The performance of the Company, in comparison, is as stated in (v) above.
  - x. There is no variable component in remuneration of Directors of the Company.
  - xi. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year — None.
  - xii. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.
- 2. There were no employees covered under rule 5(2) of the Companies (Appointment and Remuneration) Rules, 2014**

**For and on behalf of the Board**

Place : Ahmedabad  
Date : 29<sup>th</sup> June, 2015

-Sd/-

**DEEPAK N. CHOKSHI**  
*Chairman & Managing Director*  
DIN : 00536345

**ANNEXURE – IV TO THE DIRECTORS REPORT**

**FORM NO. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2015**

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

To,  
The Members,

**Dynamic Industries Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Dynamic Industries Limited (hereinafter called the Company) (CIN: L24110GJ1989PLC011989) having its registered office at Plot No. 5501/2, Phase-III, Nr. Trikampura Cross Roads, G I D C Vatva, Ahmedabad – 382445. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Dynamic Industries Limited (the Company) for the financial year ended on 31st March, 2015 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

VI. Other laws as may be applicable specifically to the Company:

- The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules 1996;
- Manufacture, Storage And Import Of Hazardous Chemicals Rules, 1989;
- (i) I have also examined compliance with the applicable clauses of the following:
  - (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
  - (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- A) The Company has maintained a Register of Directors' Attendance as prescribed in the Secretarial Standards.
- B) The Directors have signed against their respective names after the meeting has been held.
- C) The Company had not received any proxy forms for the Annual General Meeting for the financial year ended 31st March, 2014.
- D) The Company has complied with requirements of at least one-third of the total number of directors as independent directors as stated in Clause-49 of Listing Agreement.
- E) The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited.
- F) The Company has obtained all necessary approvals under the various provisions of the Act;
- G) There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

**I further report that**

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

The following mentioned observations are made:

- A) The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other companies and interests in other entities;
- B) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct and ethics for Directors and Management Personnel;

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

## **DYNAMIC INDUSTRIES LIMITED**

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I further report that during the audit period, the Company has no major / specific events, actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.

- i. Public/Right/Preferential issue of shares / debentures/sweat equity etc.
- ii. Redemption / buy-back of securities
- iii. Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
- iv. Merger / amalgamation / reconstruction etc.
- v. Foreign technical collaborations

Place : Ahmedabad  
Date : 14<sup>th</sup> May, 2015

-Sd/-  
Company Secretary in Practice : **Chetan R. Shah**  
**F.C.S. No. : 2703**  
**C. P. No. : 4253**



**ANNEXURE – V TO THE DIRECTORS REPORT****ANNUAL REPORT ON CSR ACTIVITIES CARRIED OUT BY THE COMPANY**

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

CSR policy is stated herein below:

The Mission and philosophy of the CSR function of the Company is “To contribute positively to the development of the society, by acting as a good neighbour, considerate of others, playing the role of a good corporate citizen with passion and compassion.” Hence the CSR activities undertaken by the organization essentially focus on four core areas of Environment, Health, Education and Community Development.

The focus of the Company is to contribute to various institutions and initiatives around the manufacturing locations to provide social services to the needy. The CSR vision of the Company is to strive to be a responsible corporate by proactively partnering in the Environmental, Social and Economic development of the communities through the use of innovative technologies, products as well as through activities beyond normal business.

The Company endeavours to make a positive and significant contribution to the society by targeting social and cultural issues, maintaining a humanitarian approach and focusing on areas in and around its plants and where its establishments are located. In particular, the Company will undertake CSR activities as specified in Schedule VII to the Companies Act, 2013 (including any amendments to Schedule VII and any other activities specified by the Government through its notifications and circulars) but will not be limited to the following:

1. Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
2. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation, including contribution to the Swachh Bharat Kosh set up by the Central Government for the promotion of sanitation and making available safe drinking water;
3. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set up by the Central Government for rejuvenation of river Ganga;
5. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;
6. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the scheduled castes, the scheduled tribes, other backward classes, minorities and women;
7. Slum area development.

**Disclosure:**

CSR activities will be undertaken either by the Company itself or through a Trust/Section 8 Company to be established by the Company or through any other Trust engaged in similar projects and activities.

Web Link: [http://www.dynaind.com/investors\\_zone.html](http://www.dynaind.com/investors_zone.html)

## DYNAMIC INDUSTRIES LIMITED

### 2. Composition of CSR committee

Name of the Member	Designation
Mr. Pravinchandra Master	Chairperson & Member
Mr. Raghavdas Lakhmani	Member
Mr. Jatinbhai Surti	Member

### 3. Average net profit of the company for last three financial years: ₹ 297.34 Lacs

### 4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): ₹ 5.95 Lacs

### 5. Details of CSR spend for the financial year:

- Total amount spent for the financial year: Nil
- Amount unspent if any: ₹ 5.95 Lacs
- Manner in which the amount spent during the financial year is detailed as below

Sr. No.	CSR Project or Activity	Sector	Location	Amount outlay project or Programme wise	Amount spent on the project or Programme	Cumulative Expenditure up to reporting period	Amount spent : or through out implementing agency
1	Promoting Education and Employment	Education	Ahmedabad	NIL			
2	Eradicating hunger and Poverty	Hunder and Poverty	Ahmedabad				
3	Contribution to PM's Fund	Contribution to various funds approved by central govt.	Ahmedabad				
4	Promoting Gender equality and women empowerment	Women Empowerment	Ahmedabad				
5	Development of Slum Area	Slum Development	Ahmedabad				
6	Contribution to fund of protection of national art and heritage	Protection of art and national heritage	Ahmedabad				

6. CSR Policy and Committee has been formulated however the expenditure has not been made but the explanation has been made by the directors of the Company

For, Dynamic Industries Limited

For, Dynamic Industries Limited

Place : Ahmedabad  
Date : 29<sup>th</sup> June, 2015

-Sd/-  
**DEEPAK N. CHOKSHI**  
Chairman and Managing Director

-Sd/-  
**PRAVINCHANDRA MASTER**  
Chairman - CSR Committee

**ANNEXURE – VI TO THE DIRECTORS REPORT****REPORT ON CORPORATE GOVERNANCE****COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Your Company adheres to good practices in Corporate Governance in its true spirit and benchmarks it with high standards. Corporate Governance is set of systems and practices to ensure that the operations of the Company are being managed in a way which ensures fairness, integrity, transparency and accountability in its dealings with its customers, stakeholders, dealers, lenders, government and employees. Company has guiding principles laid out through its Code of business conduct, duly adopted by directors and senior management personnel which has been posted on website of Company ([www.dynaind.com](http://www.dynaind.com)).

**1. ETHICS/GOVERNANCE POLICIES:**

At Dynamic Industries Limited, we strive to conduct our business and strengthen our 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. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

- Code of Conduct
- Vigil Mechanism and Whistle Blower Policy
- Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions
- Board Performance Evaluation Policy
- Familiarization of Independent Directors Policy
- Corporate Social Responsibility Policy
- Policy for Selection of Directors and determining Directors Independence
- Remuneration Policy for Directors, Key Managerial Personnel and other Employees
- Policy for determining Material Subsidiaries.
- Risk Management Policy
- Sexual Harassment Policy

**2. BOARD OF DIRECTORS:**

- Composition of the Board of Directors

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors Pursuant Clause 49 (II) (A) of the Listing Agreement. The composition of the Board and category of Directors are as follows

<b>Executive Director (Promoters)</b>	Deepak N. Chokshi, Managing Director Harin Mamlatdarna, Managing Director Dinesh Jain, Whote Time Director
<b>Independent (Non-Executive) Director</b>	Pravinchandra Master Jatin Surti Raghavdas Lakhmani

- Number of Board Meetings and Attendance of Directors:

During the financial year 2014-15, 5 (Five) Board Meetings were held on 3<sup>rd</sup> May, 2014; 30<sup>th</sup> May, 2014; 12<sup>th</sup> August, 2014; 14<sup>th</sup> November, 2014; and 14<sup>th</sup> February, 2015.

Board meeting dates are finalized in consultation with all the directors and agenda papers with detailed notes and other background information, which are essential for the Board to effectively and reasonably perform their duties and functions, are circulated well in advance before the meeting thereby enabling the Board to take informed decisions.

The composition of Directors and the attendance at the Board Meeting during the year 2014-2015 and last Annual General Meeting are as under :

## DYNAMIC INDUSTRIES LIMITED

Name of Director	Category	No. of other Director ships	Membership of Board Committees		No. of Board Meetings Attended	Attendance at last AGM
			Chairman	Member		
Deepak N. Chokshi	Chairman Managing Director	1	Nil	Nil	5	Yes
Harin D. Mamlatdarna	Vice Chairman Managing Director	1	Nil	1	5	Yes
Dinesh J. Jain	Whole Time Director	3	Nil	1	5	No
Jatinbhai B. Surti	Independent Director	Nil	Nil	3	5	Yes
Pravinchandra D. Master	Independent Director	Nil	4	4	5	No
Raghavdas H. Lakhmani	Independent Director	Nil	Nil	3	5	No

### 3. ANNUAL GENERAL MEETING:

The Annual General Meeting for the financial year ended on 31<sup>st</sup> March, 2014 was held on 14<sup>th</sup> August, 2014 and 18 Members were present at Annual general meeting including proxy.

### 4. BOARD COMMITTEES:

As per the requirement of the Companies Act, 2013 read with Rules and amended clause 49 of the Listing Agreement, various Board committees have been formed for better governance and accountability viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee.

The terms of reference of each committee are determined by the Board as per the requirement of law and their relevance is reviewed from time to time.

#### A. AUDIT COMMITTEE:

As a measure of good Corporate Governance and to provide assistance to the Board of Directors in fulfilling the Board's responsibilities, an Audit Committee had been constituted by the Board. The terms of reference of this committee covers matters specified under clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013 and other matters referred by the Board from time to time. Committee lays emphasis on adequate disclosures and compliance with all relevant statutes.

Main areas are deliberated as under.

- To provide an open avenue of communication between the independent auditors, internal auditors and the Board of Directors (BOD).
- To oversee the work of the independent auditors for the purpose of preparing or issuing an audit report or related work.
- Relying on the review and discussions with the management and the independent auditor, the Audit Committee believes that the Company's financial statements are fairly presented in conformity with Generally Accepted Accounting Principles in all material aspects.
- To consider and review the adequacy of internal control including computerized information system controls and periodically report to the Board of Directors on significant activities.

The Constitution of the committee and the attendance of each member of the committee is given below:

The Committee comprises of three Directors and all the three Directors are Independent Directors. All members of the Audit Committee are financially literate. In the financial year 2014-15, four meetings were held on 30<sup>th</sup> May, 2014; 12<sup>th</sup> August, 2014; 14<sup>th</sup> November, 2014 and 14<sup>th</sup> February, 2015. Composition of committee as on 31<sup>st</sup> March, 2015 and member's attendance at the meetings during the year are as under

Name	Designation	Category
Mr. Pravinchandra Master	Chairman	Non-Executive Director (Independent)
Mr. Jatinbhai Surti	Member	Non-Executive Director (Independent)
Mr. Raghavdas Lakhmani	Member	Non-Executive Director (Independent)

Attendance of each member of the committee :

Committee Members	Meetings Held	Meeting Attended
Mr. Pravinchandra Master	4	4
Mr. Jatinbhai Surti	4	4
Mr. Raghavdas Lakhmani	4	4

#### B. NOMINATION AND REMUNERATION COMMITTEE:

Terms of reference of the committee comprise various matters provided under Clause 49 of the Listing Agreement and section 178 of the Companies Act, 2013, and other matters referred by the Board from time to time. The Committee comprises of three Independent Directors. In the financial year 2014-15, two meetings of the Committee were held on 30<sup>th</sup> May, 2014 and 14<sup>th</sup> November, 2014.

The Constitution of the committee and the attendance of each member of the committee is given below

Name	Designation	Category
Mr. Pravinchandra Master	Chairman	Non-Executive Director (Independent)
Mr. Jatinbhai Surti	Member	Non-Executive Director (Independent)
Mr. Raghavdas Lakhmani	Member	Non-Executive Director (Independent)

Attendance of each member of the committee :

Committee Members	Meetings Held	Meeting Attended
Mr. Pravinchandra Master	2	2
Mr. Jatinbhai Surti	2	2
Mr. Raghavdas Lakhmani	2	2

#### APPOINTMENT, REMUNERATION AND EVALUATION OF DIRECTORS:

The Board has based on recommendations of the Nomination and Remuneration Committee (NRC), laid down following policies:

- A. Appointment and removal of Director, KMP and Senior Management:
  - The NRC will have the responsibility and authority to decide the essential and desirable skills/ competencies/ expertise/ experience/ criteria of independence required from the individuals for the office of Directors, KMP & Senior Management Personnel.
  - The expertise required from the Directors, KMP and Senior Management Personnel would be defined based on the Company's strategy and needs.
  - The NRC shall review the criteria for the role and define the role Specifications for the appointment.
  - In case of Directors and KMP, in addition to the above specifications the NRC shall ensure that the candidate



possesses the requisite qualifications and attributes as per the Applicable Laws.

B. Identifying candidates who are qualified to become Directors, KMP & Senior Management Personnel:

- The NRC may assign the responsibility of identifying the candidate for the final interview by the NRC to the following:
  - To Managing Director/Whole Time Director and Chairman of NRC, in case of selection of Directors; and
  - To the Managing Director/Whole Time Director and Human Resource Officer (HRO), in case of selection of KMP & Senior Management Personnel.
  - The NRC shall identify member(s) of the Board who will interview the candidate recommended to the NRC as above.
  - Upon selection of the candidate, the NRC shall make a recommendation to the Board for appointment of Director/ KMP/ Senior Management Personnel. For discharging this duty the NRC may seek inputs from the persons responsible for identifying the candidates stated in as above.
  - The appointment of Directors and KMP shall be subject to the compliance of the Act, Clause 49 of the listing agreement and Article of Association.

C. SELECTION OF INDEPENDENT DIRECTORS:

- Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession, and who can effectively contribute to the Company's business and policy decisions are considered by the Human Resources, Nomination and Remuneration Committee, for appointment, as an Independent Directors on the Board. The Committee, inter alia, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons in accordance with the Company's Policy for Selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation, and takes appropriate decision. Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under law.

D. Term of Appointment:

- The term of appointment of Directors shall be governed by the provisions of the Act and Clause 49 of the Listing agreement.
- The term of the KMP (other than the MD) and Senior Management Personnel shall be governed by the prevailing policies of the Company.

E. Letter of Appointment to Independent Directors:

- The appointment of Independent Directors shall be formalized through a letter of appointment to be issued by the Company in accordance with the Applicable Laws.

F. Removal of Director, KMP or Senior Management Personnel:

- The Removal of Director, KMP or Senior Management Personnel may be warranted due to reasons such as disqualification prescribed under the Applicable Laws and / or disciplinary reasons.
- In regard to removal of any Director, KMP or Senior Management Personnel, the NRC shall in consultation with the MD and the Chairman of Audit committee, for Directors, and with the MD for KMP and Senior Management Personnel, review the performance and/or other factors meriting a removal and subject to the provisions of the Act and the Articles of Association of the Company recommend to the Board its course of action.

G. Retirement of Director, KMP or Senior Management Personnel:

- The retirement age of Directors shall be as per the Applicable Laws.
- The retirement age of KMP and Senior Management Personnel shall be as per the prevailing policy of the Company subject to the Applicable Laws.

H. Remuneration of Director, KMP and Senior Management Personnel

- Remuneration to Executive Director(s):
  - The remuneration payable to Executive Director(s) shall be determined by the NRC and recommended to the Board for approval. Such remuneration (including revisions thereof) shall be subject to the approval of the shareholders of the Company and/or Central Government, wherever required under the Act, Clause 49 and the Articles of Association of the Company.
  - The remuneration shall be in accordance with and subject to the ceiling limits and other conditions prescribed under the Act, Clause 49 and the Articles of Association of the Company.
  - Additionally, the Executive Director may be entitled to Employee Stock Options granted under any Employee Stock Option Plan/ Scheme(s), Stock Appreciation Rights granted under any Stock Appreciation Rights Plan/Scheme(s) of the Company and such other long term incentive schemes of the Company.
  - Annual revisions in the remuneration within the remuneration limits approved by the Board, shareholders/ Central Government, shall be based on the prevailing policy of the Company and the same shall be approved by the NRC. The Board shall note such annual increases.
- Remuneration to Non-Executive Directors (NED)
  - The remuneration (including revisions thereof) payable to the NED shall be in accordance with and subject to the ceiling limits and other conditions prescribed under the Act, Clause 49 and the Articles of Association of the Company.
  - The NRC shall determine the remuneration to NED including the mode, quantum, recipients of the remuneration and the frequency of payment of such remuneration, and recommend the same to the Board for approval.
  - The remuneration of NED may comprise following:
    - a) Remuneration/Commission; and
    - b) Sitting fees for attending each meeting of the Board and its Committees.
  - The remuneration of NED (including revisions thereof) shall be based on certain financial parameters like the performance of the Company, its market capitalization, etc., industry benchmarks, role of the Director and such other relevant factors.
  - NEDs shall not be entitled to any stock option or stock appreciation rights of the Company.
  - The NRC shall determine the periodicity at which such remuneration shall be reviewed and revised.
- Remuneration to KMP & Senior Management Personnel:
  - The NRC shall approve the remuneration policy of the Company applicable to KMP and Senior Management Personnel.
  - For appointments to the office of KMP or Senior Management Personnel, the NRC shall approve the remuneration and recommend the same to the Board for its approval.
  - The NRC shall approve the annual revision in the remuneration of KMP and Senior Management Personnel based on the remuneration policy of the Company applicable to KMP and Senior Management Personnel.
  - Factors to be considered while determining the remuneration to Directors, KMP and Senior Management Personnel While determining the remuneration to Directors, KMP and Senior Management Personnel.
- The NRC shall ensure the following:
  - The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and Senior Management Personnel to deliver the quality required to run the Company successfully;
  - Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - Remuneration to Directors, KMP and Senior Management Personnel involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- Board Evaluation:

## DYNAMIC INDUSTRIES LIMITED

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- The Board is committed to assessing its own performance as a Board in order to identify its strengths and areas in which it may improve its Functioning. Towards this end, the NRC shall establish the criteria and processes for evaluation of performance of Individual Directors, Chairman of the Board, the Board as a whole and the Committees of the Board and recommend the same to the Board.
- The Board is responsible for monitoring and reviewing of the Board Evaluation framework.
- The NRC is responsible for carrying out evaluation of every director's performance and various criteria can be framed by NRC in separate policy also.
- The performance evaluation shall take place annually. It shall be the responsibility of the Chairman of the NRC to organize the evaluation process;
- The appointment / re-appointment / continuation of Directors on the Board shall be subject to the outcome of the yearly evaluation process.
- Meeting of Independent Directors:
  - Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-independent Directors and members of the management.
  - Such meeting shall review the performance of Non-independent Directors and the Board as a whole; &
  - review the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-executive Directors;
- FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Company will impart Familiarization Programmes for Independent Directors inducted on the Board of the Company. Familiarization - immediately upon appointment of Director the Familiarization Programme of the Company will provide information relating to the Company, Specialty Chemical industry, business model of the Company, business processes & policies, geographies in which Company operates, etc. The Programme intends to improve awareness of the Independent Directors on their roles, rights, responsibilities towards the Company. Further, the Familiarization Programme shall also provide information relating to the financial performance of the Company and budget and control process of the Company and all other information's which affect its rights and responsibility.

