# FORM A

	•	
1.	Name of the Company	Dynemic Products Limited
2.	Annual financial statements for the year ended	31 <sup>st</sup> March, 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	N.A.
5.	Signed by-  • Managing Director	
		BILDS
		(BHAGWANDAS K. PATEL)
	Accounts Manager	A. Rad.
	3	(AMISHA PATEL)
	Auditor of the company	For Shah Rajesh & Associates Chartered Accountants (Registration No., 109767W)
	·	AD .
		Rajesh D. Shah Proprietor Membership No. 36232
	Audit Committee Chairman	ARF
		(ASHISHBHAI R. JOSHI)





THE NAME BEHIND

Colors of Modern Life



Bhagwandas K. Patel Managing Director



# Dear Members,

I am pleased to present the 24th Annual Report of our Company for the financial year 2013-14. It is with my great pleasure that I share with you our signature milestones and highlights for the year ended 31 March 2014. We are heartened to report that we continued to deliver robust financial numbers and highly commendable margins. Despite the ever-escalating increase in the cost of raw materials and other expenses, Dynemic continued to deliver, both operationally and financially. It is indeed my firm belief that we have emerged stronger and in better competitive shape than ever.

Dynemic achieved a record sales turnover of Rs. 11384 Lacs comprising Rs. 3288 Lacs in the domestic market and Rs. 8096 Lacs in exports. Comparing to previous year the turnover are high by 37% and net profits are high by 136%. The impact is due to good and favourable market conditions throughout the year.

Our announcement on the setting-up of Unit-III in Dahej in February 2014 marks the other important thrust of our growth plans. We have been finally allotted 74615.54 sq.mt. plot and the cost of the said land is firmed up at Rs. 9 Crore appx.

The earnings per share rose to Rs. 9.03 per share from Rs. 3.83 per share of last year.

The Board of Directors has recommended a dividend of Rs. 1.50 per equity share of Rs. 10 for the year 2013-14 amounting to Rs. 169.93 Lacs.

As far as year 2014-15 is concerned, your Management is much positive looking to the results of Q-1 wherein we had achieved a turnover of Rs. 30 crore. Also the group's investment in Dahej forms the cornerstone to our long term sustainable growth.

On behalf of Board and the Management team, we wish to thank you for your undivided commitment, trust and faith in us. We will continue to build and deliver attractive returns. We would also like to thank our customers, vendors, bankers, insurance companies, consultants and advisors who always stood by us and extended strong support to us in all circumstances. We also take this opportunity to appreciate our employees who with their powerful sense of commitment and belonging helped the company to achieve the desired results.

BICSS

Bhagwandas K. Patel Managing Director

> "Positive belief in yourself will give you the energy needed to conquer the world and this belief is the power behind all creation."

#### **CORPORATE INFORMATION**

#### **BOARD OF DIRECTORS**

Bhagwandas K. Patel Managing Director Dashrathbhai P. Patel Whole Time Director Rameshbhai B. Patel Whole Time Director Dixitbhai B. Patel Whole Time Director Jagdishbhai S. Shah **Independent Director** Vishnubhai G. Patel Independent Director Shankarlal B. Mundra **Independent Director** Ashishbhai R. Joshi Independent Director

#### **COMMITTEES OF DIRECTORS**

#### **Audit Committee**

Ashishbhai R. Joshi Jagdishbhai S. Shah Bhagwandas K. Patel

## **Nomination and Remuneration Committee**

Shankarlal B. Mundra Jagdishbhai S. Shah Vishnubhai G. Patel

## **Stakeholders Relationship Committee**

Shankarlal B. Mundra Bhagwandas K. Patel

## **Corporate Social Responsibility Committee**

Bhagwandas K. Patel Jagdishbhai S. Shah Ashishbhai R. Joshi

## **Company Secretary**

Varsha Mehta

#### **Registered Office**

B-301, Satyamev Complex-1,
Opposite New Gujarat High Court,
S.G. Highway, Sola, Ahmedabad – 380060.
Telephone No.: 079-27663071/76

Fax No.: 079-27662176 Email: cs@dynemic.com Website: www.dynemic.com

#### **Plant Location**

Unit-1: 6401, 6402, 6415, 6416, 6400, 6400/1, GIDC Estate, Ankleshwar – 393 002.

Unit-2: 3709/6, 3710/1, 3710/3, GIDC Estate, Ankleshwar – 393 002.

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#### IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs ("MCA"), Government of India, through its Circular No. 17/2011 dated 21st April, 2011and Circular No. 18/2011 dated 29th April, 2011, has allowed companies to send Annual Report comprising of Balance Sheet, Statement of the Profit & Loss, Directors' Report, Auditors' Report and Explanatory Statement etc., through electronic mode to the registered e-mail address of the members. Keeping in view the underlying theme and the circulars issued by MCA, we propose to send future communications in electronic mode to the e-mail address provided by you to the depositories and made available by them being the registered address. By opting to receive communication through electronic mode you have the benefit of receiving communications promptly and avoiding loss in postal transit.

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#### TWENTYFOURTH ANNUAL GENERAL MEETING

DATE: September 11, 2014

DAY : Thursday TIME : 4.00 P.M.

PLACE: The White Leaf Hotel, 10/2, Opposite The Grand Bhagwati, S.G. Road, Bodakdev, Ahmedabad – 380 054.

3.G. Rodu, Boudkuev, Allilleudbau – 360 034.

NOTE: 1. Shareholders are requested to bring their copy of the Annual Report with them to the Annual General Meeting.

- No gifts or coupons would be given to the shareholders for attending the Annual General Meeting.
- 3. Members desirous of getting any information on any items of business of this Meeting are requested to address their queries to Ms. Varsha Mehta, Company Secretary at the Registered Office of the Company at least ten days prior to the date of the Meeting, so that the information required can be made readily available at the Meeting.