The MD or such other officer(s) of the Company, duly authorized by the MD shall lead the Familiarization Programme. The KMPs or Senior Management Personnel may participate in the Programme for providing various inputs.
- DIVERSITY OF BOARD OF DIRECTORS:

Nomination & Remuneration Committee (NRC) shall ensure the diversity of the board of director is in order with the requirement of the size of Company. Further, NRC shall ensure scope of work of Directors in the Company and portfolios which are going to be allocated to them shall be based on diverse experience of Directors.

NRC shall also ensure that the candidate is having educational qualification, expertise and experience which are required for the same.

In case if there is vacancy in between, than NRC shall appoint the required Directors in accordance with the Act and Listing agreement and after considering the above mentioned things.

### PERFORMANCE EVALUATION OF BOARD, COMMITTEES AND DIRECTORS:

Based on the criteria laid down in the Policy for evaluation of Board and Independent Directors, the Board carried out the annual performance evaluation of Board Committees and the Independent Directors, at a separate meeting, Independent Directors evaluated the performance of Executive Directors, Board as a whole and of the Chairman. Nomination and Remuneration Committee also evaluated individual directors' performance.

- I. As per the said Policy, evaluation criteria for evaluation Board inter alia covers: Composition in light of business complexities and statutory requirements; establishment of vision, mission, objectives and values for the Company; laying down strategic road map for the Company and annual plans; growth attained by the Company; providing leadership and directions to the Company and employees; effectiveness in ensuring statutory compliances and discharging its duties / responsibilities towards all stakeholders; identification, monitoring and mitigation of

significant corporate risks; composition of various committees, laying down terms of reference and reviewing committee's working etc.

- II. Performance evaluation criteria for Executive Directors inter alia include: level of skill, knowledge and core competence; performance and achievement vis-à-vis budget and operating plans; effectiveness towards ensuring statutory compliances; discharging duties/responsibilities towards all stakeholders; reviewing/monitoring executive management performance, adherence to ethical standards of integrity; employment of strategic perception and business acumen in critical matters etc.
- III. Performance of Independent Directors is evaluated based on objectivity and constructiveness while exercising duties; providing independent judgment on strategy, performance, risk management and Board's deliberations; devotion of sufficient time for informed decision making; exercising duties in bona fide manner; safeguarding interests of all stakeholders, particularly minority shareholders; updating knowledge of the Company and its external environment.
- IV. Evaluation criteria for performance evaluation of Chairman are: providing guidance and counsel in strategic matters; providing overall direction to Board towards achieving Company's objectives; effectiveness towards ensuring statutory compliances; maintaining critical balance between the views of different Board Members; ensuring maximum participation and contribution by each Board member; monitoring effectiveness of Company's governance practices; conducting Board and Shareholders' meetings in effective and orderly manner.
- V. Committees of the Board are evaluated for their performance based on: effectiveness in discharging duties and functions conferred; setting up and implementation of various policies, procedures and plans, effective use of Committee's powers as per terms of reference, periodicity of meetings, attendance and participation of committee members; providing strategic guidance to the Board on various matters coming under committee's purview etc.

#### Details of remuneration paid to the Directors for Financial Year 2014-15

[₹ in Lacs]

Name	Salary and Perquisites	Commission	Shares issued under ESOP	Details of Service contracts; Notice period and severance fees
Deepak N. Chokshi	16.29	Nil	Nil	Ordinary resolution dt. 14-8-2013, valid up to 30-9-2015, no Notice period and no severance fees
Harin D. Mamlatdarna	16.45	Nil	Nil	
Dinesh J. Jain	10.43	Nil	Nil	

#### C. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

Stakeholders' Relationship Committee performs various functions provided under the Listing Agreement and section 178 of the Companies Act, 2013. The Committee comprises of three Directors out of which one is independent. It is headed by Mr. Pravinchandra D. Master, an Independent Director

Name	Designation	Category
Mr. Pravinchandra Master	Chairman	Independent Director
Mr. Harin D. Mamlatdarna	Member	Independent Director
Mr. Dinesh J. Jain	Member	Independent Director

The Stakeholders' Relationship Committee has been constituted to administer the following activities :

- a) Transfer of shares
- b) Transmission of shares
- c) Issue of Duplicate Share Certificates
- d) Change of Status
- e) Change of Name
- f) Transposition of Shares
- g) Sub-Division of Share Certificates
- h) Consolidation of folios

## DYNAMIC INDUSTRIES LIMITED

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- i) Shareholders' requests for Dematerialization of shares
- j) Shareholders' requests for Rematerialization of shares

The Committee meets from time to time and approves the transfer and transmission of shares, deletion of names, issue of duplicate share certificates etc. The Committee facilitates prompt and effective redressal of investors' complaints and the reporting of the same to the Board of Directors.

The Board has delegated the power of Share Transfer to Registrar and Share Transfer Agent, M/s. Sharepro Services (India) Pvt. Ltd., who processes the transfers.

- No. of shareholders' complaints received -- NIL.
- No. of complaints not solved to the satisfaction of shareholders -- NIL.
- No. of pending share transfers -- NIL.
- As at 31<sup>st</sup> March, 2015 no equity Shares were pending for transfer.

### **D. Corporate Social Responsibility Committee (CSR)**

The Committee comprises of three Directors. In the financial year 2014-15, four meetings of the Committee were held on 5<sup>th</sup> May, 2014; 5<sup>th</sup> August, 2014; 30<sup>th</sup> October, 2014 and 28<sup>th</sup> January, 2015. Composition of committee as on 31<sup>st</sup> March, 2015 and member's attendance at the meeting during the year are as under:

Corporate Social Responsibility at the Company stems from the ideology of providing sustainable value to the society in which the Company operates and contributing towards development of the underprivileged sections of the society. Based on the recommendations of the CSR Committee, the Company has laid down the CSR policy, which is displayed on the website of the Company.

The Committee oversees the execution of Policy and provides guidance on various CSR activities to be undertaken by the Company. The policy is within the ambit of Schedule VII of the Companies Act, 2013.

### **5. INDEPENDENT DIRECTORS' MEETING:**

During the year under review, one meeting of independent Directors was held on 28<sup>th</sup> January, 2015 in compliance with the requirements of schedule IV of the Companies Act, 2013. Following items were considered at the said meeting:

- i. Presentation on familiarizing the Independent Directors with operations of the Company;
- ii. Performance review of Non-independent directors, Board as a whole and Chairman of the Company;
- iii. Assessed the quality, quantity and timeliness of flow of information between Company management and the Board.

All the Independent Directors were present at the meeting.

### **6. INDEPENDENT DIRECTORS' FAMILIARISATION PROGRAMME:**

As per requirements under the Listing Agreement, the Company undertook familiarization Programme for Independent Directors in order to familiarize them with business model, management structure, product portfolio, Industry overview, manufacturing operations, internal control system and processes, FOREX management, risk management framework, functioning of various divisions, HR Management etc.

### **7. PREVENTION OF INSIDER TRADING:**

The Company has adopted a Code of Conduct for fair disclosure and prevention of Insider Trading in order to regulate, monitor and control trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

### **8. SUBSIDIARY COMPANY:**

Audited Annual Financial Statements of Subsidiary Company are tabled at the Audit Committee and Board Meetings. Copies of the Minutes of the Board Meetings of Subsidiary Company are individually given to all the Directors and are tabled at the subsequent Board Meetings.

**9. POSTAL BALLOT:**

During the year, the Company had not sought approval from the shareholders through Postal Ballot. The Company had provided e-voting facility at the time of Annual General Meeting for the year ended 31<sup>st</sup> March, 2014. The Company had appointed Mr. Chetan R. Shah, Practising Company Secretary to act as Scrutinizer for the entire e-voting process.

**10. ANNUAL GENERAL MEETINGS**

Details of last three AGMs held

Year	Date	Time	Venue	No. of Special Resolutions passed
2011-2012	14-08-2012	11-30 a.m.	Plot No. 5501/2, Phase-III, Nr. Trikampura Cross Road, G.I.D.C., Vatva, Ahmedabad - 382 445.	--
2012-2013	14-08-2013	11-30 a.m.		--
2013-2014	14-08-2014	11-30 a.m.		--

No Resolutions were put through postal ballot.

Resolutions were passed on show of hands at the Annual General Meetings for the financial years ended on 31<sup>st</sup> March, 2012 and 31<sup>st</sup> March, 2013 and through E-voting and poll at the Annual General Meeting for the financial year ended on 31<sup>st</sup> March, 2014.

**11. DEMAT / REMAT OF SHARES**

Details of Shares Dematerialized / Rematerialized during the last financial year is as below:

a) Number of Demat requests approved	28	b) Number of Shares Dematerialized	4,100
c) Percentage of Shares Dematerialized	0.14%	d) Number of Remat requests approved	Nil
e) Number of Shares Rematted	Nil		

Representatives of the Company are constantly in touch with M/s. Sharepro Services (India) Pvt. Ltd., Share Transfer Agents of the Company and review periodically the outstanding matters.

**12. DISCLOSURES:**

**A.** There were no transactions of material nature with its related parties that may have the potential conflict with the interest of the Company at large. Transactions with related parties are disclosed in Note No. 34 of the Financial Statements.

**B.** There were no instances of non-compliance nor have any penalties/strictures imposed by Stock Exchanges or SEBI or any other statutory authority on any matters related to capital market, during last 3 financial years. Though there were some procedural lapse due to which fine were imposed.

**C. CEO certification:**

The CEO of the Company has certified to the Board with regard to the compliance made by them in terms of Clause 49 (IX) of the Listing Agreement and the certificate forms part of Annual Report.

**D. 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 the Act. The financial statements have been prepared on accrual basis under the historical cost convention.

**13. MEANS OF COMMUNICATION:**

Board of Directors approves and takes on record Unaudited Quarterly Results and Audited Annual Results in the prescribed form and announces forthwith the results and intimate to the Bombay Stock Exchanges Ltd. where the Company's shares are listed. The results are also published in two newspapers, one in English and the other in Regional Language.



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### 14. ADDITIONAL INFORMATION TO SHAREHOLDERS

- a. Annual General Meeting:  
Date: 14<sup>th</sup> August, 2015  
Time: 11.30 a.m.  
Address: Plot No. 5501/2, Phase III, Near Trikampura Cross Roads,  
G.I.D.C. Vatva, Ahmedabad – 382445.
- b. Calendar of Financial Year ended 31st March, 2015  
The meetings of Board of Directors for approval of quarterly financial results during the Financial Year ended 31<sup>st</sup> March, 2015 were held on the following dates:  
First Quarter Results: 12<sup>th</sup> August, 2014  
Second Quarter and Half yearly Results: 14<sup>th</sup> November, 2014  
Third Quarter Results: 14<sup>th</sup> February, 2015  
Fourth Quarter and Annual Results: 30<sup>th</sup> May, 2015
- c. Tentative Calendar for financial year ending 31<sup>st</sup> March, 2016  
The tentative dates of meeting of Board of Directors for consideration of quarterly financial results for the financial year ending 31<sup>st</sup> March, 2016 are as follows:  
First Quarter Results: 2<sup>nd</sup> week of August, 2015  
Second Quarter and Half yearly Results: 2<sup>nd</sup> week of November, 2015  
Third Quarter Results 2<sup>nd</sup> week of February, 2016  
Fourth Quarter and Annual Results: last week of May, 2016
- d. Date of Book Closure  
13<sup>th</sup> August, 2015 to 14<sup>th</sup> August, 2015 (both days inclusive) for Annual General Meeting and dividend.
- e. Dividend will be paid within 30 days from the date of AGM if declared by members of the Company.
- f. Regd. Office  
Plot no. 5501/2, Phase III, Near Trikampura Cross Roads,  
G.I.D.C. Vatva, Ahmedabad -382445
- g. Equity shares of the Company are listed on BSE Limited Stock Exchange.
- h. Scrip Code:-524818 (BSE), Scrip ID: DYNAMIND, ISIN : INE457C01010
- i. Stock Market Data (₹ Per Share)

Month	The Bombay Stock Exchange Ltd.	
	Month's High	Month's Low
April, 2014	21.10	17.15
May, 2014	28.80	17.60
June, 2014	58.90	27.95
July, 2014	59.65	44.40
August, 2014	70.05	47.50
September, 2014	92.00	56.10
October, 2014	60.65	34.70
November, 2014	47.25	40.05
December, 2014	48.00	37.85
January, 2015	45.45	35.25
February, 2015	45.00	21.70
March, 2015	29.40	19.20

**j. Share Transfer System**

Applications for transfer of shares held in physical form are received at the office of the Registrars and Share Transfer Agents of the Company, M/s. Sharepro Services (India) Private Limited. All valid transfers are processed within 15 days from the date of receipt

**k. Shareholding pattern as on 31-03-2015 is as given below :**

Sr. No.	Category	No. of Shares	% of holding
1	Promoters	15,12,755	49.95
2	Persons acting in Concert	-----	-----
3	Mutual Funds, UTI, Banks, Financial - Institutions, Insurance Companies, Central / State Govt. Government Institutions	-----	-----
4	FII's	7,453	0.25
5	NRIs	15,398	0.51
6	Bodies Corporate	1,78,178	5.88
7.	Others	13,14,716	43.41
<b>Grand Total</b>		<b>30,28,500</b>	<b>100.00</b>

**l) Distribution of Shareholding as on 31-03-2015 is as under :**

Slab of Share Holding	No. of Shareholders	% of Shareholders	No. of Shares	Amount (₹)	% of Capital
1 to 500	1,979	83.01	2,99,112	29,91,120	9.87
501 to 1,000	187	7.84	1,54,146	15,41,460	5.09
1,001 to 2,000	95	3.98	1,46,145	14,61,450	4.83
2,001 to 3,000	45	1.89	1,14,866	11,48,660	3.79
3,001 to 4,000	20	0.84	71,794	7,17,940	2.38
4,001 to 5,000	11	0.46	50,199	5,01,990	1.66
5,001 to 10,000	13	0.55	88,679	8,86,790	2.93
10,001 to 20,000	15	0.63	1,94,909	19,49,090	6.44
20,001 and above	19	0.80	19,08,650	1,90,86,500	63.02
<b>Total</b>	<b>2384</b>	<b>100</b>	<b>30,28,500</b>	<b>3,02,85,000</b>	<b>100.00</b>

**m. Dematerialization of Shares and liquidity**

The Securities and Exchange Board of India (SEBI), through a notification have made it compulsory that delivery in the Company's shares against Stock Exchange trades became compulsory in Demat format. As on 31<sup>st</sup> March, 2015, 28,85,749 equity shares (95.29% of the total number of shares) have been dematerialized.

**n. Outstanding GDRs / ADRs / Warrants or Conversion instruments, Conversion date and like impact on equity- Not applicable**

- o. Plant Location:**
- 1) Plot No. 125, Phase I,  
GIDC, Vatva,  
Ahmedabad – 382 445.
  - 2) Plot No. 5501/2, Phase III,  
Near Trikampura Cross Roads,  
G.I.D.C., Vatva,  
Ahmedabad -382 445.

## DYNAMIC INDUSTRIES LIMITED

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p. Investors' correspondence:

For transfer / dematerialization of shares, Change of Address, Change in Status of investors, payment of dividend on shares and other query relating to the shares of the Company:

Sharepro Services (India) Private Limited  
(Ahmedabad Branch)  
416 – 420, 4th Floor, Devnandan Mall  
Opp. Sanyas Ashram, Ashram Road, Ellisbridge,  
Ahmedabad – 380 009  
Phone Nos. : 079 – 26582381 to 84  
Fax: 079- 26582385  
Email:-sharepro@shareproservices.com  
Contact Person:-Mr. Narendra Tavde / Mr. Nitin Joshi

q. Share Transfer System

Shares in physical form sent for registering transfer, to the Registrar and Shares Transfer Agents, M/s. Sharepro Services (India) Private Limited are registered and returned within a period of 15 days from the date of receipt, if the documents are in order in all respects. The Share Transfer Committee of the Company meets as often as required.

r. Compliance Officer of the Company: Mr. Deepak Chokshi

Compliance Certificate of the Auditors

A Certificate from the Auditors of the Company regarding compliance of conditions of corporate Governance as stipulated under clause 49 of the listing Agreement is attached to this Report

**For and on behalf of the Board**

-Sd/-

Place : Ahmedabad  
Date : 29<sup>th</sup> June, 2015

**DEEPAK N. CHOKSHI**  
*Chairman & Managing Director*  
DIN : 00536345

**ANNEXURE – VI TO THE DIRECTORS REPORT****CORPORATE GOVERNANCE CERTIFICATE**

To the Members of the DYNAMIC INDUSTRIES LIMITED

We have examined the compliance of the conditions of Corporate Governance by Dynamic Industries Limited (“the Company”) for the year ended 31st March, 2015 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The Compliance of the conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to a review of the procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the company.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review, and the information and explanations given to us by the Company.

Based on such a review, and to the best of our information and according to the explanations given to us, in our opinion, the Company has complied with the conditions of Corporate Governance, as stipulated in Clause 49 of the Listing Agreement.

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

For, **G. K. CHOKSI & CO.**  
[Firm Registration No. 101895W]  
*Chartered Accountants*

Place : Ahmedabad  
Date : 29<sup>th</sup> June, 2015

Sd/-  
**ROHIT K. CHOKSI**  
*Partner*  
Membership No. 31103

**DECLARATION**

All Board Members and Senior Management personnel have affirmed compliance with the code of conduct of Directors and Senior Management as approved by the Board.

-Sd/-

Place : Ahmedabad  
Date : 29<sup>th</sup> June, 2015

**DEEPAK N. CHOKSHI**  
*Chairman & Managing Director*  
DIN : 00536345

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**CEO CERTIFICATION**

To,  
The Board of Directors,  
**DYNAMIC INDUSTRIES LIMITED**  
Ahmedabad.

We hereby certify that :

- i. We have reviewed the financial statements and the cash flow statement of the Financial Year 2014-15 and that to the best of our knowledge and belief.
  - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- ii. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violated of the Company's code of conduct.
- iii. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we hereby disclose to the Auditors and the Audit Committee that there have been no efficiencies in the design or operation of internal controls, prevailing in the company.
- iv. We hereby certify that :
  - a. There have been no significant changes in internal control during the year.
  - b. There have been no significant changes in accounting policies during the year and
  - c. No instances of fraud were observed in the Company by the management or an employee having a significant role in the company's internal control system

-Sd/-

Place : Ahmedabad  
Date : 29<sup>th</sup> June, 2015

**DEEPAK N. CHOKSHI**  
*Chief Executive Officer*

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**INDEPENDENT AUDITORS' REPORT**

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To,  
The Members,  
DYNAMIC INDUSTRIES LIMITED  
Ahmedabad.

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of Dynamic Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31<sup>st</sup> March, 2015 and its profit and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order 2015 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the Annexure, a statement of the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.



## DYNAMIC INDUSTRIES LIMITED

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2. As required by section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 and to our best of our information and according to the explanations given to us :
    - (i) The Company has disclosed pending litigations which would impact its financial position – Refer Note 35 to the financial statements;
    - (ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
    - (iii) There has been no delay in transferring amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**FOR, G. K. CHOKSI & CO.**  
[Firm Registration No. 101895W]  
*Chartered Accountants*

-Sd/-

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2015

**ROHIT K. CHOKSI**  
*Partner*  
Membership No. 31103

**ANNEXURE TO THE AUDITOR'S REPORT**

(Referred to in our Report of even date to the members of Dynamic Industries Limited)

- (i) (a) The Company is in the process of compiling fixed assets records to show full particulars, including quantitative details and situation of fixed assets.
- (b) We were informed that all major items of fixed assets were physically verified by the Management at the end of the year and that no discrepancy was noticed on such verification, which on account of proper records being still under compilation, could not be verified.
- (ii) (a) The Management of Company has conducted physical verification of inventory at reasonable intervals.
- (b) In our opinion, the procedures of physical verification of stocks followed by the management of Company are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of inventories records, in our opinion, the Company is maintaining the proper records of inventories and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly the clause 3(iii)(a) and 3(iii)(b) of the Order are not applicable to the Company.
- (iv) In our opinion and according to information and explanation given to us; there is adequate internal control system commensurate with the size of the Company and the nature of its business, with regard to purchase of inventory and fixed assets and with regard to sale of goods and services. Further on the basis of our examination of books and records of the Company, and according to the information and explanations given to us, we have not observed any continuing failure to correct major weaknesses in the aforesaid internal control system.
- (v) The Company has not accepted any deposits as defined in The Companies (Acceptance of Deposits) Rules 2014. Accordingly, the provisions of Clause 3(v) of the Order are not applicable to the Company.
- (vi) According to information and explanations given to us, the Central Government has not prescribed maintenance of cost records under section (1) of Section 148 of the Companies Act, 2013.
- (vii) (a) According to the information given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues and Company had no arrears of such outstanding statutory dues as at 31<sup>st</sup> March, 2015 for a period more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the Company has no disputed outstanding statutory dues as at to 31<sup>st</sup> March, 2015 other than those stated below

Name of the Statute	Nature of Dues	Amount ₹ in lacs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	59.33	2002-2003	ITAT, Ahmedabad
		2.11	2007-2008	CIT(A), Ahmedabad
		1.89	2012-2013	CIT(A), Ahmedabad
Customs Act, 1962	Customs Duty	171.14	2006-2007 & 2007-2008	CESTAT, Ahmedabad
Customs Act, 1962	Customs Duty	5.51	2007-2008	CESTAT, Mumbai
Finance Act, 1994	Service Tax	3.2	2012-2013	Commissioner (Appeal) Ahmedabad

- (c) According to the information and explanations given to us, the amounts which were required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provision of the Companies Act, 1956(1 of 1956) and rules thereunder has been transferred to such fund within time.

## **DYNAMIC INDUSTRIES LIMITED**

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- (viii) The company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year end in the immediately preceding financial year.
- (ix) According to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks or debenture holders during the year.
- (x) According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- (xi) According to the information and explanation given to us, the Company has applied term loans for the purpose for which the loans were obtained.
- (xii) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year under review.

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2015

**FOR, G. K. CHOKSI & CO.**  
[Firm Registration No. 101895W]  
*Chartered Accountants*

Sd/-  
**ROHIT K. CHOKSI**  
*Partner*  
Membership No. 31103

## Balance Sheet as at 31st March, 2015

[₹ in Lacs]

Particulars	Notes	As at 31st March 2015	As at 31st March 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	302.85	302.85
Reserves and Surplus	3	3,294.63	3,123.24
		3,597.48	3,426.09
<b>Non-Current Liabilities</b>			
Long Term Borrowings	4	68.66	84.42
Deferred Tax Liabilities (Net)	5	70.89	44.38
Other Long Term Liabilities	6	13.08	16.34
Long Term Provisions	7	9.82	30.68
		162.45	175.82
<b>Current Liabilities</b>			
Short Term Borrowings	8	568.17	1,392.00
Trade Payables	9	487.73	3,321.84
Other Current Liabilities	10	39.16	108.60
Short Term Provisions	11	143.59	245.13
		1,238.65	5,067.57
<b>Total</b>		<b>4,998.58</b>	<b>8,669.48</b>
<b>ASSETS</b>			
<b>Non Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	12	2,369.56	2,489.31
Intangibles Under Development	13	0.00	3.33
<b>Total</b>		<b>2,369.56</b>	<b>2,492.64</b>
Non Current Investments	14	5.00	5.00
Long Term Loans and Advances	15	16.29	23.07
Other Non Current Assets	16	20.91	13.08
<b>Current Assets</b>			
Inventories	17	1,252.81	2,359.53
Trade Receivables	18	904.01	3,236.06
Cash and Cash Equivalents	19	145.96	138.47
Short Term Loans and Advances	20	282.42	373.97
Other Current Assets	21	1.62	27.66
		2,586.82	6,135.69
<b>Total</b>		<b>4,998.58</b>	<b>8,669.48</b>
Significant Accounting Policy	1		

The accompanying notes are an integral part of the standalone financial statements.  
As per our attached report of even date.

**FOR, G. K. CHOKSI & CO.**

[Firm Registration No. 101895W]  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD**

Sd/-  
**ROHIT K. CHOKSI**  
Partner  
Membership No. 31103

Sd/-  
**DEEPAK CHOKSHI**  
Chairman & Managing Director

Sd/-  
**HARIN MAMLATDARNA**  
Vice Chairman & Managing Director

Sd/-  
**DINESH JAIN**  
Executive Director

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2015

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2015

**DYNAMIC INDUSTRIES LIMITED****Statement of Profit and Loss for the year ended 31st March, 2015** [₹ in Lacs]

Particulars	Notes	2014-2015	2013-2014
<b>INCOME</b>			
Revenue from Operations	22	7,294.95	11,030.00
Less : Excise Duty		(386.25)	(571.84)
		6,908.70	10,458.16
Other Income	23	141.41	17.33
<b>Total Revenue</b>		7,050.11	10,475.49
<b>EXPENSES</b>			
Cost of Materials / Products Consumed	24	4,242.62	6,702.77
Purchase of Stock in Trade	25	638.61	1,719.53
Changes in Inventories of Finished Goods, Stock-in-process and Stock-in-trade	26	427.04	(212.38)
Employee Benefit Expenses	27	217.51	206.66
Financial Costs	28	162.52	157.31
Depreciation and Amortizations		99.46	85.69
Less : Adjustment for Revaluation Reserve (Refer Note 37)		0.00	(17.10)
		99.46	68.59
Other Expenses	29	741.95	1,254.87
<b>Total Expenses</b>		6,529.71	9,897.35
Profit Before Exceptional Item and Tax		520.40	578.14
Exceptional Items	30	127.20	0.00
<b>Profit Before Tax</b>		<b>393.20</b>	<b>578.14</b>
<b>Tax Expenses</b>			
Current Tax		135.00	200.00
Deferred Tax		26.50	(21.45)
Short provision of tax of earlier years (net)		6.64	0.00
		168.14	178.55
<b>Profit / (Loss) for the year carried to Balance Sheet</b>		<b>225.06</b>	<b>399.59</b>
Earnings per equity share :	31		
Basic and diluted		7.43	13.20

The accompanying notes are an integral part of the standalone financial statements.  
As per our attached report of even date.

**FOR, G. K. CHOKSI & CO.**  
[Firm Registration No. 101895W]  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD**

Sd/-  
**ROHIT K. CHOKSI**  
Partner  
Membership No. 31103

Sd/-  
**DEEPAK CHOKSHI**  
Chairman & Managing Director

Sd/-  
**HARIN MAMLATDARNA**  
Vice Chairman & Managing Director

Sd/-  
**DINESH JAIN**  
Executive Director

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2015

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2015

**Cash Flow Statement for the year ended 31st March, 2015**

[₹ in Lacs]

Particulars	2014-2015	2013-2014
<b>A. Cash flow from operating activities :</b>		
Profit / (Loss) for the year before taxation	393.20	578.13
Adjustments for :		
Depreciation	99.46	68.59
Loss on sale of assets / discarded assets	18.94	4.24
Excess Provisions for Gratuity written back	(24.72)	0.00
Sundry Balance (Written back) / Written off	(4.51)	27.01
Interest Income	(21.03)	(16.15)
Financial Cost	162.52	129.92
<b>Operating profit before working capital changes</b>	<b>623.86</b>	<b>791.74</b>
Adjustments for :		
Trade and other receivables	2,527.31	(1,487.90)
Inventories	1,106.72	(977.39)
Trade payables	(2,881.74)	2021.50
<b>Cash generated from operations</b>	<b>1,376.15</b>	<b>347.95</b>
Taxes paid (net of refunds)	(206.58)	(116.05)
<b>Net cash from operating activities (A)</b>	<b>1,169.57</b>	<b>231.90</b>
<b>B. Cash flow from investing activities :</b>		
Purchase of fixed assets	(20.97)	(142.87)
Purchase of Investment	0.00	0.00
Sales of fixed assets	3.54	3.00
Interest received	27.30	14.74
<b>Net cash used in investing activities (B)</b>	<b>9.87</b>	<b>(125.13)</b>
<b>C. Cash flow from financing activities :</b>		
Procurement / (Repayment) of long / short term borrowings	(888.17)	55.27
Payment of dividend	(35.44)	(0.27)
Interest paid	(163.35)	(129.00)
<b>Net cash flow from financial activities (C)</b>	<b>(1,086.96)</b>	<b>(74.00)</b>
<b>Net Increase/(Decrease) in cash and cash equivalents (A) + (B) + (C)</b>	<b>92.48</b>	<b>32.77</b>
Opening cash and cash equivalents	53.48	20.71
Closing cash and cash equivalents	145.96	53.48
<b>Components of cash and cash equivalent</b>		
Balances with scheduled banks	128.85	23.36
Fixed Deposits	15.50	28.54
Cash in Hand	1.61	1.58
	<b>145.96</b>	<b>53.48</b>

**Explanatory Notes to Cash Flow Statement**

- The Cash Flow Statement is prepared under indirect method in accordance with the format prescribed by Securities and Exchange Board of India & Accounting Standard 3 as prescribed by The Institute of Chartered Accountants of India.
- In Part A of the Cash Flow Statements, figures in brackets indicates deductions made from the net profit for deriving the cash flow from operating activities. In part B & part C, figures in brackets indicates cash outflows.
- Figures of the previous year have been regrouped wherever necessary, to confirm to current years presentation.

**FOR, G. K. CHOKSI & CO.**  
[Firm Registration No. 101895W]  
Chartered Accountants

Sd/-  
**ROHIT K. CHOKSI**

Partner  
Membership No. 31103

**FOR AND ON BEHALF OF THE BOARD**

Sd/- Sd/- Sd/-  
**DEEPAK CHOKSHI** **HARIN MAMLATDARNA** **DINESH JAIN**  
Chairman & Managing Director Vice Chairman & Managing Director Executive Director

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2015

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2015



**NOTES TO FINANCIAL STATEMENTS**  
**SIGNIFICANT ACCOUNTING POLICIES**

**1. Significant Accounting Policies**

**(a) Basis of Preparation of Financial Statements**

- (i) The financial statements of the company have been prepared and presented in accordance with the generally accepted accounting principle under the historical cost convention on an accrual basis. These financial statements have been prepared as going concern and comply, in all material respects, with the Accounting Standards as prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.
- (ii) The accounting policies adopted in the preparation of the financial statements are consistent with those of previous year.

**(b) Use of estimates**

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reported period. Differences between the actual result and estimates are recognised in the period in which the results are known/ materialized.

**(c) Fixed Assets and Depreciation & Amortisation**

- (i) Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation and impairment losses, if any. Cost comprises of the purchase price and any other attributable cost of bringing the assets to its working condition for its intended use.
- (ii) Depreciation on Tangible Fixed Assets is provided on straight line method over the useful lives of assets specified in Part C of Schedule II to the Companies Act 2013 read with the relevant notifications issued by the Department of Company affairs.  
  
Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition/disposal.
- (iii) Lease hold land is amortised over the period of lease.
- (iv) An assessment is done to determine whether there is any indication of impairment. An asset is treated as impaired when its carrying cost exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

The company has adopted the policy of carrying out impairment test once in the span of every three financial years.

**(d) Borrowing Costs**

Borrowing cost including interest, guarantee fees commitment charges etc., that is directly attributable to the acquisition, construction or production of a qualifying asset is capitalized as part of the cost of that asset up to period the project is commissioned or asset is put to use. The borrowing cost incurred on common funds borrowed generally and used for the purpose of obtaining a qualifying asset, is apportioned on rational basis, the remaining borrowing cost is charged to revenue.

**(e) Investments**

Investments are classified into current and long term investments. Current investments are stated at the lower of cost and fair value. Long term investments are stated at cost price. Provision for diminution in the value of Long Term Investment is made only if; such decline is not temporary in nature in the opinion of the management.

**(f) Inventories**

- (i) Raw Materials, Stock-in-process, Finished Goods are valued at lower of cost or net realizable value. Cost of stock-in-process and finished goods include materials, labour, manufacturing overhead and other cost incurred in bringing the inventories to their present location. Excise duty on goods manufactured by the company and remaining in inventory is included as a part of valuation of finished goods.
- (ii) Stock of stores, spares, consumable and packing materials are valued at cost.

**(g) Revenue Recognition**

- (i) Revenue in respect of sale of products and services are recognised upon despatch of products and the services rendered to the customers. Sales are stated at contractual realisable values, net of excise duty, value added tax and trade discount. Export Sales are shown on C.I.F. Basis, whenever contract is of C.I.F.
- (ii) Export Incentives are accounted for on accrual basis.

**(h) Foreign Currency Transactions**

- (i) Foreign currency transactions and forward exchange contracts used to hedge foreign currency transactions are initially recognised at the spot rate on the date of the transaction/contract.
- (ii) Monetary assets and liabilities relating to foreign currency transactions and forward exchange contracts remaining unsettled at the end of the year are translated at year end rates.

The difference in translation and realised gains and losses on foreign exchange transactions, are recognised in the Profit and Loss Account. Further in respect of transaction covered by forward exchange contract, the difference between the contract rate and the spot rate on the date of the transaction is charged to the Profit and Loss account over the period of the contract.

**(i) Retirement Benefits**

- (i) Defined Contribution Plan

The Company has Defined Contribution Plan for its employees' retirement benefit comprising of provident fund and Employees Death Linked Insurance. The company and eligible employees make monthly contributions to such schemes equal to specified percentage of the covered employees' salary. The company has no further obligations to the above referred plans beyond its monthly contributions.

- (ii) Defined Benefit Plan

Liabilities with regard to Defined Benefit Plan are determined by actuarial valuation, performed by independent actuary, at each Balance Sheet date using the Projected Unit Credit Method. Actuarial Gains or Losses are recognised in full in the Profit and Loss Account for the period in which they occur.

- **Gratuity**

The company provides for Gratuity, a defined benefit retirement plan ("Gratuity Plan") covering eligible employees. The Gratuity Plan provides for lump sum payment to vested employees at retirement, death, incapacitation while in employment or on termination of employment, of an amount based on the respective employee's salary and tenure of employment of the company. Vesting occurs upon completion of five years of service.

The company contributes ascertained liabilities to the Dynamic Industries Limited Group Gratuity Scheme (the Trust). Trustees administer contributions made to the trust and contributions are invested in a scheme with Life Insurance Corporation of India, as permitted by law of India. The company recognize the net obligation of the gratuity plan in the Balance Sheet as as asset or liability, respectively in accordance with Accounting Standard (AS) 15, "Employee Benefits". Actuarial gains and losses from experience adjustments and changes in actuarial assumptions are recognized in the statement of profit and loss in the period in which they arise. The company's overall expected long-term-rate-of-return on assets and discount rate have been determined by Actuarial Valuation.

- **Leave Encashment Benefit**

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the Balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

**(j) Excise/Custom Duty and Service Tax**

Excise duty has been accounted on the basis of both payments made in respect of goods cleared from factory premises and also provision made for manufactured goods lying unsold at year end in factory premises.

**(k) Research and Development Expenditure**

Revenue Expenditure in respect of Research and Development is charged to the Profit and Loss Account and

Capital Expenditure is added to the cost of Fixed Assets in the year in which it is incurred.

**(l) Stores and Spares**

Stores, spares and consumables, except L.D.O. and Diesel are charged to profit and loss account as and when they are procured and stock of such items as at the end of the year is accounted at cost.

**(m) Taxation**

- (i) Current year tax is provided based on taxable income computed in accordance with the provisions of the Income-tax Act, 1961.
- (ii) The Deferred Tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period using the tax rates and laws that have been enacted or substantively enacted as at the balance sheet date.

Deferred tax assets are recognised on unabsorbed depreciation and carry forward of losses based on virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax on timing differences other than those referred above is recognised and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such assets can be realised.