#### **DYNEMIC PRODUCTS LIMITED**

Regd. Office: B-301, Satyamev Complex-1, Opposite New Gujarat High Court, S.G. Highway, Sola, Ahmedabad – 380 060.

CIN: L99999GJ1990PLC013886

#### **NOTICE**

Notice is hereby given that the 24th Annual General Meeting of the Company will be held at The White Leaf Hotel, 10/2, Opposite The Grand Bhagwati, S.G. Road, Bodakdev, Ahmedabad – 380 054 on Thursday, 11<sup>th</sup> September, 2014, at 4.00 p.m. to transact the following business:

#### **Ordinary Business:**

- To receive, consider and adopt the Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2014 including audited Balance Sheet as at 31<sup>st</sup> March, 2014 and the Statement of Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
- 2. To declare dividend of Rs. 1.50 per Equity Share i.e. 15% per Equity Share for the year ended 31st March, 2014.
- 3. To appoint a Director in place of Shri Dashrathbhai P. Patel, (DIN 00008160), liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.
- 4. To re-appoint the Auditors and to fix their remuneration and in this regard pass with or without modification(s), the following resolution as an Ordinary Resolution:
  - **"RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (corresponding to Section 224 and other applicable provisions, if any, of the Companies Act, 1956), M/s Shah Rajesh & Associates, (Firm Registration No. 109767W), Chartered Accountants, be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting for the terms of three consecutive years (Financial years 2014-15, 2015-16 and 2016-17) till the conclusion of the 27<sup>th</sup> Annual General Meeting (after commencement of the Companies Act 2013), subject to ratification by the shareholders annually, at a remuneration to be decided by the Board of Directors based on the recommendation of the Audit Committee.

## **Special Business:**

- 5. 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, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Jagdish S. Shah (DIN 00037826), Director of the Company whose period of office is liable to determination by rotation and who, pursuant to the provisions of the Companies Act, 2013 (being an independent director) is no longer liable to retire by rotation and who in accordance with the Companies Act, 2013 is required to be appointed as an independent director and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March 2019."
  - "RESOLVED FURTHER THAT pursuant to the provisions of sections 149, 197 and any other Applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Jagdish S. Shah be paid such fees as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time."
- 6. 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, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Ashish R. Joshi (DIN 03373074), Director of the Company whose period of office is liable to determination by rotation and who, pursuant to the provisions of the Companies Act, 2013 (being an independent director) is no longer liable to retire by rotation and who in accordance with the Companies Act, 2013 is required to be appointed as an independent director and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March 2019."

"RESOLVED FURTHER THAT pursuant to the provisions of sections 149, 197 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Ashish R. Joshi be paid such fees as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time."



7. 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, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Shankarlal B. Mundra (DIN 00388204), Director of the Company whose period of office is liable to determination by rotation and who, pursuant to the provisions of the Companies Act, 2013 (being an independent director) is no longer liable to retire by rotation and who in accordance with the Companies Act, 2013 is required to be appointed as an independent director and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March 2019."

**"RESOLVED FURTHER THAT** pursuant to the provisions of sections 149, 197 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Shankarlal B. Mundra be paid such fees as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time."

8. 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, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Vishnubhai G. Patel (DIN 00270413), Director of the Company whose period of office is liable to determination by rotation and who, pursuant to the provisions of the Companies Act, 2013 (being an independent director) is no longer liable to retire by rotation and who in accordance with the Companies Act, 2013 is required to be appointed as an independent director and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March 2019."

"RESOLVED FURTHER THAT pursuant to the provisions of sections 149, 197 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Vishnubhai G. Patel be paid such fees as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time."

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

"RESOLVED THAT in supersession of the earlier resolution passed at the Extra Ordinary General Meeting of the members of the Company held on 1st October, 2005, pursuant to Section 180(1)(c) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 / Companies Act, 1956, consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow from time to time, for the purpose of the Company's business, such sum or sums of money, as they in their absolute discretion think fit, notwithstanding that the monies so borrowed together with the monies already borrowed by the Company and remaining outstanding at any point of time will exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose; Provided that the total amount up to which monies may be borrowed by the Board of Directors and which shall remain outstanding at any given point of time shall not exceed the sum of Rs. 150,00,00,000/- (Rupees One Hundred Fifty Crores only)."

10. 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 the resolution passed by the Shareholders of the Company at the Extra Ordinary General Meeting of the Company held on 1st October, 2005, pursuant to Section 180 (1) (a) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 / Companies Act, 1956, consent of the Company be and is hereby accorded to the Board of Directors of the Company for mortgaging and/or charging in such form and manner and on such terms and at such time(s) as the Board of Directors may deem fit, the movable and / or immovable assets and properties of the Company, wherever situate, present and future, whether presently belonging to the Company or not, in favour of any person including, but not limited to, financial / investment institution(s), bank(s), insurance company(ies), mutual fund(s), corporate body(ies), trustee(s) to secure the loans, borrowings, debentures, hire purchase and / or working capital facilities and other credit facilities up to a sum not exceeding Rs.150,00,00,00,000/- (Rupees One Hundred Fifty Crores only).

**RESOLVED FURTHER THAT** the Board of Directors or such Committee or person/(s) as may be authorized by the Board be and is hereby authorized to finalise the form, extent and manner of, and the documents and deeds, as may be applicable, for creating the appropriate mortgages and/or charges on such of the immovable and / or movable properties of the Company on such terms and conditions and at such time(s) / tranch(es) as may be decided by the Board of Directors in consultation with the lenders and for reserving the aforesaid right and for performing all such acts and things as may be necessary for giving effect to this resolution."