**(n) Provision, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

**(o) Prior Period Items and Extra - Ordinary Items**

Adjustments arising due to errors or omission in the financial statements of earlier years are accounted under "Prior Period". Items of Income & Expenditure, which are not of recurring nature viz., damages due to floods, earth quakes etc. are disclosed as extra ordinary items.

**(p) Provisions and Prepayment of Expenses**

Provisions and Prepayment of expenses up to ₹ 5,000/- in each case are charged to revenue.

**(q) Earnings Per Share**

In determining the earnings per share, the Company considers the net profit after tax and extraordinary items and includes post-tax effect of any extraordinary items. The number of shares used in computing the earnings per share is the weighted average number of shares outstanding during the period. For computing diluted earnings per share, potential equity is added to the above weighted average number of shares.

## Notes to Financial Statements

## 2 Share Capital

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>(a) Authorised</b>		
35,00,000 (P. Y. 35,00,000) Equity Shares of ₹ 10/- each	350.00	350.00
<b>(b) Issued, Subscribed and Paid up</b>		
30,28,500 (P. Y. 30,28,500) Equity Shares of ₹ 10/- each full paid	302.85	302.85

**Note :**

During the period of five financial years immediately preceding the Balance Sheet date, the company has not;

- (i) allotted any fully paidup equity shares by way of bonus shares;
- (ii) allotted any equity shares pursuant to any contract without payment being received in cash;
- (iii) brought back any equity shares

**(c) Reconciliation of number of shares**

Particulars	Number of Equity Shares	
	2014-2015	2013-2014
<b>At the beginning of the year</b>	30,28,500	30,28,500
<b>Add</b>		
Shares issued for Cash or Right Issue or Bonus	0	0
Exercise of Share Option under ESOS / ESOP	0	0
Shares issued in Business Combination	0	0
	30,28,500	30,28,500
<b>Less</b>		
Shares bought back / Redemption etc.	0	0
<b>As the end of the year</b>	30,28,500	30,28,500

**(d) Rights, preferences and restrictions attached to shares**

The Company has only class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, if any, in proportion to their shareholding.

**(e) Details of Shareholding****Shareholder holding more than 5%**

Particulars	Number of Equity Shares		Percentage (%)	
	As at		As at	
	31st March, 2015	31st March, 2014	31st March, 2015	31st March, 2014
Harin D. Mamlatdarna	3,33,780	2,85,380	11.02	9.42
Deepak N. Chokshi	2,71,487	2,71,487	8.96	8.96
Mayaben H. Mamlatdarna	2,11,247	2,11,247	6.98	6.98

## DYNAMIC INDUSTRIES LIMITED

### 3 Reserves and Surplus

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Revaluation Reserve</b>		
Balance as per previous financial statements	1,658.84	1,675.94
Add / Less : Addition / (Deduction) during the year	(17.10)	(17.10)
Balance as at year end	1,641.74	1,658.84
<b>Reserve Fund for Eco-Development</b>		
Balance as per previous financial statements	6.50	6.50
Add / Less : Addition / (Deduction) during the year	0.00	0.00
Balance at year end	6.50	6.50
Earmarked for Eco-development measure including community welfare measures in a manner mentioned in a circular bearing no. J-21011/8/98-IA, II(I) of Ministry of Environment Forests, Government of India.		
<b>Share Premium Account</b>		
Balance as per previous financial statements	178.60	178.60
Add / Less : Addition / (Deduction) during the year	0.00	0.00
Balance as at year end	178.60	178.60
<b>General Reserve</b>		
Balance as per previous financial statements	166.62	166.62
Add / Less : Addition / (Deduction) during the year	17.10	0.00
Balance as at year end	183.72	166.62
<b>Surplus</b>		
Balance as per previous financial statements	1,112.68	748.53
Less : Adjustment due to change in useful life of asset	17.18	0.00
Add : Profit for the year	225.06	399.59
Balance available for appropriation	1320.56	1,148.12
Less : Appropriations for :		
- Proposed Dividend	30.29	30.29
- Provision for Dividend Distribution Tax	6.20	5.15
<b>Net Surplus / (Deficit)</b>	1,284.07	1,112.68
	3,294.63	3,123.24

### 4 Long Term Borrowings

[₹ in Lacs]

Particulars	Non-current portion		Current maturities	
	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2015	As at 31st March, 2014
<b>Term Loans Secured</b>				
<b>From Banks (refer note 1 below)</b>				
Central Bank of India (Term Loan 1)	0.00	0.00	0.00	40.86
Central Bank of India (Term Loan 2)	0.00	67.16	0.00	18.80
HDFC Bank Ltd.	61.50	0.00	14.60	0.00
<b>From Others</b>				
(refer note 2 below)				
Tata Capital Limited	0.00	0.00	0.00	4.44
Toyota Financial Services India Ltd.	7.16	17.26	10.09	9.17
	68.66	84.42	24.69	73.27
Less :				
Amount disclosed under the head "Other Current Liabilities"	0.00	0.00	24.69	73.27
	68.66	84.42	0.00	0.00

**Nature of Security**

- 1 The above term loans from Central Bank of India (up to 26.06.2014) and HDFC Bank Ltd are secured against Hypothecation of Plant & Machineries purchased and personal guarantees of Directors. It is further secured by Equitable Mortgage on Leasehold land bearing Plot / Shed No 125, in aggregate admeasuring 1330 Sq mts in phase I, Vatva Industrial Estate, Survey no. 494 Paiki, lying at Mouje: Vatva, in Taluka Dascroi, and building constructed thereon AND Equitable Mortgage on Non Agricultural Constructed Leasehold Property bearing plot / Shed No. 5501/2, in aggregate admeasuring 7383 Sq. Mtrs. in Phase III, in Vatva Industrial Estate and building constructed thereon.
- 2 The above loans are secured against hypothecation of vehicles

**Terms of Repayment of Loans**

HDFC Bank Ltd.	It is repayable in 60 numbers of quarterly installments.
Toyota Financial Services India Limited	It is repayable in 36 numbers of equal monthly installments of ₹ 0.94 lacs each (including interest) commencing from January, 2014. The last installment falls due in November, 2016.

**5. Deferred tax liabilities (Net)**

The Company estimates deferred tax/(charge) using the applicable rate of taxation based on the impact of timing difference between financial statements and estimated taxable income for the current year.

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Deferred Tax Liabilities</b>		
Difference of book depreciation and tax depreciation	77.82	61.42
<b>Deferred Tax Assets</b>		
Disallowance u/s. 43(b) allowable on payment	6.93	17.04
<b>Net Deferred Tax Liability / (Asset)</b>	<u>70.89</u>	<u>44.38</u>

**6. Other Long Term Liabilities**

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
Other Payables		
Payable for Capital Assets	0.00	3.26
Others	13.08	13.08
	<u>13.08</u>	<u>16.34</u>



## DYNAMIC INDUSTRIES LIMITED

### 7. Long Term Provisions

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
For Employee Benefits		
Gratuity	6.05	31.15
Priviledged / Earned Leave	9.05	10.71
	<u>15.10</u>	<u>41.86</u>
Less :		
Amount disclosed under the head "Short Term Provisions"		
Gratuity	3.91	9.56
Priviledged / Earned Leave	1.37	1.62
	<u>5.28</u>	<u>11.18</u>
	<u>9.82</u>	<u>30.68</u>

### 8. Short Term Borrowings

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Secured Loans</b>		
<b>Working Capital Loan</b>		
Central Bank of India (Cash Credit A/c.)	0.00	141.26
Central Bank of India (Export Packing Credit)	0.00	39.62
Central Bank of India (Export Bills Purchase)	15.14	1,153.94
Central Bank of India (Export Bills Purchase under Letter of Credit)	0.00	57.18
 HDFC Bank Ltd. (Cash Credit A/c.)	 223.69	 0.00
HDFC Bank Ltd. (Export Packing Credit)	200.00	0.00
HDFC Bank Ltd. (Export Bills Purchase)	129.34	0.00
	<u>568.17</u>	<u>1,392.00</u>

#### Secured Loans

The above loans are secured by hypothecation of inventories, book debt, bills, claims, monies receivables, outstandings, invoice documents, contracts, guarantees, movable plant and machinery & other fixed assets and personal guarantees of Directors

**9. Trade Payables**

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
For Goods and Services		
Related Party (Refer note 34)	0.00	32.72
Others	487.73	3,289.12
	<u>487.73</u>	<u>3,321.84</u>

The company is yet to initiate the process of obtaining the confirmation from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). In the absence of relevant information relating to the suppliers registered under the Micro, Small and Medium Enterprises (Development) Act, 2006, the balance due to Micro, Small and Medium Enterprises at year end and interest paid or payable under MSMED Act, 2006 during the year could not be complied and disclosed.

**10. Other Current Liabilities**

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
Current Maturities of Long Term Debt	24.69	73.27
Interest accrued and Due	0.00	1.45
Interest accrued but not Due	0.69	0.10
Advances from Customers	4.35	0.00
Unclaimed Dividend	1.29	0.53
Other Payables		
Statutory Dues	0.70	21.22
Others	1.20	1.37
Bonus	6.24	10.66
	<u>8.14</u>	<u>33.25</u>
	<u>39.16</u>	<u>108.60</u>

**11. Short Term Provisions**

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
Provision for Employee Benefits		
Gratuity	3.91	9.56
Priviledged / Earned Leave	1.37	1.62
	<u>5.28</u>	<u>11.18</u>
Others		
Provision for Taxation (Net of Advance Tax & TDS)	16.17	81.10
Provision for Proposed Dividend	36.49	35.44
Provision for Excise on Closing Stock	85.65	117.41
	<u>138.31</u>	<u>233.95</u>
	<u>143.59</u>	<u>245.13</u>

[₹ in Lacs]

**12. Tangible Assets**

Sr. No.	Name of Assets	Gross Block (At Cost)			Depreciation / Amortisation				Net Block	
		As at 01/04/2014	Additions / Adjustments	Deductions / Adjustments	As at 31/03/2015	Upto 31/03/2014	For the Year	Deductions / Adjustments(*)	As at 31/03/2015	As at 31/03/2014
1	Leasehold Land	1742.60	0.00	0.00	1742.60	44.05	17.60	0.00	1680.95	1698.55
2	Building	398.21	0.00	0.00	398.21	136.35	17.14	(9.48)	235.24	261.86
3	Machinery	867.29	9.25	29.27	847.27	473.81	39.52	15.25	349.19	393.48
4	Computer	32.71	0.43	0.00	33.14	23.44	3.33	(0.28)	6.09	9.27
5	Office Equipments	14.93	0.25	0.00	15.18	6.93	1.42	(2.62)	4.21	8.00
6	Furniture and Fixture	57.25	1.43	0.00	58.68	33.72	3.28	(1.68)	20.00	23.53
7	Vehicles	153.82	0.00	11.54	142.28	59.20	17.17	7.97	73.88	94.62
	<b>Total :</b>	3266.81	11.36	40.81	3237.36	777.50	99.46	9.16	2369.56	2489.31
	Previous Year :	3141.25	139.59	14.00	3266.81	698.53	85.69	5.86	2489.31	

**Note :**

- Pursuant to Board Resolution passed by Board of Director in its meeting held on 31st March, 2012 with regard to Revaluation of Lease Hold Land, the company has, based on Valuation Report dated 31st March, 2012 by approved valuer, revalued the Lease Hold Land and accordingly stated at revalued amount with corresponding credit to revaluation Reserve Account.
- Note : (\*) The amount of adjustment is net of ₹ 17.18 lacs being the written down value of assets adjusted against retained earnings due to change in useful life of the assets.

**13. Intangible Under Development**

[₹ in Lacs]

Sr. No.	Name of Assets	Gross Block (At Cost)			
		As at 01/04/2014	Additions / Adjustments	Deductions / Adjustments	As at 31/03/2015
1	Software	3.33	9.61	12.94	0.00
	<b>Total :</b>	3.33	9.61	12.94	0.00
	Previous Year :				
		0.00	3.33	0.00	3.33

**14. Non Current Investments**

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Investment in Equity Instruments</b>		
Subsidiary Company		
Neo Farbe Private Limited	5.00	5.00
[50,000 Equity Shares (P. Y. 50,000) of ₹ 10/- each, fully paid up]		
	5.00	5.00

**15. Long Term Loans and Advances**

(Unsecured, considered good unless otherwise stated)

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
Capital Advances	0.00	10.25
Security Deposit	16.29	12.82
	16.29	23.07
The amount dues by :		
Directors	NIL	NIL
Officers either severally or jointly with other persons	NIL	NIL
Firms or Private Companies in which any director is partner or director or a member	NIL	NIL

**16. Other Non Current Assets**

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
Term Deposit with Bank (adjustable against Capital Asset) (having maturity period exceeding 12 months)	13.08	13.08
Fixed Deposits with Bank (having maturity period exceeding 12 months)	7.83	0.00
	20.91	13.08

The amount of fixed deposits with banks includes deposits of ₹ 7.83 lacs (P.Y. ₹ NIL) for bank guarantees.

**17. Inventories**

(As taken, valued and certified by the Management)

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
Raw Materials	452.33	1,129.85
(Includes goods in transit amounting to ₹ NIL lacs (P.Y. ₹ 103.13 Lacs)		
Work in Progress	7.70	138.27
Finished Goods	766.57	1,049.32
Stock In Trade	4.29	18.01
Stores, Spares and Consumables	10.02	12.68
Others	11.90	11.40
	1252.81	2,359.53

Inventory items have been valued considering the significant accounting policy 1 [g] to this financial statement

**DYNAMIC INDUSTRIES LIMITED****18. Trade Receivable**

[₹ in Lacs]

<b>Particulars</b>	<b>As at 31st March, 2015</b>	<b>As at 31st March, 2014</b>
Debt outstanding for the period exceeding six months		
Unsecured considered good	100.01	27.35
Considered Doubtful	14.70	13.69
	114.71	41.04
Less : Provisions for Doubtful Debts	14.70	13.69
	100.01	27.35
Others		
Unsecured considered good	804.00	3,208.71
	904.01	3,236.06
The amount dues by :		
Directors	NIL	NIL
Officers either severally or jointly with other persons	NIL	NIL
Firms or Private companies in which any director is partner or director or a member.	NIL	NIL

**19. Cash and Cash Equivalents**

[₹ in Lacs]

<b>Particulars</b>	<b>As at 31st March, 2015</b>	<b>As at 31st March, 2014</b>
Balances with Scheduled Banks		
Current Accounts	128.85	23.36
Fixed Deposits (with maturity upto 3 months)	15.50	28.54
Cash in Hand	1.61	1.58
Other Bank Balances		
Fixed Deposits (with maturity of more than 3 months but less than 12 months)	0.00	84.99
	145.96	138.47

The amount of fixed deposits with banks includes deposits placed as Margin Money amounting ₹ 15.25 lacs (P. Y. ₹ NIL lacs) for Foreign Bill Purchase ₹ NIL (P. Y. 97.46 Lacs) letter of credits and ₹ 0.25 lacs (P. Y. ₹ 5.79 lacs) for bank guarantees.

**20. Short Term Loans and Advances**

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
Advances		
Employees	2.69	3.86
Contractors & Suppliers	2.58	8.91
Others Advances		
Balances with Revenue Authorities	95.74	29.89
Prepaid Expenses	4.72	12.00
Other Recoverables	176.69	319.31
	277.15	361.20
	282.42	373.97
The amount dues by :		
Directors	NIL	NIL
Officers either severally or jointly with other persons	NIL	NIL
Firms or Private companies in which any director is partner or director or a member.	NIL	NIL

**21. Other Current Assets**

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
Interest accrued	1.18	7.45
Other		
Insurance Claim Receivable	0.44	20.21
	1.62	27.66

**22. Revenue from Operations**

[₹ in Lacs]

Particulars	2014-2015	2013-2014
Sale of Products (Gross)	7,282.89	10,984.66
Other Operating Revenue	12.06	45.34
Revenue from Operation	7,294.95	11,030.00
Less : Excise Duty	(386.25)	(571.84)
	6,908.70	10,458.16

**Breakup of Sale of Product  
(Net of Excise)**

[₹ in Lacs]

Particulars	2014-2015	2013-2014
<b>Manufactured</b>		
Dyes, Pigments and Chemicals		
Export	3,504.17	5,016.54
Local	2,747.77	3,484.04
	6,251.94	8,500.58
Traded Goods		
Dyes, Pigments and Chemicals		
Export	96.79	234.48
Local	547.90	1,677.76
	644.69	1,912.24
	6,896.63	10,412.82



**DYNAMIC INDUSTRIES LIMITED****Breakup of Other Operating Revenue**

[₹ in Lacs]

Particulars	2014-2015	2013-2014
Export Benefits (Net)	12.06	45.34
	12.06	45.34

**23. Other Income**

[₹ in Lacs]

Particulars	2014-2015	2013-2014
Interest Income		
from Banks	12.38	14.60
from Others	8.65	1.56
Other Insurance Claim	0.00	0.54
Miscellaneous Income	2.38	0.63
Sundry Balance Written Back	4.51	0.00
Excess Provision for Gratuity Written Back	24.72	0.00
Gain on Foreign Exchange Fluctuation (Net)	88.77	0.00
	141.41	17.33

**24. Cost of Materials / Products Consumed**

[₹ in Lacs]

Particulars	2014-2015	2013-2014
Raw Materials	4,116.88	6,477.39
Packing Materials	85.26	150.98
Freight, Octroi & Inward Clearing	40.48	74.40
	4,242.62	6,702.77

**Breakup of Raw Material Consumed**

[₹ in Lacs]

Particulars	2014-2015	2013-2014
Beta Nepthol	203.02	518.40
6 Nitro	1,208.07	1,633.39
H. Acid	740.21	1,020.14
Others	1,965.58	3,305.46
	4,116.88	6,477.39

**25. Purchase of Stock in Trade**

[₹ in Lacs]

Particulars	2014-2015	2013-2014
Traded Goods		
Dyes, Pigments and Chemicals	638.61	1,719.53
	638.61	1,719.53

**26. Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-trade**

[₹ in Lacs]

Particulars	2014-2015	2013-2014
Closing Stocks		
Finished Goods	766.57	1,049.32
Stock in Trade	4.29	18.01
Work in Progress	7.70	138.27
	<u>778.56</u>	<u>1,205.60</u>
Opening Stock		
Finished Goods	1,049.32	894.57
Work in Traded	18.01	20.38
Less : Transferred for own consumption	<u>0.00</u>	<u>2.58</u>
	18.01	17.80
Work in Progress	<u>138.27</u>	<u>80.85</u>
	<u>1,205.60</u>	<u>993.22</u>
Decrease / (Increase) in Inventories	<u>427.04</u>	<u>(212.38)</u>

**27. Employees Benefits Expenses**

[₹ in Lacs]

Particulars	2014-2015	2013-2014
Salary, Allowance, Wages and Bonus	195.53	189.59
Contribution to Provident Fund & Other Funds	17.04	12.14
Staff Welfare and Training	4.94	4.93
	<u>217.51</u>	<u>206.66</u>

**28. Finance Cost**

[₹ in Lacs]

Particulars	2014-2015	2013-2014
<b>Interest to</b>		
Banks	111.59	126.28
Others (Includes NIL to related party (P.Y. ₹ 1.31 Lacs)	11.47	3.64
	<u>123.06</u>	<u>129.92</u>
<b>Other Borrowing Cost</b>		
Ancillary cost in connection with borrowings	19.21	0.00
LC Charges	8.93	18.00
Loan Processing Charges	11.32	9.39
	<u>39.46</u>	<u>27.39</u>
	<u>162.52</u>	<u>157.31</u>

## DYNAMIC INDUSTRIES LIMITED

### 29. Other Expenses

[₹ in Lacs]

Particulars	2014-2015	2013-2014
<b>Manufacturing Expenses</b>		
Power, Fuel and Water Charges	287.22	478.08
Stores and Other Consumables	4.51	6.61
Laboratory Expenses	8.48	11.50
Job Work Charges	3.32	39.96
Pollution Plant Treatment	67.69	62.71
Excise Duty on finished goods	(31.76)	16.76
	339.46	615.62
Repairs and Maintenance		
Building	8.95	12.41
Plant and Machinery and Office Equipment	24.58	33.07
Others	5.44	6.35
	38.97	51.83
	378.43	667.45
<b>Establishment Expenses</b>		
Rates and Taxes	13.03	3.41
Insurance	30.09	50.46
Fees and Legal Expenses	29.31	45.98
Auditors' Remuneration (refer note below)	6.00	6.00
Travelling Expenses	0.78	11.25
Bank Charges	16.37	20.09
Telephone Expenses	5.88	6.73
Membership and Subscription	0.91	1.19
Vehicle Expenses	8.21	8.29
Security Services Charges	6.96	7.17
Donation	0.73	1.20
Loss of Stock by Fire	7.33	0.00
Loss on Sale / Discard of Assets	18.94	4.24
Provision for Bad debts	1.01	0.00
Sundry Balance Written Off (Net)	0.00	27.01
Loss on Foreign Exchange Fluctuation (Net)	0.00	14.61
Miscellaneous Expenses	17.65	19.07
	163.20	226.70
<b>Selling and Distribution Expenses</b>		
Advertisement Expenses	0.99	1.14
Commission and Discount	144.85	262.68
Sales Promotion	0.13	4.71
Freight Outward	54.35	92.19
	200.32	360.72
	741.95	1,254.87
<b>Auditor's Remuneration is made of</b>		
Statutory Audit Fees	4.75	4.75
Tax Audit Fees	1.00	1.00
Fees for other service	0.25	0.25
	6.00	6.00

### 30. Exceptional Item

[₹ in Lacs]

Particulars	2014-2015	2013-2014
Custom Duty	64.73	0.00
Interest on Custom Duty	62.47	0.00
	127.20	0.00

**31. Earning per Share**

Particulars	2014-2015	2013-2014
Net Profit after tax and prior period adjustments (₹ in lacs)	225.06	399.59
Number of equity shares (in lacs)	30.29	30.29
Nominal value of the share (₹)	10.00	10.00
Earnings per Share (₹)	7.43	13.20

**Note :** There is no change in the number of equity shares during the year.

**32 Employee Benefits****(a) Defined contribution to Provident Fund and Employee state insurance**

The company makes contribution towards employees' provident fund and employees' state insurance plan scheme. Under the rules of these schemes, the Company is required to contribute a specified percentage of payroll costs. The Company during the year recognized ₹ 8.32 lacs (P. Y. ₹ 7.16 lacs) as expense towards contributions to these plans.

**(b) Defined Contribution Plans**

The following table sets out the status of the gratuity scheme plans as at 31st March, 2015.

[₹ in Lacs]

Particulars	Leave Encashment		Gratuity	
	2014-2015	2013-2014	2014-2015	2013-2014
<b>Changes in the present value of obligation</b>				
Present value of obligation (Opening)	10.71	8.71	38.51	34.31
Interest Cost	0.91	0.68	2.49	2.69
Past service cost	(3.50)	--	--	--
Current service cost	3.09	2.83	5.39	4.94
Curtailment Cost / (Gain)	--	--	--	--
Settlement Cost / (Gain)	--	--	--	--
Benefits paid	--	(0.54)	(1.30)	(1.40)
Actuarial (Gain) / Loss	(2.16)	(0.97)	1.70	(2.03)
Excess provision written back	--	--	(24.72)	--
Present value of obligation (Closing)	9.05	10.71	22.07	38.51
<b>Changes in the fair value of plan assets</b>				
Present value of plan assets (Opening)	--	--	7.36	8.13
Expected return on plan assets	--	--	0.09	0.67
Actuarial Gain / (Loss)	--	--	0.78	(0.04)
Recoverable from trust	--	--	--	--
Employers Contributions (Net)	--	--	9.55	--
Employees Contributions	--	--	--	--
Benefits paid	--	--	(1.30)	(1.40)
Fair Value of Plan Assets (Closing)	--	--	16.02	7.36
<b>Percentage of each category of plan assets to total fair value of plan assets at the year end</b>				
Bank Deposits	--	--	--	--
(Special Deposit Scheme, 1975)				
Debt Instruments	--	--	--	--
Administered by	--	--	100%	100%
Life Insurance Corporation of India				
<b>Amount recognised in the balance sheet</b>				
Present value of obligation as at the year end	9.05	10.71	22.07	38.51
Fair value of plan assets as at the year end	--	--	16.02	7.36
(Asset) / Liability recognised in the balance sheet	9.05	10.71	6.05	31.15

... Continued ...

## DYNAMIC INDUSTRIES LIMITED

(b) Defined Contribution Plans ...Continued...

[₹ in Lacs]

Particulars	Leave Encashment		Gratuity	
	2014-2015	2013-2014	2014-2015	2013-2014
<b>Expenses recognised in the Profit &amp; Loss Account</b>				
Current service cost	3.09	2.83	5.39	4.94
Past service cost	NIL	NIL	NIL	NIL
Interest cost	0.91	0.68	2.49	2.69
Expected return on plan assets	--	--	(0.09)	(0.67)
Curtailment Cost / (Credit)	--	--	NIL	NIL
Settlement Cost / (Credit)	--	--	NIL	NIL
Net Actuarial (Gain) / Loss	(3.50)	(0.97)	0.92	(1.99)
Employee's Contribution	--	--	NIL	NIL
Total expenses recognised in the profit and loss account	(1.66)	2.54	8.71	4.97

### Principal actuarial assumption

#### (Rate of Discounting)

Rate of Discounting	7.8%	9.1%	7.8%	9.1%
Expected return on plan assets	--	--	8.75%	9%
Rate of increase in salaries	7%	7%	7%	7%
Attrition Rate	--	--	--	--
(Employees opting for early retirement)				

### 33 Segment Reporting

The Company operates within a solitary business segment i.e., manufacturing of chemicals and pigments, the disclosure requirements of Accounting Standard - 17 "Segment Reporting", issued by the Institute of Chartered Accountants of India is not applicable.

### 34 Related Party Disclosures

As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below :

(a) List of related parties with whom transactions have taken place during the year and relationship :

Sr. No.	Name of related party	Relationship
1 2 3	Harin D. Mamlatdarna Deepak N. Chokshi Dinesh Jain	Key Management Personnel
4 5 6 7	Ronak D. Chokshi Bimal D. Chokshi Mansi Talati Asita Mamlatdarna	Relatives of Key Management Personnel
8	Ornet Intermediates Ltd.	Enterprise over which director of the company exercises significant influence / control.

## (b) Transactions with related parties

[₹ in Lacs]

Sr. No.	Particulars	Relationship	2014-2015	2013-2014
(i)	Managerial Remuneration			
	- Harin D. Mamlatdarna	Key Management Personnel	16.45	16.45
	- Deepak N. Choksi	Key Management Personnel	16.29	16.08
	- Dinesh Jain	Key Management Personnel	10.43	10.43
(ii)	Expenditure on other service (Salary)			
	- Ronak D. Choksi	Relative of KMP	3.77	3.69
	- Bimal D. Choksi	Relative of KMP	3.39	3.33
	- Mansi Talati	Relative of KMP	3.92	3.37
	- Asita Mamlatdarna	Relative of KMP	3.64	3.51
(iii)	Unsecured Loans accepted during the year			
	- Harin D. Mamlatdarna	Key Management Personnel	0.00	100.00
(iv)	Unsecured Loans repaid during the year			
	- Harin D. Mamlatdarna	Key Management Personnel	0.00	100.00
(v)	Interest Paid on unsecured loans			
	- Harin D. Mamlatdarna	Key Management Personnel	0.00	1.31
(vi)	Sales			
	- Ornet Intermediate Ltd.	Enterprise over which director of the company exercises significant influence/control.	135.49	225.68
(vii)	Purchase			
	- Ornet Intermediate Ltd.	Enterprise over which director of the company exercises significant influence/control.	22.57	114.74

## (c) Outstanding Balances as at March, 31, 2015

[₹ in Lacs]

Sr. No.	Particulars	Relationship	2014-2015	2013-2014
(i)	Due by company (As Creditors)			
	- Ornet Intermediate Ltd.	Enterprise over which director of the company exercises significant influence/control	0.00	32.72
(ii)	Due to company (As Debtors)			
	- Ornet Intermediate Ltd.	Enterprise over which director of the company exercises significant influence/control	51.59	55.15

## DYNAMIC INDUSTRIES LIMITED

35. Pursuant to Accounting Standard - 29. "Provisions, Contingent, Liabilities and Contingent Assets", the disclosure relating to contingent liabilities and provisions made in the accounts for the year ended 31<sup>st</sup> March, 2014 is as follows :

### (a) Contingent Liabilities

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
(a) Claims not acknowledge by the company in respect of :		
- Income Tax (See Note - (i) below)	11.23	78.29
- Custom Duty (See Note - (ii) below)	171.14	171.14
- Custom Duty (See Note - (ii) below)	5.51	5.51
- Service Tax (See Note - (iii) below)	31.65	40.89
(b) Custom Duty (Import under Advance Licenses Export Obligation Pending)	103.98	296.34

- (i) The Company has not recognised and acknowledged the Income Tax demands as liability in its books of accounts aggregating to ₹ 11.23 lacs in respect of Assessment Year 2008-09 & 2014-15 since the company has disputed the demands and has filed appeals before appropriate authorities. The same are pending for final adjudication.
- (ii) In the Financial year 2008-2009 the Department of Excise and Customs had inspected certain records related to materials imported under license removed for jobwork to various parties whose name did not appear in the license as job-worker or as supporting manufacturer. The department had objected such removal and also observed that aforesaid materials have not been returned back under job work challan from the above parties but under sales invoices. The department also seized certain records related to job work for the Financial Year 2006-07 and 2007-08. The company had deposited a sum of ₹ 5.08 lacs under protest. However based on legal opinion obtained from the excise consultant, the company has transferred the aforesaid deposit to PLA under intimation to department concerned. After that the company has received an order on 28<sup>th</sup> March, 2012 confirming the demand of custom duty amounting to ₹ 85.57 lacs and penalty of ₹ 85.57 lacs under section 114A of the Custom Act aggregating to ₹ 171.14 lacs and interest at applicable rates on the amount of duty evaded. Further, the department has also raised demand of ₹ 5.51 lacs being custom duty on imported goods for financial year 2007-08.
- The company has filed an appeals and Hon'ble Tribunal has granted stay against aforesaid demand. The Custom Authority against such stay has referred the matter to Hon'ble High court, Gujarat which is yet to be heard. Pending final outcome, the company does not expect any liability and accordingly no provision in respect thereof has been made but disclosed the same as contingent liability.
- The Custom Authorities Mumbai, in another case, has raised the demand of ₹ 5.51 lacs against which the Hon'ble Tribunal Mumbai has granted stay. The matter is pending for final disposal.
- (iii) The company has been served with show cause notices in respect of service tax credit aggregating amounting to ₹ 28.45 lacs availed by the company in the current financial year as well as in earlier financial years. The Company has already filed its reply against the aforesaid show cause notices before appropriate authorities & such authorities are yet to react on such replies.
- The Company has not recognised and acknowledged the service tax demand as liability in its books of accounts amounting to ₹ 3.2 lacs, since the company has disputed such demand and filed appeals before appropriate authorities. The same are pending for final adjudication.

### (b) Provisions

[₹ in Lacs]

Particulars	Provision for Leave Encashment	Provision for Bonus Payable	Provision for Excise Duty on Closing Stock of Finished Goods	Provision for Gratuity
Opening Balance	10.71	10.66	117.41	38.51
Additions	(1.66)	6.22	84.89	9.58
Utilization / Reversals	NIL	10.66	117.41	26.02
Closing Balance	9.05	6.23	84.89	22.07



**36. Capital Commitment**

[₹ in Lacs]

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
Estimated Value of Capital Commitment	NIL	1.90

37. Hitherto, in pursuance of Guidance Note on Treatment of Reserve Created on Revaluation of Fixed Assets issued by the Institute of Chartered Accountants of India, the company transferred an amount equivalent to the additional depreciation on account of the upward revaluation of fixed assets from revaluation reserve to the Statement of Profit and Loss. However pursuant to Schedule II to the Companies Act, 2013, the depreciation is required to be provided for on historical cost or the amount substituted for historical cost. Therefore, in respect of revalued asset, the company has charged depreciation / amortization based on the revalued amount for the current financial year and transferred the additional depreciation amounting to ₹ 17.10 lacs on account of upward revaluation directly to General Reserve without routing it through Statement of Profit and Loss.
38. In accordance with provisions contained in Section 203 of the the Companies Act, 2013 read with Rule 8 of The Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and section 149(1) of the the Companies Act, 2013 read with Rule 3 of The Companies (Appointment and qualification of Directors) Rules, 2014 the appointment of Key Managerial Personnel and Woman Director has becoming mandatory. The Company, at year end date, is yet in the process of appointing Company Secretary, Chief Financial Officer and Woman Director so as to comply with the aforesaid provisions.
39. Balances of trade payables, trade receivables and loans and advances are subject to confirmations and reconciliations by the parties concerned.
40. Additional information as required under para 5(viii)(c) of general instructions of profit and loss as per Schedule III to the Companies Act, 2013

**(A) Composition of Raw Materials Consumption**

[₹ in Lacs]

Raw Material Consumption	2014-2015		2013-2014	
	Value	Percentage (%)	Value	Percentage (%)
Imported	2,211.31	52.88	3,732.96	57.65
Indigenous	1,970.30	47.12	2,741.91	42.35
<b>Total :</b>	4,181.61	100.00	6,474.87	100.00

**(B) Value of Imports on CIF Basis :**

[₹ in Lacs]

Particulars	2014-2015	2013-2014
Raw Materials	1,608.02	3,145.09
Traded Goods	88.79	38.77

**(C) Earning in Foreign Currency**

[₹ in Lacs]

Particulars	2014-2015	2013-2014
F.O.B. Value of Export	3,584.14	5,218.53

**(D) Expenditure in Foreign Currency (on payment basis) :**

[₹ in Lacs]

Particulars	2014-2015	2013-2014
Travelling	NIL	5.31
Commission	266.51	102.46

## DYNAMIC INDUSTRIES LIMITED

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### 41. Statement of Management

- (a) The current assets, loans and advances are good and recoverable and are approximately of the values, if realized in the ordinary courses of business unless and to the extent stated other wise in the Accounts. Provision for all known liabilities is adequate and not in excess of amount reasonably necessary. There are no contingent liabilities except those stated in the notes.
- (b) Balance Sheet, Profit & Loss Account and Cash Flow Statement read together with the schedules to the accounts and notes thereon, are drawn up so as to disclose the information required under the Companies Act, 2013 as well as give a true and fair view of the statement of affairs of the Company as at the end of the year and results of the Company for the year under review.

42. Previous year figures have been regrouped, reclassified and reworked wherever necessary for comparative purpose.

**FOR, G. K. CHOKSI & CO.**

[Firm Registration No. 101895W]  
*Chartered Accountants*

Sd/-

**ROHIT K. CHOKSI**

*Partner*

Membership No. 31103

**FOR AND ON BEHALF OF THE BOARD**

Sd/-

**DEEPAK CHOKSHI**

*Chairman & Managing Director*

Sd/-

**HARIN MAMLATDARNA**

*Vice Chairman & Managing Director*

Sd/-

**DINESH JAIN**

*Executive Director*

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2015

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2015

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129  
read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of  
subsidiaries/associate companies/joint ventures

**Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in ₹ in Lacs)

Name of the subsidiary: **Neo Farbe Private Limited**

	<b>As at / For the Year Ended 31st March, 2015</b>	<b>As at / For the Year Ended 31st March, 2014</b>
Share Capital	5.00	5.00
Reserves & Surplus	-0.37	-0.33
Total Assets	4.91	4.79
Total Liabilities	0.28	0.11
Investments	Nil	Nil
Turnover	Nil	Nil
Profit before taxation	Nil	Nil
Provision before taxation	Nil	Nil
Profit after taxation	Nil	Nil
Proposed Dividend	Nil	Nil
% of shareholding	100.00	100.00

Notes:

1. The assets and liabilities are translated at the exchange rate prevailing at the Balance Sheet date, and the income and expense items are translated at the average rates of exchange for the year.
2. The reporting period for the subsidiary is same as that of the holding company i.e. 1st April, 2014 to 31st March, 2015.
3. Names of subsidiaries which are yet to commence operations — Neo Farbe Private Limited
4. Name of subsidiaries which have been liquidated or sold during the year — Nil

Part "B" : Associates and Joint Ventures - **None**

**For, Dynamic Industries Limited**

-Sd/-

**DEEPAK N. CHOKSHI**

*Chairman & Managing Director*

DIN : 00536345

Place : Ahmedabad

Date : 29<sup>th</sup> June, 2015

**For, Dynamic Industries Limited**

-Sd/-

**HARIN MAMLATDARNA**

*Vice Chairman & Managing Director*

DIN : 00536250

**INDEPENDENT AUDITORS' REPORT**

To,  
The Members,  
**Dynamic Industries Limited**  
Ahmedabad.