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

**"RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013, if any, consent of the Company be and is hereby accorded for entering into related party transactions by the Company with effect from 1<sup>st</sup> April, 2014 upto the maximum per annum amounts as appended below :-

(Rs. in lacs)

MAXIMUM VALUE OF CONTRACT / TRANSACTION (PER ANNUM) WEF 1 <sup>ST</sup> APRIL 2014			
Transactions defined u/s 188(1) of Companies Act, 2013		13	
Sale, purchase or supply of any goods, materials		Others	
NAME OF RELATED PARTIES :-			
DYNAMIC OVERSEAS (INDIA) PVT. LTD.	On actual basis. Exempted being in the ordinary		
SHAKTI INTERMEDIATES PVT. LTD.	course of business and on arm's length basis.		
DYNEMIC HOLDINGS PVT. LTD.	_	1.08	

**RESOLVED FURTHER THAT** to give effect to this Resolution the Board of Directors and / or any Committee thereof be and is hereby authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to the above Resolution and to do all acts, deeds, things, as may be necessary in its absolute discretion deem necessary, proper desirable and to finalize any documents and writings related thereto."

12. 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 73 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, and subject to such conditions, approvals, permissions, as may be necessary, consent of the members of the Company be and is hereby accorded to invite/accept/renew/receive money by way of unsecured deposits, or in any form, from members of the Company, in any form or manner, through circular, advertisement or through any other permissible mode, up to permissible limits prescribed under applicable provisions of law and on such terms and conditions as the Board of Directors of the Company in its sole discretion deem fit and necessary."

"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors and / or any Committee thereof be and is hereby authorized to do all such acts, deeds, things and matters as the Board of Directors and / or any Committee thereof may in its absolute discretion consider necessary, proper, expedient, desirable or appropriate for such invitation / acceptance / renewal / receipt as aforesaid."

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

**"RESOLVED THAT** pursuant to Section 197 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 (the 'Act') and subject to such other approvals, consents, sanctions and permissions as may be necessary, consent of the members of the Company be accorded to the Board of Directors of the Company to amend the terms and conditions of appointment of Managing Director, Shri Bhagwandas K. Patel.

By Order of the Board

Ahmedabad 31st July, 2014

Varsha R. Mehta Company Secretary

#### Notes

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. 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 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 a proxy for any other person or shareholder.
- 2. Proxies, in order to be effective, must be received at the Company's Registered Office not later than 48 hours before the commencement of the meeting.
- 3. The Register of Members and Share Transfer Books will remain closed from 2nd September, 2014 to 11<sup>th</sup> September, 2014 (both days inclusive), for the purpose of payment of Dividend, if declared.
- 4. Members are requested to note that as a measure of austerity, copies of Annual Report will not be distributed at the Annual General Meeting.
- 5. The Dividend, as recommended by the Board of Directors, if declared at the 24th Annual General Meeting, will be paid within the prescribed statutory period to those Members who hold Shares in physical form and whose name appears on the Company's Register of Members as holders of Equity Shares on 1st September, 2014.



In respect of Shares held in electronic form, to the Beneficial Owners of the Shares as at the close of business hours on 1<sup>st</sup> September, 2014, as per details to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited.

- 6. Members desirous of getting any information on any items of business of this Meeting are requested to address their queries to Ms. Varsha Mehta, Company Secretary at the Registered Office of the Company at least ten days prior to the date of the Meeting, so that the information required can be made readily available at the Meeting.
- 7. All documents referred to in the notice and annexures thereto along with other mandatory registers / documents are open for inspection at the registered office of the Company on all working days (except Saturdays and Sundays) between 11.00 a.m. to 1.00 p.m. prior to the date of Annual General Meeting.
- 8. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment / re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment / re-appointment.
- 9. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 which sets out details relating to Special Business at the meeting, is annexed hereto.
- 10. Electronic copy of the Annual Report for 2013-14 is being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2013-14 is being sent in the permitted mode.
- 11. Electronic copy of the Notice of the 24<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 24<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
- 12. Members may also note that the Notice of the 24<sup>th</sup> Annual General Meeting and the Annual Report for 2013-14 will also be available on the Company's website www.dynemic.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: cs@dynemic.com
- 13. The instructions for members for voting electronically are as under:-
  - (i) The voting period begins on Wednesday, September, 3, 2014 (9.00 am) and ends on Friday, September, 5, 2014 (6.00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, August 8, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) The shareholders should log on to the e-voting website www.evotingindia.com
  - (iii) Click on "Shareholders" tab.
  - (iv) Now Enter your User ID

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- a. For CDSL: 16 digits beneficiary ID,
- b. 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)	
	<ul> <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 folio/client id number in the PAN field</li> </ul>	
	<ul> <li>In case the folio 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 folio number 1 then enter RA00000001 in the PAN field.</li> </ul>	



DOB#	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.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.	
	<ul> <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 number of shares held by you as on the cut off date in the Dividend Bank details field.</li> </ul>	

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the Company Name Dynemic Products Limited on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non - Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to 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.
- After receiving the login details they have to create 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 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.
- (xix) 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 under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xx) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Friday, August 8, 2014.
- 14. Mr. Rajesh Shah, Chartered Accountant of M/s Shah Rajesh & Associates, (Membership No. 036232, FRN 109767W), 4, Third Floor, Rambha Complex, Opposite Gujarat Vidhyapith, Ashram Road, AHMEDABAD 380014 has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

## EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

## Item No. 5 to Item No. 8

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The Company had, pursuant to the provisions of clause 49 of the Listing Agreement entered with the Stock Exchange, appointed Mr. Jagdish S. Shah, Mr. Ashish R. Joshi, Mr. Shankarlal B. Mundra and Mr. Vishnu G. Patel, as Independent Directors of the Company at various times, in compliance with the requirements of the clause.

Mr. Jagdish S. Shah, Mr. Ashish R. Joshi, Mr. Shankarlal B. Mundra and Mr. Vishnu G. Patel, are Independent Directors whose period of office are liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. Under the Companies Act, 2013, it is required that independent directors not be liable to retire



by rotation and be appointed for a fixed term. Hence, the said Independent Directors are proposed to be appointed for a period as mentioned in the respective resolutions.

Mr. Jagdish S. Shah, Mr. Ashish R. Joshi, Mr. Shankarlal B. Mundra and Mr. Vishnu G. Patel, Independent 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 fulfill the conditions specified in the Companies Act, 2013 and rules framed thereunder for appointment as Independent Director and they are independent of the management.

Mr. Jagdish S. Shah, Mr. Ashish R. Joshi, Mr. Shankarlal B. Mundra and Mr. Vishnu G. Patel are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has received notices in writing from members alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of Mr. Jagdish S. Shah, Mr. Ashish R. Joshi, Mr. Shankarlal B. Mundra and Mr. Vishnu G. Patel for the office of Directors 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.

Copy of the draft letter for appointment of the above Directors setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Brief resume and other details of the Independent Directors whose appointment is proposed are provided in the annexure to the Explanatory Statement attached herewith.

Mr. Jagdish S. Shah, Mr. Ashish R. Joshi, Mr. Shankarlal B. Mundra and Mr. Vishnu G. Patel are deemed to be interested in the resolutions set out at Item no. 5 to 8 of the Notice with regard to their respective appointment.

The Board of Directors recommends the said resolution for your approval.

Save and except above, none of the other Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the above resolutions. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

#### Item No. 9

In terms of the resolution passed by the Shareholders at the Extra Ordinary General Meeting held on 1st October, 2005 pursuant to Section 293(1)(d) of the Companies Act, 1956, the Board of Directors of the Company is authorised to borrow upto a sum of Rs. 30 Crores over and above the paid-up share capital and free reserves of the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business). The Business Expansion proposal which is being carried out by the Company requires additional funds. Hence, the mobilization of the funds has been substantially increased. Therefore, it is considered desirable to increase the Board's borrowing powers from the existing limit of Rs. 30 Crores to Rs. 150 Crores over and above the paid-up share capital and free reserves of the Company. Accordingly, the consent of the Shareholders at the General Meeting is sought under Section 180 (1) (c) of the Companies Act, 2013.

Your Directors recommend passing the above resolution.

None of the Directors or Key Managerial Personnel of the Company is concerned or interested in the said resolution.

## Item No. 10

In terms of the resolution passed by the Shareholders at the Extra Ordinary General Meeting held on 1<sup>st</sup> October, 2005, pursuant to Section 293 (1) (a) of the Companies Act, 1956, consent of the Members was secured for authorizing the Board of Directors to create mortgage and / or charge on the immovable and movable properties of the Company upto Rs. 30 crores.

The Company would be borrowing monies by way of debentures, bonds, loans, hire purchase finance either in rupee or in foreign currency from Financial Institutions / Banks / Insurance Companies and other Corporate Bodies apart from working capital facilities from banks in ordinary course of business. This in turn would necessitate further creation of securities by suitable mortgages and / or charges on all or some of the immovable and movable properties of the Company, both present and future, in favour of the lenders / trustees upto an extent of Rs. 150 Crores. To create mortgage and / or charge upto the said limit, approval of the Members is required to be obtained pursuant to Section 180 (1) (a) of the Companies Act, 2013 authorizing the Board of Directors of the Company in this regard. Hence the resolution is placed before the Members for their approval.

Your Directors recommend passing the above resolution.

None of the Directors or Key Managerial Personnel of the Company is concerned or interested in the said resolution.

## Item No. 11

Transactions with Related Parties u/s 188 of the Companies Act, 2013

The provisions of Section 188(1) of the 2013 Act that govern the Related Party Transactions require a Company to obtain prior approval of the Board of Directors and in case the paid-up share capital of a company is Rs. 10 crores or more, the prior approval of shareholders by way of a Special Resolution.



In the light of provisions of the 2013 Act, the Board of Directors of your Company has approved the proposed transactions along with annual limits that your Company may enter into with its Related Parties (as defined under the 2013 Act) for the financial year 2014-15 and beyond.

All prescribed disclosures as required to be given under the provisions of the 2013 Act and the Companies (Meetings of Board and its Powers) Rules, 2014 are given here-in-below in a tabular format for kind perusal of the members.

(Rs. in lacs)

		· · · · · · · · · · · · · · · · · · ·
MAXIMUM VALUE OF CONTRACT / TRANSACTION (PER ANNUM) WEF 1ST APRIL 2014		
	Transactions defined u/s 188(1) of Companies Act, 2013	
	Sale, purchase or supply of any goods, materials	Others
NAME OF RELATED PARTIES :-		
DYNAMIC OVERSEAS (INDIA) PVT. LTD. – Subsidiary Company SHAKTI INTERMEDIATES PVT. LTD. – associate company (shareholding interest of directors u/s 102 of the	On actual basis. Exempted being in the ordinary course of business and on arm's length basis.	_
Companies Act, 2013: 41%)		_
DYNEMIC HOLDINGS PVT. LTD. – associate company (shareholding interest of directors u/s 102 of the Companies Act, 2013 : 72%)	_	1.08

- (a) Name of the related party and nature of relationship: As provided in table above.
- (b) Nature, duration of the contract and particulars of the contract or arrangement: On actual basis. Exempted being in the ordinary course of business and on arm's length basis.
- (c) Material terms of the contract or arrangement including the value, if any : As referred in point (b) above.
- (d) Any advance paid or received for the contract or arrangement, if any: NIL
- (e) Manner of determining the pricing and other commercial terms both included as part of contract and not considered as part of the contract: As described in above table
- (f) Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors: All factors have been considered.
- (g) Any other information relevant or important for the Board to take a decision on the proposed transaction: Nil

Members are hereby informed that pursuant to second proviso of section 188(1) of the 2013 Act, no member of the company shall vote on such special resolution to approve any contract or arrangement which may be entered into by the company, if such member is a related party.