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Dynamic Industries Limited ("the Holding Company") and its subsidiary (the Holding Company and its subsidiary to gather referred to as "the Group"), which comprise of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information ( hereinafter referred to as " the Consolidated financial statements").

**Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Holding Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the group as at 31<sup>st</sup> March, 2015 and its consolidated profit and their consolidated cash flows for the year ended on that date.

**Other Matter**

The financial statements of the subsidiary company which reflects total assets of ₹ 4.91 lacs as at 31<sup>st</sup> March, 2015, net loss of ₹ 0.04 lacs & net cash inflow amounting to ₹ 0.08 lacs for the year then ended have been audited by us.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order 2015 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, based on the comments in the auditor's report of the Holding company, subsidiary company, we give in the Annexure, a statement of the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as appears from our examination of those books.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of written representations received from the directors of the Holding Company and subsidiary company as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors of the Holding Company and the subsidiary company, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 and in our opinion and to the best of our information and according to the explanations given to us :
    - (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the group— Refer Note 34 to the financial statements;
    - (ii) The Group did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
    - (iii) There has been no delay in transferring amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary.

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2015

**FOR, G. K. CHOKSI & CO.**  
[Firm Registration No. 101895W]  
*Chartered Accountants*  
Sd/-  
**ROHIT K. CHOKSI**  
*Partner*  
Membership No. 31103

# DYNAMIC INDUSTRIES LIMITED

## Consolidated Balance Sheet as at 31st March, 2015

[₹ in Lacs]

Particulars	Notes	As at 31st March 2015	As at 31st March 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	302.85	302.85
Reserves and Surplus	3	3,294.27	3,122.92
			3,597.12
			3,425.77
<b>Non-Current Liabilities</b>			
Long Term Borrowings	4	68.66	84.42
Deferred Tax Liabilities (Net)	5	70.88	44.38
Other Long Term Liabilities	6	13.08	16.34
Long Term Provisions	7	9.82	30.68
			162.44
			175.82
<b>Current Liabilities</b>			
Short Term Borrowings	8	568.17	1,392.00
Trade Payables	9	488.01	3,321.95
Other Current Liabilities	10	39.16	108.60
Short Term Provisions	11	143.53	245.11
			1,238.87
			5,067.66
<b>Total</b>		<b>4,998.43</b>	<b>8,669.25</b>
<b>ASSETS</b>			
<b>Non Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	12	2,369.56	2,489.31
Intangibles Under Development	13	0.00	3.33
			2,369.56
			2,492.64
Long Term Loans and Advances	14		16.29
Other Non Current Assets	15		20.91
			23.07
			13.08
<b>Current Assets</b>			
Inventories	16	1,252.81	2,359.53
Trade Receivables	17	904.01	3,236.06
Cash and Cash Equivalents	18	150.64	143.07
Short Term Loans and Advances	19	282.42	373.97
Other Current Assets	20	1.79	27.82
			2,591.67
			6,140.46
<b>Total</b>		<b>4,998.43</b>	<b>8,669.25</b>
Significant Accounting Policy	1		

The accompanying notes are an integral part of the consolidated financial statements.  
As per our attached report of even date.

**FOR, G. K. CHOKSI & CO.**  
[Firm Registration No. 101895W]  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD**

Sd/-  
**ROHIT K. CHOKSI**  
Partner  
Membership No. 31103

Sd/-  
**DEEPAK CHOKSHI**  
Chairman & Managing Director

Sd/-  
**HARIN MAMLATDARNA**  
Vice Chairman & Managing Director

Sd/-  
**DINESH JAIN**  
Executive Director

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2015

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2015

**Consolidated Statement of Profit and Loss for the year ended 31st March, 2015**

[₹ in Lacs]

Particulars	Notes	2014-2015	2013-2014
<b>INCOME</b>			
Revenue from Operations	21	7,294.95	11,030.00
Less : Excise Duty		(386.25)	(571.84)
		6,908.70	10,458.16
Other Income	22	141.82	17.50
<b>Total Revenue</b>		7,050.52	10,475.66
<b>EXPENSES</b>			
Cost of Materials / Products Consumed	23	4,242.62	6,702.77
Purchase of Stock in Trade	24	638.61	1,719.53
Changes in Inventories of Finished Goods, Stock-in-process and Stock-in-trade	25	427.04	(212.38)
Employee Benefit Expenses	26	217.51	206.66
Financial Costs	27	162.52	157.31
Depreciation and Amortizations		99.46	85.69
Less : Adjustment for Revaluation Reserve (refer note 36)		0.00	(17.10)
		99.46	68.59
Other Expenses	28	742.40	1,255.37
<b>Total Expenses</b>		6,530.16	9,897.85
<b>Profit Before Exceptional Item and Tax</b>		520.36	577.81
Exceptional Items	29	127.20	0.00
<b>Profit Before Tax</b>		393.16	577.81
<b>Tax Expenses</b>			
Current Tax		135.00	200.00
Deferred Tax		26.50	(21.45)
Short provision of tax of earlier years (net)		6.64	0.00
		168.14	178.55
<b>Profit / (Loss) for the year carried to Balance Sheet</b>		225.02	399.26
Earnings per equity share :	30		
Basic and diluted		7.43	13.20

The accompanying notes are an integral part of the consolidated financial statements.  
As per our attached report of even date.

**FOR, G. K. CHOKSI & CO.**  
[Firm Registration No. 101895W]  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD**

Sd/-  
**ROHIT K. CHOKSI**  
Partner  
Membership No. 31103

Sd/-  
**DEEPAK CHOKSHI**  
Chairman & Managing Director

Sd/-  
**HARIN MAMLATDARNA**  
Vice Chairman & Managing Director

Sd/-  
**DINESH JAIN**  
Executive Director

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2015

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2015



# DYNAMIC INDUSTRIES LIMITED

## Consolidated Cash Flow Statement for the year ended 31st March, 2015

[₹ in Lacs]

Particulars	2014-2015	2013-2014
<b>A. Cash flow from operating activities :</b>		
Profit / (Loss) for the year before taxation	393.16	577.81
Adjustments for :		
Depreciation	99.46	68.59
Loss on sale of assets / discarded assets	18.94	4.24
Excess Provision for Gratuity written back	(24.72)	0.00
Sundry Balance (Written Back) / Written Off	(4.51)	27.01
Interest Income	(21.44)	(16.33)
Financial Cost	162.52	129.92
<b>Operating profit before working capital changes</b>	<b>623.41</b>	<b>791.24</b>
Adjustments for :		
Trade and other receivables	2,531.60	(1,492.36)
Inventories	1,106.72	(977.40)
Trade payables	(2,881.57)	2,021.61
<b>Cash generated from operations</b>	<b>1,380.16</b>	<b>343.09</b>
Taxes paid(net of refunds)	(206.62)	(116.07)
<b>Net cash from operating activities</b>	<b>(A) 1,173.54</b>	<b>227.02</b>
<b>B. Cash flow from investing activities :</b>		
Purchase of fixed assets	(20.97)	(142.87)
Purchase of Investment	0.00	0.00
Sales of fixed assets	3.54	3.00
Interest received	27.71	14.92
<b>Net cash used in investing activities</b>	<b>(B) 10.28</b>	<b>(124.95)</b>
<b>C. Cash flow from financing activities :</b>		
Procurement / (Repayment) of long / short term borrowings	(888.17)	55.27
Share Capital Money Received	0.00	5.00
Payment of dividend	(35.44)	(0.27)
Interest paid	(163.35)	(129.00)
<b>Net cash flow from financial activities</b>	<b>(C) (1,086.96)</b>	<b>(69.00)</b>
<b>Net Increase/(Decrease) in cash and cash equivalents</b>	<b>(A) + (B) + (C) 96.86</b>	<b>33.07</b>
Opening cash and cash equivalents	53.78	20.71
Closing cash and cash equivalents	150.64	53.78
<b>Components of cash and cash equivalent</b>		
Balances with scheduled banks	129.11	23.66
Fixed Deposits (With maturity upto 3 month)	15.50	28.54
Cash in Hand	1.71	1.58
Other Bank Balances	4.32	0.00
	<b>150.64</b>	<b>53.78</b>

### Explanatory Notes to Cash Flow Statement

- The Cash Flow Statement is prepared under indirect method in accordance with the format prescribed by Securities and Exchange Board of India & Accounting Standard 3 as prescribed by The Institute of Chartered Accountants of India.
- In Part A of the Cash Flow Statements, figures in brackets indicates deductions made from the net profit for deriving the cash flow from operating activities. In part B & part C, figures in brackets indicates cash outflows.
- Figures of the previous year have been regrouped wherever necessary, to confirm to current year's presentation

**FOR, G. K. CHOKSI & CO.**  
[Firm Registration No. 101895W]  
Chartered Accountants  
Sd/-

**ROHIT K. CHOKSI**  
Partner

Membership No. 31103

### FOR AND ON BEHALF OF THE BOARD

Sd/-  
**DEEPAK CHOKSHI**

Chairman & Managing Director

Sd/-  
**HARIN MAMLATDARNA**

Vice Chairman & Managing Director

Sd/-  
**DINESH JAIN**

Executive Director

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2015

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2015

## SIGNIFICANT ACCOUNTING POLICIES

### 1. Significant Accounting Policies

#### (a) Basis of Preparation of Financial Statements

The Consolidated financial statements relate to Dynamic Industries Limited and its Subsidiary Company. The Consolidated Financial Statements have been prepared on the following basis:

- (i) The financial statements of the company and its subsidiary company have been combined on a Line-by-Line basis by adding together the value of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profit or loss as per Accounting Standard – 21 “Consolidated Financial Statements” notified by Companies (Accounting Standard) Rules, 2006.
- (ii) The financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the company's separate financial statements.
- (iii) The financial statements of the company have been prepared and presented in accordance with the generally accepted accounting principle under the historical cost convention on an accrual basis. These financial statements have been prepared as going concern and comply, in all material respects, with the Accounting Standards as prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.
- (iv) The accounting policies adopted in the preparation of the financial statements are consistent with those of previous year.

#### (b) Use of estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reported period. Differences between the actual result and estimates are recognised in the period in which the results are known/ materialized.

#### (c) Fixed Assets and Depreciation & Amortisation

- (i) Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation and impairment losses, if any. Cost comprises of the purchase price and any other attributable cost of bringing the assets to its working condition for its intended use.
- (ii) Depreciation on Tangible Fixed Assets is provided on straight line method over the useful lives of assets specified in Part C of Schedule II to the Companies Act 2013 read with the relevant notifications issued by the Department of Company affairs.

Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition/disposal.

- (iii) Lease hold land is amortised over the period of lease.
- (iv) An assessment is done to determine whether there is any indication of impairment. An asset is treated as impaired when its carrying cost exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

The company has adopted the policy of carrying out impairment test once in the span of every three financial years.

#### (d) Borrowing Costs

Borrowing cost including interest, guarantee fees commitment charges etc., that is directly attributable to the acquisition, construction or production of a qualifying asset is capitalized as part of the cost of that asset up to period the project is commissioned or asset is put to use. The borrowing cost incurred on common funds borrowed generally and used for the purpose of obtaining a qualifying asset, is apportioned on rational basis, the remaining borrowing cost is charged to revenue.

**(e) Investments**

Investments are classified into current and long term investments. Current investments are stated at the lower of cost and fair value. Long term investments are stated at cost price. Provision for diminution in the value of Long Term Investment is made only if; such decline is not temporary in nature in the opinion of the management.

**(f) Inventories**

- (i) Raw Materials, Stock-in-process, Finished Goods are valued at lower of cost or net realizable value. Cost of stock-in-process and finished goods include materials, labour, manufacturing overhead and other cost incurred in bringing the inventories to their present location. Excise duty on goods manufactured by the company and remaining in inventory is included as a part of valuation of finished goods.
- (ii) Stock of stores, spares, consumable and packing materials are valued at cost.

**(g) Revenue Recognition**

- (i) Revenue in respect of sale of products and services are recognised upon despatch of products and the services rendered to the customers. Sales are stated at contractual realisable values, net of excise duty, value added tax and trade discount. Export Sales are shown on C.I.F. Basis, whenever contract is of C.I.F.
- (ii) Export Incentives are accounted for on accrual basis.

**(h) Foreign Currency Transactions**

- (i) Foreign currency transactions and forward exchange contracts used to hedge foreign currency transactions are initially recognised at the spot rate on the date of the transaction/contract.
- (ii) Monetary assets and liabilities relating to foreign currency transactions and forward exchange contracts remaining unsettled at the end of the year are translated at year end rates.

The difference in translation and realised gains and losses on foreign exchange transactions, are recognised in the Profit and Loss Account. Further in respect of transaction covered by forward exchange contract, the difference between the contract rate and the spot rate on the date of the transaction is charged to the Profit and Loss account over the period of the contract.

**(i) Retirement Benefits**

- (i) Defined Contribution Plan  
The Company has Defined Contribution Plan for its employees' retirement benefit comprising of provident fund and Employees Death Linked Insurance. The company and eligible employees make monthly contributions to such schemes equal to specified percentage of the covered employees' salary. The company has no further obligations to the above referred plans beyond its monthly contribution.
- (ii) Defined Contribution Plan  
The Company has Defined Contribution Plan for its employees' retirement benefit comprising of provident fund and Employees Death Linked Insurance. The company and eligible employees make monthly contributions to such schemes equal to specified percentage of the covered employees' salary.  
The company has no further obligations to the above referred plans beyond its monthly contributions.

**(ii) Defined Benefit Plan**

Liabilities with regard to Defined Benefit Plan are determined by actuarial valuation, performed by independent actuary, at each Balance Sheet date using the Projected Unit Credit Method. Actuarial Gains or Losses are recognised in full in the Profit and Loss Account for the period in which they occur.

• **Gratuity**

The company provides for Gratuity, a defined benefit retirement plan ("Gratuity Plan") covering eligible employees. The Gratuity Plan provides for lump sum payment to vested employees at retirement, death, incapacitation while in employment or on termination of employment, of an amount based on the respective employee's salary and tenure of employment of the company. Vesting occurs upon completion of five years of service.

The company contributes ascertained liabilities to the Dynamic Industries Limited Group Gratuity Scheme (the Trust). Trustees administer contributions made to the trust and contributions are invested in a scheme with Life Insurance Corporation of India, as permitted by law of India. The company recognize the net obligation of the

gratuity plan in the Balance Sheet as an asset or liability, respectively in accordance with Accounting Standard (AS) 15, "Employee Benefits". Actuarial gains and losses from experience adjustments and changes in actuarial assumptions are recognized in the statement of profit and loss in the period in which they arise. The company's overall expected long-term rate of return on assets and discount rate have been determined by Actuarial Valuation.

- **Leave Encashment Benefit**

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the Balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

- (j) **Excise/Custom Duty and Service Tax**

Excise duty has been accounted on the basis of both payments made in respect of goods cleared from factory premises and also provision made for manufactured goods lying unsold at year end in factory premises.

- (k) **Research and Development Expenditure**

Revenue Expenditure in respect of Research and Development is charged to the Profit and Loss Account and Capital Expenditure is added to the cost of Fixed Assets in the year in which it is incurred.

- (l) **Stores and Spares**

Stores, spares and consumables, except L.D.O. and Diesel are charged to profit and loss account as and when they are procured and stock of such items as at the end of the year is accounted at cost.

- (m) **Taxation**

- (i) Current year tax is provided based on taxable income computed in accordance with the provisions of the Income-tax Act, 1961.
- (ii) The Deferred Tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period using the tax rates and laws that have been enacted or substantively enacted as at the balance sheet date.

Deferred tax assets are recognised on unabsorbed depreciation and carry forward of losses based on virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax on timing differences other than those referred above is recognised and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such assets can be realised.

- (n) **Provision, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

- (o) **Prior Period Items and Extra - Ordinary Items**

Adjustments arising due to errors or omission in the financial statements of earlier years are accounted under "Prior Period". Items of Income & Expenditure, which are not of recurring nature viz., damages due to floods, earth quakes etc. are disclosed as extra ordinary items.

- (p) **Provisions and Prepayment of Expenses**

Provisions and Prepayment of expenses up to ₹ 5,000/- in each case are charged to revenue.

- (q) **Earnings Per Share**

In determining the earnings per share, the Company considers the net profit after tax and extraordinary items and includes post-tax effect of any extraordinary items. The number of shares used in computing the earnings per share is the weighted average number of shares outstanding during the period. For computing diluted earnings per share, potential equity is added to the above weighted average number of shares.