The Board of Directors of your Company has approved this item in the Board Meeting held on 31st July, 2014 and recommends the Resolution as set out in the accompanying Notice for the approval of members of the Company as a Special Resolution.

Except Promoter Directors of the Company and their relatives, no other Director is concerned or interested in the resolution.

### Item No. 12:

The members are hereby apprised that the Company had been accepting deposits from its shareholders, employees, their relatives and other sections of public as permissible under the provisions of Companies Act, 1956 read with the corresponding Companies (Acceptance of Deposit) Rules, 1975, earlier in force.

However, with the commencement of Companies Act, 2013 ('the 2013 Act'), deposits are now governed by the new law and approval of shareholders is required by way of Ordinary Resolution for inviting / accepting / renewing deposits from members.

The Board of Directors of your Company has approved this item in the Board Meeting held on 31st July, 2014 and recommends the Resolution as set out in the accompanying Notice for the approval of members of the Company as an Ordinary Resolution.

None of the Directors or KMP of the Company or their relatives is concerned or interested in the Resolution except to the extent of their Deposit holding and / or their shareholding in the Company, if any.

## Item No. 13:

The Board of Directors, on the recommendation of the Remuneration Committee, at their meeting held on 29<sup>th</sup> December, 2010 had re-appointed Shri Bhagwandas K. Patel as Managing Director for the period of five (5) years with effect from 1<sup>st</sup> January, 2011 at such remuneration and terms and conditions of appointment and subsequently approved by members at Annual General Meeting held on 18<sup>th</sup> August, 2011.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, at their meeting held on 31st July, 2014 has approved to pay a Commission @ 2% of the net profit of the Company, as calculated for the whole financial year. All other terms and conditions of his appointment remains same.



Shri Bhagwandas K. Patel is promoter of the company. He has very wide and rich experience in the chemical industry. He is instrumental in the strategic decision-making. During the year he had contributed a lot in sales pertaining to local market.

None of the Directors or Key Managerial Personnel other than Shri Bhagwandas K. Patel, himself and Shri Dixit B. Patel, relative of him, are interested in the resolution of Item No. 13.

By Order of the Board

Ahmedabad 31<sup>st</sup> July, 2014

Varsha R. Mehta Company Secretary

## **Annexure to Notice**

Details of Directors seeking Appointment / Re-appointment

Name of Director	Date of Birth (No. of Share held)
Mr. Dashrath	01.06.1952
P. Patel	(6,77,875)
Mr. Jagdish	01.06.1956
S. Shah	(Nil)



## **DIRECTORS' REPORT**

Dear Shareholders,

Your Directors have pleasure in presenting the 24th Annual Report together with the audited accounts of the Company for the year ended March 31, 2014.

FINANCIAL RESULTS		(Amount in Rs.)
PARTICULARS	YEAR ENDED ON MARCH 31, 2014	YEAR ENDED ON MARCH 31, 2013
Sales And Other Operating Income	1,16,36,45,325	85,75,73,466
Other Income	37,09,855	73,08,739
(a) Total Income:	1,16,73,55,181	86,48,82,206
(b) Total Expenditure :	97,73,45,243	76,49,16,775
(c) Gross Profit :		
Before Interest, Depreciation & Amortisation Charges : (c) = (a) - (b)	19,00,09,938	9,99,65,431
Less: Interest	1,36,63,941	1,56,39,833
Gross Profit after Interest but before Depreciation and Amortisation Charges	17,63,45,997	8,43,25,598
Less: Depreciation & Amortisation Charges	1,81,06,075	1,74,95,161
Operational Profit / Profit Before Tax	15,82,39,921	6,68,30,437
Less: Current Tax	5,32,90,000	1,70,00,000
Deferred Tax	26,54,066	56,88,067
(Excess)/Short provision for taxes for earlier years	0	8,09,434
Profit After Tax	10,22,95,856	4,33,32,935
Add: Profit brought forward from previous year	16,42,92,535	14,31,89,434
Profit available for appropriation	26,65,88,391	18,65,22,370
Transfer to General Reserve	50,00,000	50,00,000
Proposed Dividend	1,69,92,674	1,47,26,984
Tax on Dividend	28,87,905	25,02,851
Balance Carried to Balance Sheet	24,17,07,813	16,42,92,535

## **DIVIDEND & RESERVES**

Your Directors are pleased to recommend dividend of 15% i.e. Rs. 1.50 each on 11328449 equity shares of Rs. 10/- each, for your final approval. The total outflow on dividend will be Rs. 1,69,92,674 and tax on dividend Rs. 28,87,905. The proposed dividend is tax free in the hands of shareholders. Appx. 5% of the Net Profit Rs. 50,00,000 has been transferred to General Reserves.

## **COMPANY'S OPERATIONS**

Information on operational and financial performance, etc. of the Company for the financial year is given in the Management Discussion and Analysis which is setout as Annexure B to the directors' Report.

#### **CREDIT RATING**

Company has got its credit rating through CRISIL, and CRISIL has assigned CRISIL BBB/Stable on the long-term and short-term bank facilities.

## **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

The particulars of the CSR committee constituted by the Company pursuant to the provisions of Section 135 of the Companies Act, 2013 and the rules forming part of the same are included in the Corporate Governance report annexed and forming part of this Annual Report

## **DIRECTORS**

Impending notifications of Section 149 and other applicable provisions of the Companies Act, 2013, your Directors are seeking appointment of Shri Jagdishbhai S. Shah, Shri Ashishbhai R. Joshi, Shri Shankarlal B. Mundra and Shri Vishnubhai G. Patel as Independent Directors for five consecutive years for a term upto 31<sup>st</sup> March, 2019. Details of the proposal for appointment of Shri Jagdishbhai S. Shah, Shri Ashishbhai R. Joshi, Shri Shankarlal B. Mundra and Shri Vishnubhai G. Patel are mentioned in the Explanatory Statement under Section 102 of the Companies Act, 2013 of the Notice of the 24<sup>th</sup> Annual General Meeting.

Pursuant to requirement of the Companies Act, 2013, Shri Dashrathbhai P. Patel shall retire at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

#### **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956 it is hereby confirmed:

• that in the preparation of the annual accounts for the financial year ended 31st March 2014, the applicable accounting standards have been followed and that there are no material departures;



- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit / loss of the Company for the year under review;
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- that the Directors have prepared the accounts for the financial year ended 31st March, 2014 on a going concern basis.

#### **CORPORATE GOVERNANCE**

In terms of clause 49 of listing agreement with the Stock Exchange, a certificate from Auditors of the Company on compliance of conditions of Corporate Governance is annexed to the Annual Report. A report on Corporate Governance as provided in clause 49 of the Listing Agreement is included in the Annual Report.

#### PARTICULARS OF EMPLOYEES

There was no employee drawing salary in excess of limits described under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

#### ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The information to be disclosed under Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in The Report of Board of Directors) Rules, 1988, are set out in Annexure A to this Report.

#### FIXED DEPOSITS

The company has complied with the provisions of Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975.

#### **INSURANCE**

The Company has made necessary arrangements for adequately insuring its insurable interests.

#### **COMPLIANCE OF SECTION 212 OF THE COMPANIES ACT, 1956**

The Ministry of Corporate Affairs, Government of India vide its General Circular No. 2/2011 dated 8<sup>th</sup> February, 2011 has granted a general exemption under Section 212(8) of the Companies Act, 1956 from attaching the accounts along with the report of the Board of Directors and Auditors as required by section 212(1) of the Companies Act, 1956 and as such the accounts of its Subsidiary, Dynamic Overseas (India) Pvt. Limited are not annexed herewith. The Board has reviewed the affairs of the said subsidiary.

The Company will provide the annual accounts of its subsidiary companies and the related detailed information on the specific request made by the shareholders and the said accounts are open for the inspection at the registered office of the Company during office hours on all working days, except Saturday and Sunday, between 11.00 a.m. to 1.00 p.m.

As required under Clause 32 of Listing Agreement with the Bombay Stock Exchange Limited and in accordance with the requirements of Accounting Standard AS-21, 23 & 27 issued by the ICAI, the Company has prepared Consolidated Financial Statements of the Company. The audited consolidated financial results include results of its subsidiary company Dynamic Overseas (India) Pvt. Ltd. and are included in Annual Report.

## **AUDITORS AND AUDITORS REPORT**

Your Company's auditors M/s Shah Rajesh & Associates, Chartered Accountants, are due to retire at the ensuing Annual General Meeting and are eligible for re-appointment.

The Company has received letter from M/s Shah Rajesh & Associates, Chartered Accountants, to the effect that their reappointment, if made, would be within the prescribed limits under Section 139(2) of the Companies Act, 2013 and that they are not disqualified for reappointment within the meaning of Section 141 of the said Act.

The Notes on Accounts referred to in the Auditors' report are self-explanatory and do not call for any further comments.

#### **COST-AUDITORS**

In compliance with the Central Government's Order dated November 06, 2012, your Board at the Board Meeting held on May 29, 2014 has re-appointed M/s. S.A. & Associates, Cost Accountants (Firm Registration Number 000347) to carry out the Cost Audit of the Company. However, the Cost Audit Branch of the Ministry of Corporate Affairs, Government of India is yet to make the said Order effective. Your Company will file e-Form 23C as and when the said e-Form 23C is modified by the Central Government in line with the aforesaid Order.

The Cost Audit Report of the Company for the financial year ended March 31, 2013 was filed by M/s. S.A. & Associates, with the Cost Audit Branch, Ministry of Corporate Affairs, Government of India on 26.09.2013.

#### UNCLAIMED DIVIDEND

During the year, dividend for the year 2005-06 remaining unclaimed amounting Rs. 78,902/- 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.

#### **ACKNOWLEDGEMENT**

The Board wishes to express appreciation and place on record its gratitude for the faith reposed in and co-operation extended to the Company by all customers, vendors, investors, bankers, insurance companies, consultants and advisors of the Company. Your Directors place on record their appreciation of the dedicated and sincere services rendered by the employees of the company.

For and on Behalf of the Board of Directors

Ahmedabad 29th May, 2014

Bhagwandas K. Patel Managing Director Dixitbhai B. Patel Director



## ANNEXURE A - TO THE DIRECTORS' REPORT

Statement of particulars as per Section 217(1) (e) read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2014.

#### I. CONSERVATION OF ENERGY:

- (a) Energy conservation measures taken:
  - The Company has adopted several energy conservation measures besides what had been carried out earlier. Periodical testing is being taken for each unit of power supply to verify that the energy consumed is minimized.
- (b) Additional Investments and Proposals, if any being implemented for reduction of consumption of energy: Not Planned at this stage.
- (c) Impact of the measures at (a) and (b) above :
  - Energy consumption has been optimized and cost of production to that extent is under control.
- (d) Total energy consumption and energy consumption per unit of production as per Form : A of the Annexure to the Rules in respect of Industries specified in the schedule thereto.

## II. TECHNOLOGY ABSORPTION:

Information on Technology absorption is given in the annexed Form: B.