## DYNAMIC INDUSTRIES LIMITED

### Notes to consolidated financial statements

#### 2 Share Capital

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>(a) Authorised</b>		
35,00,000 (P. Y. 35,00,000) Equity Shares of ₹ 10/- each	350.00	350.00
<b>(b) Issued, Subscribed and Paid up</b>		
30,28,500 (P. Y. 30,28,500) Equity Shares of ₹ 10/- each full paid	302.85	302.85

#### Note :

During the period of five financial years immediately preceding the Balance Sheet date, the company has not;

- (i) allotted any fully paid up equity shares by way of bonus shares;
- (ii) allotted any equity shares pursuant to any contract without payment being received in cash;
- (iii) bought back any equity shares

#### (c) Reconciliation of number of shares

Particulars	Number of Equity Shares	
	2014-2015	2013-2014
<b>At the beginning of the year</b>	30,28,500	30,28,500
<b>Add</b>		
Shares issued for Cash or Right Issue or Bonus	0	0
Exercise of Share Option under ESOS / ESOP	0	0
Shares issued in Business Combination	0	0
	30,28,500	30,28,500
<b>Less</b>		
Shares bought back / Redemption etc.	0	0
<b>As the end of the year</b>	30,28,500	30,28,500

#### (d) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, if any, in proportion to their shareholding.

#### (e) Details of Shareholding

##### Shareholder holding more than 5%

Particulars	Number of Equity Shares		Percentage (%)	
	As at	As at	As at	As at
	31st March, 2015	31st March, 2014	31st March, 2015	31st March, 2014
Harin D. Mamlatdarna	3,33,780	2,85,380	11.02	9.42
Deepak N. Chokshi	2,71,487	2,71,487	8.96	8.96
Mayaben H. Mamlatdarna	2,11,247	2,11,247	6.98	6.98

**3 Reserves and Surplus**

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Revaluation Reserve</b>		
Balance as per previous financial statements	1,658.84	1,675.94
Add / Less : Addition / (Deduction) during the year	(17.10)	(17.10)
Balance as at year end	1,641.74	1,658.84
<b>Reserve Fund for Eco-Development</b>		
Balance as per previous financial statements	6.50	6.50
Add / Less : Addition / (Deduction) during the year	0.00	0.00
Balance as at year end	6.50	6.50
<i>Earmarked for eco-development measures including community welfare measures in a manner mentioned in a Circular bearing no. J-21011/8/98-IA, II(I) of Ministry of Environment Forests.</i>		
<b>Share Premium Account</b>		
Balance as per previous financial statements	178.60	178.60
Add / Less : Addition / (Deduction) during the year	0.00	0.00
Balance as at year end	178.60	178.60
<b>General Reserve</b>		
Balance as per previous financial statements	166.62	166.62
Add / Less : Addition / (Deduction) during the year	17.10	0.00
Balance as at year end	183.72	166.62
<b>Surplus</b>		
Balance as per previous financial statements	1,112.36	748.53
Less : Adjustment due to change in useful life of assets	17.18	0.00
Add : Profit for the year	225.02	399.26
Balance available for appropriation	1,320.20	1,147.79
Less : Appropriations for :		
- Proposed Dividend	30.29	30.29
- Provision for Dividend Distribution Tax	6.20	5.14
<b>Net Surplus / (Deficit)</b>	<b>1,283.71</b>	<b>1,112.36</b>
	<b>3,294.27</b>	<b>3,122.92</b>

**4 Long Term Borrowings**

[₹ in Lacs]

Particulars	Non-current portion		Current maturities	
	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2015	As at 31st March, 2014
<b>Secured Loans</b>				
<b>Term Loans from Banks (refer note 1 below)</b>				
Central Bank of India (Term Loan 1)	0.00	0.00	0.00	40.86
Central Bank of India (Term Loan 2)	0.00	67.16	0.00	18.80
HDFC Bank Ltd.	61.50	0.00	14.60	0.00
<b>Term Loans from Others</b> (refer note 2 below)				
Tata Capital Limited	0.00	0.00	0.00	4.44
Toyota Financial Services India Limited	7.16	17.26	10.09	9.17
	68.66	84.42	24.69	73.27
Less : Amount disclosed under the head "Other Current Liabilities"	0.00	0.00	24.69	73.27
	68.66	84.42	0.00	0.00



## DYNAMIC INDUSTRIES LIMITED

### Nature of Security

- 1 The above term loans from Central Bank of India (up to 26.06.2014) and HDFC Bank Ltd are secured against Hypothecation of Plant & Machineries purchased and personal guarantees of Directors. It is further secured by Equitable Mortgage on Leasehold land bearing Plot / Shed No 125, in aggregate admeasuring 1330 Sq mts in phase I, Vatva Industrial Estate, Survey no. 494 Paiki, lying at Mouje: Vatva, in Taluka Dascroi, and building constructed thereon AND Equitable Mortgage on Non Agricultural Constructed Leasehold Property bearing plot / Shed No. 5501/2, in aggregare admeasuring 7383 Sq. Mtrs. in Phase III, in Vatva Industrial Estate and building constructed thereon.
2. The above loans are secured against hypothecation of vehicles

### Terms of Repayment of Loans

HDFC Bank Ltd.	It is repayable in 60 numbers of monthly installments of ₹ 1.91 lacs commencing from July 2014. The last installment falls due in June 2019.
Tata Capital Ltd.	It is repayable in 48 numbers of monthly installments of ₹ 0.83 lacs (including interest) commencing from 29th September 2010. The last installment falls due on 9th August, 2014.
Toyota Financial Services India Limited	It is repayable in 36 numbers of equal monthly installments of ₹ 0.94 lacs each (including interest) commencing from January, 2014. The last installment falls due in November, 2016.

### 5. Deferred tax liabilities (Net)

The Company estimates deferred tax/(charge) using the applicable rate of taxation based on the impact of timing difference between financial statements and estimated taxable income for the current year.

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Deferred Tax Liabilities</b>		
Difference of book depreciation and tax depreciation	77.81	61.42
<b>Deferred Tax Assets</b>		
Disallowance u/s. 43(b) allowable on payment	6.93	17.04
<b>Net Deferred Tax Liability / (Asset)</b>	<u>70.88</u>	<u>44.38</u>

### 6. Other Long Term Liabilities

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
Other Payables		
Payable for Capital Assets	0.00	3.26
Others	13.08	13.08
	<u>13.08</u>	<u>16.34</u>



**7. Long Term Provisions**

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
For Employee Benefits		
Gratuity	6.05	31.15
Priviledged / Earned Leave	9.05	10.71
	<u>15.10</u>	<u>41.86</u>
<b>Less :</b>		
Amount disclosed under the head "Short Term Provisions"		
Gratuity	3.91	9.56
Priviledged / Earned Leave	1.37	1.62
	<u>5.28</u>	<u>11.18</u>
	<u>9.82</u>	<u>30.68</u>

**8. Short Term Borrowings**

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Secured</b>		
<b>Working Capital Loan</b>		
Central Bank of India (Cash Credit A/c.)	0.00	141.26
Central Bank of India (Export Packing Credit)	0.00	39.62
Central Bank of India (Export Bills Purchase)	15.14	1,153.94
Central Bank of India (Export Bills Purchase under Letter of Credit)	0.00	57.18
HDFC Bank Ltd. (Cash Credit A/c.)	223.69	0.00
HDFC Bank Ltd. (Export Packing Credit)	200.00	0.00
HDFC Bank Ltd. (Export Bills Purchase)	129.34	0.00
	<u>568.17</u>	<u>1,392.00</u>

**Secured Loans**

The above loans are secured by hypothecation of inventories, book debt, bills, claims, monies receivables, outstandings, invoice documents, contracts, guarantees, movable plant and machinery & other fixed assets and personal guarantees of Directors.

## DYNAMIC INDUSTRIES LIMITED

### 9. Trade Payables

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
For Goods and Services		
Related Party	0.00	32.72
(Refer note 34)		
Others	488.01	3,289.23
	488.01	3,321.95

The company is yet to initiate the process of obtaining the confirmation from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). In the absence of relevant information relating to the suppliers registered under the Micro, Small and Medium Enterprises (Development) Act, 2006, the balance due to Micro, Small and Medium Enterprises at year end and interest paid or payable under MSMED Act, 2006 during the year could not be complied and disclosed.

### 10. Other Current Liabilities

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
Current Maturities of Long Term Debt	24.69	73.27
Interest Accrued and Due	0.00	1.45
Interest Accrued but not Due	0.69	0.10
Advance from Customers	4.35	0.00
Unclaimed Dividend	1.29	0.53
Other Payables		
Statutory Dues	0.70	21.22
Others	1.20	1.37
Bonus	6.24	10.66
	8.14	32.35
	39.16	108.60

### 11. Short Term Provisions

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
Provision for Employee Benefits		
Gratuity	3.91	9.56
Priviledged / Earned Leave	1.37	1.62
	5.28	11.18
Others		
Provision for Taxation (Net of Advance Tax)	16.11	81.08
Provision for Dividend	36.49	35.44
Provision for Excise on Closing Stock	85.65	117.41
	138.25	233.93
	143.53	245.11

**12. Tangible Assets**

[₹ in Lacs]

Sr. No.	Name of Assets	Gross Block (At Cost)			Depreciation / Amortisation				Net Block	
		As at 01/04/2014	Additions / Adjustments	Deductions / Adjustments	As at 31/03/2015	Upto 31/03/2014	For the Year	Deductions / Adjustments(*)	As at 31/03/2015	As at 31/03/2014
1	Leasehold Land	1742.60	0.00	0.00	1742.60	44.05	17.60	0.00	1680.95	1698.55
2	Building	398.21	0.00	0.00	398.21	136.35	17.14	(9.48)	235.24	261.86
3	Machinery	867.29	9.25	29.27	847.27	473.81	39.52	15.25	349.19	393.48
4	Computer	32.71	0.43	0.00	33.14	23.44	3.33	(0.28)	6.09	9.27
5	Office Equipments	14.93	0.25	0.00	15.18	6.93	1.42	(2.62)	4.21	8.00
6	Furniture and Fixture	57.25	1.43	0.00	58.68	33.72	3.28	(1.68)	20.00	23.53
7	Vehicles	153.82	0.00	11.54	142.28	59.20	17.17	7.97	73.88	94.62
	<b>Total :</b>	3266.81	11.36	40.81	3237.36	777.50	99.46	9.16	2369.56	2489.31
	Previous Year :	3141.25	139.59	14.00	3266.81	698.53	85.69	5.86	2489.31	

**Note :**

- Pursuant to Board Resolution passed by Board of Director in its meeting held on 31st March, 2012 with regard to Revaluation of Lease Hold Land, the company has, based on Valuation Report dated 31st March, 2012 by approved valuer, revalued the Lease Hold Land and accordingly stated at revalued amount with corresponding credit to revaluation Reserve Account.
- Note : (\*) The amount of adjustment is net of ₹ 17.18 lacs being the written down value of assets adjusted against retained earnings due to change in useful life of the assured.

**13. Intangible Under Development**

[₹ in Lacs]

Sr. No.	Name of Assets	Gross Block (At Cost)		
		As at 1/04/2014	Additions / Adjustments	Deductions / Adjustments
1	Software	3.33	9.61	12.94
	<b>Total :</b>	3.33	9.61	12.94
	Previous Year	0.00	3.33	0.00

## DYNAMIC INDUSTRIES LIMITED

### 14. Long Term Loans and Advances

(Unsecured, considered good unless otherwise stated)

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
Capital Advances	0.00	10.25
Security Deposit	16.29	12.82
	<u>16.29</u>	<u>23.07</u>
The amount dues by :		
Directors	NIL	NIL
Officers either severally or jointly with other persons	NIL	NIL
Firms or Private Companies in which any director is partner or director or a member	NIL	NIL

### 15. Other Non Current Assets

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
Term Deposit with Bank (adjustable against Capital Asset) (having maturity period exceeding 12 months)	13.08	13.08
Fixed Deposit with Bank (having maturity period exceeding 12 months)	7.83	0.00
	<u>20.91</u>	<u>13.08</u>

The amount of fixed deposits with banks includes deposits of ₹ 7.83 lacs (P. Y. ₹ NIL) for bank guarantees.

### 16. Inventories

(As taken, valued and certified by the Management)

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
Raw Materials (Includes goods in transit amounting to Rs. NIL lacs (P.Y. Rs. 103.13 Lacs)	452.33	1,129.85
Work in Process	7.70	138.27
Finished Goods	766.57	1,049.32
Stock In Trade	4.29	18.01
Stores, Spares and Consumables	10.02	12.68
Others	11.90	11.40
	<u>1,252.81</u>	<u>2,359.53</u>

Inventory items have been valued considering the significant accounting policy disclosed in note 1 [g] to this financial statement

**17. Trade Receivable**

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
Debt outstanding for the period exceeding six months		
Unsecured considered good	100.01	27.35
Considered Doubtful	14.70	13.69
	114.71	41.04
Less : Provisions for Doubtful Debts	14.70	13.69
	100.01	27.35
Others		
Unsecured considered good	804.00	3,208.71
	904.01	3,236.06
The amount dues by :		
Directors	NIL	NIL
Officers either severally or jointly with other persons	NIL	NIL
Firms or Private companies in which any director is partner or director or a member.	NIL	NIL

**18. Cash and Cash Equivalents**

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
Balances with Scheduled Banks in		
Current Accounts	129.11	23.66
Fixed Deposits (with maturity upto 3 months)	15.50	28.54
Cash in Hand	1.71	1.58
Other Bank Balances		
Fixed Deposits (with maturity of more than 3 months but less than 12 months)	4.32	89.29
	150.64	143.07

The amount of fixed deposits with banks includes deposits placed as Margin Money amounting ₹ 15.25 lacs (P. Y. ₹ NIL) for Foreign Bill Purchase ₹ NIL (P. Y. ₹ 97.46 Lacs) for letter of credits and ₹ 0.25 lacs (P. Y. ₹ 5.79 Lacs) for bank guarantees.

## DYNAMIC INDUSTRIES LIMITED

### 19. Short Term Loans and Advances

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
Advances to :		
Employees	2.69	3.86
Contractors & Suppliers	2.58	8.91
Others Advances		
Balances with Revenue Authorities	95.74	29.89
Prepaid Expenses	4.72	12.00
Other Recoverables	176.69	319.31
	277.15	361.20
	282.42	373.97
The amount dues by :		
Directors	NIL	NIL
Officers either severally or jointly with other persons	NIL	NIL
Firms or Private companies in which any director is partner or director or a member.	NIL	NIL

### 20. Other Current Assets

[₹ in Lacs]

Particulars	As at 31st March, 2015	As at 31st March, 2014
Interest accrued	1.35	7.62
Other		
Insurance Claim Receivable	0.44	20.21
	1.79	27.83

### 21. Revenue from Operations

[₹ in Lacs]

Particulars	2014-2015	2013-2014
Sale of Products (Gross)	7,282.89	10,984.66
Other Operating Revenue	12.06	45.34
Revenue from Operations	7,294.95	11,030.00
Less : Excise Duty	(386.25)	(571.84)
	6,908.70	10,458.16

#### Breakup of Sale of Product (Net of Excise)

[₹ in Lacs]

Particulars	2014-2015	2013-2014
<b>Manufactured</b>		
Dyes, Pigments and Chemicals		
Export	3,504.17	5,016.54
Local	2,747.77	3,484.04
	6,251.94	8,500.58
Traded Goods		
Dyes, Pigments and Chemicals		
Export	96.79	234.48
Local	547.90	1,677.76
	644.69	1,912.24
	6,896.63	10,412.82

**Breakup of Other Operating Revenue**

[₹ in Lacs]

Particulars	2014-2015	2013-2014
Export Benefits (Net)	12.06	45.34
	12.06	45.34

**22. Other Income**

[₹ in Lacs]

Particulars	2014-2015	2013-2014
Interest Income		
Banks	12.79	14.78
Others	8.65	1.55
Other Insurance Claim	0.00	0.54
Miscellaneous Income	2.38	0.63
Sundry Balance Written Back	4.51	0.00
Excess Provision for Gratuity Written Back	24.72	0.00
Gain on Foreign Exchange Fluctuation (Net)	88.77	0.00
	141.82	17.50

**23. Cost of Materials / Products Consumed**

[₹ in Lacs]

Particulars	2014-2015	2013-2014
Raw Materials	4,116.88	6,477.39
Packing Materials	85.26	150.98
Freight, Octroi & Inward Clearing	40.48	74.40
	4,242.62	6,702.77

**Breakup of Raw Material Consumed**

[₹ in Lacs]

Particulars	2014-2015	2013-2014
Beta Nepthol	203.02	518.40
6 Nitro	1,208.07	1,633.39
H. Acid	740.21	1,020.14
Others	1,965.58	3,305.46
	4,116.88	6,477.39

**24. Purchase of Stock in Trade**

[₹ in Lacs]

Particulars	2014-2015	2013-2014
Traded Goods		
Dyes, Pigments and Chemicals	638.61	1,719.53
	638.61	1,719.53



## DYNAMIC INDUSTRIES LIMITED

### 25. Changes in Inventories of Finished Goods, Work in progress and Stock-in-trade

[₹ in Lacs]

Particulars	2014-2015	2013-2014
Closing Stocks		
Finished Goods	766.57	1,049.32
Stock in Trade	4.29	18.01
Work in Progress	7.70	138.27
	<u>778.56</u>	<u>1,205.60</u>
Opening Stock		
Finished Goods	1,049.32	894.57
Stock in Traded	18.01	20.38
Less : Transferred for own consumption	<u>0.00</u>	<u>2.58</u>
	18.01	17.80
Work in Progress	138.27	80.85
	<u>1,205.60</u>	<u>993.22</u>
Decrease / (Increase) in Inventories	<u>427.04</u>	<u>(212.38)</u>

### 26. Employees Benefits Expenses

[₹ in Lacs]

Particulars	2014-2015	2013-2014
Salary, Allowance, Wages and Bonus	195.53	189.59
Contribution to Provident Fund & Other Funds	17.04	12.14
Staff Welfare and Training	4.94	4.93
	<u>217.51</u>	<u>206.66</u>

### 27. Finance Cost

[₹ in Lacs]

Particulars	2014-2015	2013-2014
Interest to		
Banks	111.59	126.28
Others (Includes ₹ NIL to related party (P. Y. ₹ 1.31 lacs)	11.47	3.64
	<u>123.06</u>	<u>129.92</u>
Other Borrowing Cost		
Ancillary cost in connection with borrowings	19.21	0.00
LC Charges	8.93	18.00
Loan Processing Charges	11.32	9.39
	<u>39.46</u>	<u>27.39</u>
	<u>162.52</u>	<u>157.31</u>

## 28. Other Expenses

[₹ in Lacs]

Particulars	2014-2015	2013-2014
<b>Manufacturing Expenses</b>		
Power, Fuel and Water Charges	287.22	478.08
Stores and Other Consumables	4.51	6.61
Laboratory Expenses	8.66	11.50
Job Work Charges	3.32	39.96
Pollution Plant Treatment	67.69	62.71
Excise Duty on finished goods	(31.76)	16.76
	339.64	615.62
Repairs and Maintenance		
Building	8.95	12.41
Plant and Machinery and Office Equipment	24.58	33.07
Others	5.44	6.35
	38.97	51.83
	378.61	667.45
<b>Establishment Expenses</b>		
Rates and Taxes	13.03	3.41
Insurance	30.09	50.46
Fees and Legal Expenses	29.46	46.01
Auditors' Remuneration (refer note below)	6.11	6.11
Travelling Expenses	0.78	11.25
Bank Charges	16.67	20.10
Telephone & Internet Expenses	5.88	6.73
Membership and Subscription	0.91	1.19
Vehicle Expenses	8.21	8.29
Security Services Charges	6.96	7.17
Donation	0.73	1.20
Loss of Stock by Fire	7.33	0.00
Loss on Sale / Discard of Assets	18.94	4.24
Provision for Bad Debts	1.01	0.00
Sundry Balance Written Off (Net)	0.00	27.01
Loss on Foreign Exchange Fluctuation (Net)	0.00	14.61
Miscellaneous Expenses	17.66	19.42
	163.47	227.20
<b>Selling and Distribution Expenses</b>		
Advertisement Expenses	0.99	1.14
Commission and Discount	144.85	262.68
Sales Promotion	0.13	4.71
Freight Outward	54.35	92.19
	200.32	360.72
	742.40	1,255.37
<b>Auditor's Remuneration is made of</b>		
Holding Company		
- Statutory Audit Fees	4.75	4.75
- Tax Audit Fees	1.00	1.00
- Fees for other service	0.25	0.25
	6.00	6.00

## 29. Exceptional Items

[₹ in Lacs]

Particulars	2014-2015	2013-2014
Custom Duty	64.73	0.00
Interest on Custom Duty	62.47	0.00
	127.20	0.00

## DYNAMIC INDUSTRIES LIMITED

### 30. Earning per Share

Particulars	2014-2015	2013-2014
Net Profit after tax and prior period adjustments (₹ in lacs)	225.02	399.26
Number of equity shares (in lacs)	30.29	30.29
Nominal value of the share (₹)	10.00	10.00
Earnings per Share (₹)	7.43	13.20

**Note :** There is no change in the number of equity shares during the year.

### 31 Employee Benefits

(a) Defined contribution to Provident Fund and Employee state insurance

The company makes contribution towards employees' provident fund and employees' state insurance plan scheme. Under the rules of these schemes, the Company is required to contribute a specified percentage of payroll costs. The Company during the year recognized ₹ 8.32 lacs (P.Y. ₹ 7.16 lacs) as expense towards contributions to these plans.