#### **III. FOREIGN EXCHANGE EARNING AND OUTGO:**

	Current Year Rs.	Previous Year Rs.
Foreign Exchange earned	65,08,98,168	46,11,93,023
Foreign Exchange used	7,70,75,249	6,85,28,262

# FORM – A DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY:

## 1] Power and Fuel Consumption:

			2013-14		2012-13
i]	Electricity :				
	Purchase Units :	Units :	43,31,554	Units :	44,36,504
	Total Amount :	Rs.:	2,84,30,107	Rs.	2,81,38,912
	Rate / Unit :	Rs.	6.56	Rs.	6.34
ii]	Own (Diesel) Generator :				
	Total Ltrs. :	Ltrs.	27,355	Ltrs.	12,804
	Total Amount :	Rs.	15,80,458	Rs.	6,32,388
	Rate / Ltrs. :	Rs.	57.788	Rs.	49.39
iii]	Gas:				
	Total SCM :	SCM	25,70,554	SCM	24,21,831
	Total Amount :	Rs.	9,25,76,619	Rs.	7,16,64,925
	Rate / SCM:	Rs.	36.01	Rs.	29.59
Con	sumption per unit of production :				
1	Production : Dyes, Chemicals & Food Colours	Kgs.	59,35,926.183	Kgs.	54,00,603.940
2	Electricity	Units	0.730	Units	0.821
3	Diesel	Ltrs.	0.005	Ltrs.	0.002
4	Gas	SCM	0.433	SCM	0.448



# FORM – B TECHNOLOGY ABSORPTION

## 1. RESEARCH AND DEVELOPMENT (R & D)

1.	Specific areas in which R & D carried out by the Company	Dye Intermediates – Process Improvement
2.	Benefit derived as a result of R & D	The products are at development stage. The benefits will be derived in the next year.
3.	Future Plan of Action	To take the product process developed at R&D level to Pilot plant level and from that level to Plant level.
4.	Expenditure on R&D	Nil

## 2. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

(a)	Efforts, in brief, made towards technology absorption, adaptation and innovation.	<ul> <li>I. Company in order to fully utilize its multidimensional manufacturing capacity is always at the forefront to make the best use of its technical capability for better success.</li> <li>II. Continuous endeavor to improve Product Quality</li> </ul>
		& Process Yield.
(b)	Benefits derived as a result of the above efforts.	The Company is able to market its value added products in Domestic as well as International Market.
(c)	Details relating to imported technology.	Nil

#### For and on Behalf of the Board of Directors

Ahmedabad Sd/- Sd/29th May, 2014 Bhagwandas K. Patel Dixitbhai B. Patel
Managing Director Director

## CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S)

- 1] We have examined the Compliance of conditions of Corporate Governance by **Dynemic Products Limited (" the Company " )** for the year ended 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchange.
- 2] The compliance of conditions of corporate governance is the responsibility of the management .Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- 3] In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
- 4] As required by the Guidance Note issued by the Institute of Chartered Accountant of India we have to state that based on the report given by the Registrar of the Company to the Investor's Grievance Committee, as on 31st March, 2014, there were no investor grivence matter against the Company remaining unattended /pending for more than 30days.
- 5] We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For and on Behalf of the Board of Directors
For, SHAH RAJESH & ASSOCIATES
CHARTERED ACCOUNTS
FRN. 109767W

Place : Ahmedabad [RAJESH D. SHAH]
Date : 29/05/2014 PROPRIETOR
M. No. 036232



## ANNEXURE B - MANAGEMENT DISCUSSION AND ANALYSIS REPORT

## **Industry Structure & Development**

Food coloring, or color additive, is any dye, pigment or substance that imparts color when it is added to food or drink. They come in many forms consisting of liquids, powders, gels and pastes. Food coloring is used both in commercial food production and in domestic cooking. Due to its safety and general availability, food coloring is also used in a variety of non-food applications including cosmetics, pharmaceuticals, home craft projects and medical devices.

Our Company is into manufacturing of Food color, Lake color, D&C colors, Salt free dyes, Dye intermediates which is used as an essential ingredient of food, drug, cosmetic, personal care and FMCG industry.

## **Opportunities & Strengths**

Dynemic is a well established name in food colors business and our products are sold to big and small companies all over the world. Dynemic is capable of delivering bulk (FCL) quantities as per customer's schedule. Yet no order is too small. We know that all big customers were small once upon a time.

Around 70 percent of the Company's products are being exported world-wide including USA, UK, Germany, South America, Middle East, South East, South Africa, Indonesia, Thailand, Philippines, China, Brazil, Argentina, Chile etc. The Company has earned remarkable growth in its exports business over the years with excellent rapport with world-wide quality conscious buyers and attributed to customers satisfaction.

## Strengths:

Consistency in product quality is assured by our in-house Quality Assurance Department.

Custom made products as required by the specific end users developed by our sophisticated Research & Development Department.

Technical Support - Pre & Post Sales.

Prompt deliveries.

Different packaging as required by the customers.

Support for new product / application development. Competitive Prices.

#### **Threats, Risks and Concerns**

- Price volatility of key raw, packaging materials and fuels.
- Increasing competition
- Uncertainty in the economic environment
- Any change in the policies implemented by the governments of any countries which result in currency and interest rate
  fluctuations, capital restrictions, and changes in duties and tax that are detrimental to our business could adversely
  affect our operations, financial performance and future growth.

## **Financial Highlights**

## (a) Net Sales and Other Income

Sales during the year ended 31st March, 2014 were Rs. 11384 Lacs as against Rs. 8314 Lacs in the previous year, an increase of Rs. 3070 Lacs in comparison over the previous year. There was decrease in other income from Rs. 335 Lacs to Rs. 290 Lacs during the year.

## (b) Expenditure

The total expenditure increased from Rs. 7981 Lacs to Rs. 10091 Lacs for the year under review showing a increase of Rs. 2110 Lacs over the previous financial year.