(b) Defined Contribution Plans

The following table sets out the status of the gratuity scheme plans as at 31st March, 2015.

[₹ in Lacs]

Particulars	Leave Encashment		Gratuity	
	2014-2015	2013-2014	2014-2015	2013-2014
<b>Changes in the present value of obligation</b>				
Present value of obligation (Opening)	10.71	8.71	38.51	34.31
Interest Cost	0.91	0.68	2.49	2.69
Past service cost	(3.50)	--	--	--
Current service cost	3.09	2.83	5.39	4.94
Curtailment Cost / (Gain)	--	--	--	--
Settlement Cost / (Gain)	--	--	--	--
Benefits paid	--	(0.54)	(1.30)	(1.40)
Actuarial (Gain) / Loss	(2.16)	(0.97)	1.70	(2.03)
Excess provision written back	--	--	(24.72)	--
Present value of obligation (Closing)	9.05	10.71	22.07	38.51
<b>Changes in the fair value of plan assets</b>				
Present value of plan assets (Opening)	--	--	7.36	8.13
Expected return on plan assets	--	--	0.09	0.67
Actuarial Gain / (Loss)	--	--	0.78	(0.04)
Recoverable from trust	--	--	--	--
Employers Contributions (Net)	--	--	9.55	--
Employees Contributions	--	--	--	--
Benefits paid	--	--	(1.30)	(1.40)
Fair Value of Plan Assets (Closing)	--	--	16.02	7.36
<b>Percentage of each category of plan assets to total fair value of plan assets at the year end</b>				
Bank Deposits	--	--	--	--
(Special Deposit Scheme, 1975)				
Debt Instruments	--	--	--	--
Administered by	--	--	100%	100%
Life Insurance Corporation of India				
<b>Amount recognised in the balance sheet</b>				
Present value of obligation as at the year end	9.05	10.71	22.07	38.51
Fair value of plan assets as at the year end	--	--	16.02	7.36
(Asset) / Liability recognised in the balance sheet	9.05	10.71	6.05	31.15

... Continued ...

(b) Defined Contribution Plans ...Continued...

[₹ in Lacs]

Particulars	Leave Encashment		Gratuity	
	2014-2015	2013-2014	2014-2015	2013-2014
<b>Expenses recognised in the Profit &amp; Loss Account</b>				
Current service cost	3.09	2.83	5.39	4.94
Past service cost	--	--	--	--
Interest cost	0.91	0.68	2.49	2.69
Expected return on plan assets	--	--	(0.09)	(0.67)
Curtailment Cost / (Credit)	--	--	--	--
Settlement Cost / (Credit)	--	--	--	--
Net Actuarial (Gain) / Loss	(3.50)	(0.97)	0.92	(1.99)
Employee's Contribution	--	--	--	--
Total expenses recognised in the profit and loss account	(1.66)	2.54	8.71	4.97

**Principal actuarial assumption****(Rate of Discounting)**

Rate of Discounting	7.8%	9.1%	7.8%	9.1%
Expected return on plan assets	--	--	8.75%	9%
Rate of increase in salaries	7%	7%	7%	7%
Attrition Rate	--	--	--	--
(Employees opting for early retirement)				

**32 Segment Reporting**

The Company operates within a solitary business segment i.e., manufacturing of chemicals and pigments, the disclosure requirements of Accounting Standard - 17 "Segment Reporting", issued by the Institute of Chartered Accountants of India is not applicable.

**33 Related Party Disclosures**

As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below :

(a) *List of related parties with whom transactions have taken place during the year and relationship :*

Sr. No.	Name of related party	Relationship
1 2 3	Harin D. Mamlatdarna Deepak N. Chokshi Dinesh Jain	Key Management Personnel
4 5 6 7	Ronak D. Chokshi Bimal D. Chokshi Mansi Talati Asita Mamlatdarna	Relatives of Key Management Personnel
8	Ornet Intermediates Ltd.	Enterprise over which director of the company exercises significant influence / control.

## DYNAMIC INDUSTRIES LIMITED

### (b) Transactions with related parties

[₹ in Lacs]

Sr. No.	Particulars	Relationship	2014-2015	2013-2014
(i)	Managerial Remuneration			
	- Harin D. Mamlatdarna	Key Management Personnel	16.45	16.45
	- Deepak N. Choksi	Key Management Personnel	16.29	16.08
	- Dinesh Jain	Key Management Personnel	10.43	10.43
(ii)	Expenditure on other service (Salary)			
	- Ronak D. Choksi	Relative of KMP	3.77	3.69
	- Bimal D. Choksi	Relative of KMP	3.39	3.33
	- Mansi Talati	Relative of KMP	3.92	3.37
	- Asita Mamlatdarna	Relative of KMP	3.64	3.51
(iii)	Unsecured Loans accepted during the year			
	- Harin D. Mamlatdarna	Key Management Personnel	0.00	100.00
(iv)	Unsecured Loans repaid during the year			
	- Harin D. Mamlatdarna	Key Management Personnel	0.00	100.00
(v)	Interest Paid on unsecured loans			
	- Harin D. Mamlatdarna	Key Management Personnel	0.00	1.31
(v)	Sales			
	- Ornet Intermediate Ltd.	Enterprise over which director of the company exercises significant influence/control.	135.49	225.68
(vi)	Purchase			
	- Ornet Intermediate Ltd.	Enterprise over which director of the company exercises significant influence/control.	22.57	114.74

### (c) Outstanding Balances as at March, 31, 2015

[₹ in Lacs]

Sr. No.	Particulars	Relationship	2014-2015	2013-2014
(i)	Due to company			
	- (As Creditors)			
	Ornet Intermediate Ltd.	Enterprise over which director of the company exercises significant influence/control	0.00	32.72
(ii)	Due to company			
	(As Debtors)			
	- Ornet Intermediate Ltd.	Enterprise over which director of the company exercises significant influence/control	51.59	55.15

34. Pursuant to Accounting Standard - 29. "Provisions, Contingent, Liabilities and Contingent Assets", the disclosure relating to contingent liabilities and provisions made in the accounts for the year ended 31<sup>st</sup> March, 2015 is as follows :

**(a) Contingent Liabilities**

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
(a) Claims not acknowledge by the company in respect of :		
- Income Tax (See Note - (i) below)	11.23	78.29
- Custom Duty (See Note - (ii) below)	171.14	171.14
- Custom Duty (See Note - (ii) below)	5.51	5.51
- Service Tax (See Note (iii) below)	31.65	40.89
(b) Custom Duty (Import under Advance Licenses Export Obligation Pending)	103.98	296.34

(i) The Company has not recognised and acknowledged the Income Tax demands as liability in its books of accounts aggregating to ₹ 11.23 lacs in respect of Assessment Year 2008-09 & 2014-15 since the company has disputed such demands and has filed appeals before appropriate authorities. The same are pending for final adjudication.

(ii) In the Financial year 2008-2009 the Department of Excise and Customs had inspected certain records related to materials imported under license removed for jobwork to various parties whose name did not appear in the license as job-worker or as supporting manufacturer. The department had objected such removal and also observed that aforesaid materials have not been returned back under job work challan from the above parties but under sales invoices. The department also seized certain records related to job work for the Financial Year 2006-07 and 2007-08. The company had deposited a sum of ₹ 5.08 lacs under protest. However based on legal opinion obtained from the excise consultant, the company has transferred the aforesaid deposit to PLA under intimation to department concerned. After that the company has received an order on 28<sup>th</sup> March, 2012 confirming the demand of custom duty amounting to ₹ 85.57 lacs and penalty of ₹ 85.57 lacs under section 114A of the Custom Act aggregating to ₹ 171.14 lacs and interest at applicable rates on the amount of duty evaded. Further, the department has also raised demand of ₹ 5.51 lacs being custom duty on imported goods for financial year 2007-08.

The company has filed an appeals and Hon'ble Tribunal has granted stay against aforesaid demand. The Custom Authority against such stay has referred the matter to Hon'ble High court, Gujarat which is yet to be heard. Pending final outcome, the company does not expect any liability and accordingly no provision in respect thereof has been made but disclosed the same as contingent liability.

The Custom Authorities Mumbai, in another case, has raised the demand of ₹ 5.51 lacs against which the Hon'ble Tribunal Mumbai has granted stay. The matter is pending for final disposal.

(iii) The company has been served with show cause notices in respect of service tax credit aggregating amounting to ₹ 28.45 lacs availed by the company in the current financial year as well as in earlier financial years. The Company has already filed its reply against the aforesaid show cause notices before appropriate authorities & such authorities are yet to react on such replies.

The Company has not recognised and acknowledged the service tax demand as liability in its books of accounts amounting to ₹ 3.2 lacs, since the company has disputed such demand and filed appeals before appropriate authorities. The same are pending for final adjudication.

**(b) Provisions**

[₹ in Lacs]

Particulars	Provision for Leave Encashment	Provision for Bonus Payable	Provision for Excise Duty on Closing Stock of Finished Goods	Provision for Gratuity
Opening Balance	10.71	10.66	117.41	38.51
Additions	(1.66)	6.22	84.89	9.58
Utilization / Reversals	NIL	10.66	117.41	26.02
Closing Balance	9.05	6.23	84.89	22.07

## DYNAMIC INDUSTRIES LIMITED

### 35. Capital Commitment

[₹ in Lacs]

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
Estimated Value of Capital Commitment	NIL	1.90

36. Hitherto, in pursuance of Guidance Note on Treatment of Reserve Created on Revaluation of Fixed Assets issued by the Institute of Chartered Accountants of India, the company transferred an amount equivalent to the additional depreciation on account of the upward revaluation of fixed assets from revaluation reserve to the Statement of Profit and Loss. However pursuant to Schedule II to the Companies Act, 2013, the depreciation is required to be provided for on historical cost or the amount substituted for historical cost. Therefore, in respect of revalued asset, the company has charged depreciation / amortization based on the revalued amount for the current financial year and transferred the additional depreciation amounting to ₹ 17.10 lacs on account of upward revaluation directly to General Reserve without routing it through Statement of Profit and Loss.
37. In accordance with provisions contained in Section 203 of the the Companies Act, 2013 read with Rule 8 of The Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and section 149(1) of the the Companies Act, 2013 read with Rule 3 of The Companies (Appointment and qualification of Directors) Rules, 2014 the appointment of Key Managerial Personnel and Woman Director has becoming mandatory. The Company, at year end date, is yet in the process of appointing Company Secretary, Chief Financial Officer and Woman Director so as to comply with the aforesaid provisions.
38. Balances of trade payables, trade receivables and loans and advances are subject to confirmations and reconciliations by the parties concerned.
39. Additional information as required under para 5(viii)(c) of general instructions of profit and loss as per Schedule III to the Companies Act, 2013.

### (A) Composition of Raw Materials Consumption

[₹ in Lacs]

Raw Material Consumption	2014-2015		2013-2014	
	Value	Percentage (%)	Value	Percentage (%)
Imported	2,211.31	52.88	3,732.96	57.65
Indigenous	1,970.30	47.12	2,741.91	42.35
<b>Total :</b>	4,181.61	100.00	6,474.87	100.00

### (B) Value of Imports on CIF Basis :

[₹ in Lacs]

Particulars	2014-2015	2013-2014
Raw Materials	1,608.02	3145.09
Traded Goods	88.79	38.77

### (C) Earning in Foreign Currency

[₹ in Lacs]

Particulars	2014-2015	2013-2014
F.O.B. Value of Export	3,584.14	5,218.53

### (D) Expenditure in Foreign Currency (on payment basis) :

[₹ in Lacs]

Particulars	2014-2015	2013-2014
Travelling	NIL	5.31
Commission	266.51	102.46



**40. Statement of Management**

- (a) The current assets, loans and advances are good and recoverable and are approximately of the values, if realized in the ordinary courses of business unless and to the extent stated other wise in the Accounts. Provision for all known liabilities is adequate and not in excess of amount reasonably necessary. There are no contingent liabilities except those stated in the notes.
- (b) Balance Sheet, Profit & Loss Account and Cash Flow Statement read together with the schedules to the accounts and notes thereon, are drawn up so as to disclose the information required under the Companies Act, 2013 as well as give a true and fair view of the statement of affairs of the Company as at the end of the year and results of the Company for the year under review.

**41.** Previous year figures have been regrouped, reclassified and reworked wherever necessary for comparative purpose.

**FOR, G. K. CHOKSI & CO.**

[Firm Registration No. 101895W]  
Chartered Accountants

Sd/-

**ROHIT K. CHOKSI**

Partner

Membership No. 31103

**FOR AND ON BEHALF OF THE BOARD**

Sd/-

**DEEPAK CHOKSHI**

Chairman & Managing Director

Sd/-

**HARIN MAMLATDARNA**

Vice Chairman & Managing Director

Sd/-

**DINESH JAIN**

Executive Director

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2015

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2015

## Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]



## DYNAMIC INDUSTRIES LIMITED

CIN : L24110GJ1989PLC011989

Regd off: Plot No. 5501/2, PHASE-III NR. TRIKAMPURA CROSS ROAD, G I D C VATVA, AHMEDABAD - 382445  
Phone: 079-2589 7221 – 22 -23, Fax: 079-25834292, 2589 7232 E-mail : accounts@dynaind.com Website : www.dynaind.com

**26th Annual General Meeting**

**Friday, 14<sup>th</sup> day of August, 2015**

Name of the member(s):

Registered address:

E-mail Id:

Folio No./ Client Id: DP ID:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

I/We, being the member(s) holding ..... shares of the above named company, hereby appoint :

1. Name:..... Address:.....  
E-mail Id:..... Signature.....or failing him;
2. Name:..... Address:.....  
E-mail Id:..... Signature.....or failing him;
3. Name:..... Address:.....  
E-mail Id:..... Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of the Company, to be held on Friday, the 14th day of August, 2015 at 11.30 a.m. at the Regd office of the Company at Plot No. 5501/2, PHASE-III NR. TRIKAMPURA CROSS ROAD, G I D C VATVA, AHMEDABAD - 382445 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Optional*	
		For	Against
Ordinary Business			
1.	Adoption of Financial Statements for the year ended 31 <sup>st</sup> March, 2015.		
2.	Declaration of Dividend for the year ended 31 <sup>st</sup> March, 2015.		
3.	Re-appointment of Mr. Deepak Navinchandra Chokshi, who retires by rotation and being eligible, seeks reappointment.		
4.	Ratification of appointment of Auditors for the financial year ending on 31-03-2016 and to fix their remuneration		
Special Business			
5.	To re-appoint & re-designate Mr. Deepak Navinchandra Chokshi (DIN : 00536345) as Vice Chairman and Managing Director and payment of remuneration.		
6.	To re-appoint & re-designate Mr. Harin Dhanvantrai Mamlatdarna (DIN: 00536250) as Chairman and Whole Time Director and payment of remuneration.		
7.	To re-appoint Mr. Dinesh Jasraj Jain (DIN: 00135889) as Whole Time Director and payment of remuneration.		
8.	To appoint Mr. Pravinchandra Devidas Master (DIN: 05195587) as an Independent Director.		
9.	To appoint Mr. Raghavdas Hiralal Lakhmani (DIN: 05304347) as an Independent Director.		
10.	To appoint Mr. Jatin Biharilal Surti (DIN: 05195572) as an Independent Director.		
11.	To approve borrowing limits under provision of section 180(1)(c) of Companies Act, 2013.		
12.	To create charge on assets of the company under section 180(1)(a) of Companies Act, 2013.		
13.	To regularise Ms. Viraj Darshit Shah (DIN: 07220630) as an Independent Woman Director.		

Signed this ..... day of ..... 2015.

Signature of Proxy holder(s) .....

Signature of shareholder.....

Affix  
Re. 1/-  
Revenue  
Stamp

### Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
  2. A person can act as proxy on behalf of Members upto and not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. Further, a Member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.
- \* It is optional to put a ' ' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.



## DYNAMIC INDUSTRIES LIMITED

Registered Office : Plot No. 5501/2, Phase III, G.I.D.C., Vatva, Ahmedabad - 382 445.

### ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall  
26th Annual General Meeting, 14th August, 2015)

I hereby record my presence at the TWENTY SIXTH ANNUAL GENERAL MEETING of the Company at Plot No. 5501/2, Phase III, G.I.D.C., Vatva, Ahmedabad at 11.30 a.m.

Full Name of the Member \_\_\_\_\_

(IN BLOCK LETTERS)

Regd. Folio No. : \_\_\_\_\_ No. of Shares held : \_\_\_\_\_

DP ID\* : \_\_\_\_\_ Client ID\* : \_\_\_\_\_

Full Name of the Proxy : \_\_\_\_\_

(IN BLOCK LETTERS)

Member's/Proxy's Signature : \_\_\_\_\_

\* Applicable to investors holding shares in electronic form.

Note : As a measure of economy, Members are requested to bring a copy of the Annual Report at the meeting hall.



BOOK-POST

To, \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

*If undelivered, Please return to :*  
**DYNAMIC INDUSTRIES LIMITED**  
Registered Office : Plot No. 5501/2, Phase III, G.I.D.C., Vatva, Ahmedabad - 382 445.