## (c) Profit

Profit before tax increased from Rs. 668 Lacs to Rs. 1582 Lacs this year. The Company's net profit after tax is Rs. 1023 Lacs as compared to previous year Rs. 433 Lacs.

## Segment wise or Product wise performance as per Sect Standards and AS-17, Sec. 211

The Company is engaged in manufacturing and marketing of Dyes & Intermediates. There is only one reportable segment i.e. "Dyes & Dyes Intermediates". So the segment wise or product wise performance report is not given in the report.



## **Environmental & Hazardous Safety And Quality Assurance**

In pursuit of excellence towards sustainable development and to go beyond compliance, your Company continued to integrate its ISO:14001:2004, HACCP Code: 2003, ISO 9001:2008. Your Company is committed to ensuring the highest standards of environment management and strict compliance with regulatory requirements at all times. All the products manufactured by Dynemic meet the regulatory requirement of BIS, EU, FDA & WHO specification, also it fulfill criteria of Kosher & Halal Certification.

Dynemic had installed Multiple Effect Evaporator Plant (MEE) in both the units which had incurred capital cost of around Rs. 28 Lacs this year. This plant recycles maximum water waste which could be used again in process. The working cost of this plant for both the units, for whole year had incurred Rs. 4.60 crores which was 4.57 crores last year.

## **Internal Control Systems And its Adequacy**

Your Company has a comprehensive system of internal controls to safeguard the Company's assets against loss from unauthorized use and ensure proper authorization of financial transactions. The Company has an exhaustive budgetary control system to monitor all expenditures against approved budgets on an ongoing basis. The Company maintains a system of internal controls designed to provide assurance regarding the effectiveness and efficiency of operations, the reliability of financial controls and compliance with applicable laws and regulations as applicable in the various jurisdictions in which the Company operates.

#### **Human Resources**

Our employees are our most precious assets and we value their commitment. Relations with the employees at all levels remained cordial during the year. Your Company has 128 permanent employees as on 31st March, 2014.

## **Cautionary Statement**

Certain statements under "Management Discussion & Analysis" may be forward looking statement within the meaning of applicable securities laws and regulations. The forward looking statements are based on certain assumptions and expectations of future events. Actual results may differ materially from those expressed or implied from the statement since the Company's operations are influenced by many external and internal factors beyond the control of the Company.

For and on Behalf of the Board of Directors

Ahmedabad 29th May, 2014 Sd/-Bhagwandas K. Patel Managing Director



## **CORPORATE GOVERNANCE REPORT**

#### 1. Company's Philosophy on Corporate Governance

Your Company believes that adhering to global standards of Corporate Governance is essential to enhance shareholder value and achieve long term corporate goals. The Company's philosophy on Corporate Governance stresses the importance of transparency, accountability and protection of shareholder interests. The Board conducts periodic review of business plans, monitors performance and compliance to regulatory requirements.

#### 2. Board of Directors

The composition of the Board of Directors is as per Clause 49(I)(A) of BSE Listing Agreement and other required details are given below:

are given below .				Attendance				
Name	Category	1			Directorships	Othe		
			eetings	at the	in other	Mandatory		
			neld /	last	Indian Public	Committee**		
		at	tended	AGM	Companies*		membership as at	
					as at	31 <sup>st</sup> March	2014	
					31st March 2014			
		Held	Attended			Chairman	Member	
Bhagwandas K. Patel	MD-Executive	5	5	Yes	NIL	NIL	NIL	
DIN: 00045845	(Promoter )							
Dashrath P. Patel	WTD-Executive	5	5	Yes	NIL	NIL	NIL	
DIN: 00008160	(Promoter)							
Ramesh B. Patel	WTD-Executive	5	5	Yes	NIL	NIL	NIL	
DIN: 00037568	(Promoter)							
Dixit B. Patel	WTD-Executive	5	5	Yes	NIL	NIL	NIL	
DIN: 00045883	(Promoter)							
Jagdish S. Shah	NE-Independent	5	4	Yes	NIL	NIL	NIL	
DIN: 00037826								
Vishnu G. Patel	NE-Independent	5	4	Yes	NIL	NIL	NIL	
DIN: 00270413								
Shankarlal B. Mundra	NE-Independent	5	4	Yes	NIL	NIL	NIL	
DIN: 00388204								
Ashish R. Joshi	NE-Independent	5	3	No	NIL	NIL	NIL	
DIN: 03373074								

<sup>\*</sup> Excludes Directorships in private/foreign companies and companies incorporated under Section 25 of the Companies Act, 1956.

Minimum four Board meetings are held in each year. Apart from the four prescheduled Board meetings, the meetings are also convened by giving appropriate notice to address the specific needs of the Company.

During the Financial Year ended on 31st March, 2014, 5 (Five) meetings of the Board of Directors were held on the following dates:-

13th April, 2013, 25th May, 2013, 7th August, 2013, 13th November, 2013 and 14th February, 2014.

The time gap between any two board meetings was not more than 4 months.

### 3. Audit Committee

The Audit Committee comprised of 3 members viz: Shri Ashish R. Joshi, Shri Jagdish S. Shah and Shri Bhagwandas K. Patel. Generally Shri Ashish R. Joshi, chairs the meetings of the Committee. The terms of reference of the Audit Committee are as set out in Clause 49 of the Listing Agreement with the Stock Exchanges, under the Companies Act and with any other applicable laws.

During the financial year 2013-14, the Committee met four times on 25.05.2013, 07.08.2013, 13.11.2013 and 14.02.2014. Except Shri Ashish R. Joshi, Shri Jagdish S. Shah and Shri Bhagwandas K. Patel attended all meetings. The Statutory Auditor is invited to attend the meetings of the Committee. The Company Secretary of the Company acts as the Secretary of the Committee.

## 4. Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprised of 2 members viz: Shri Shankarlal B. Mundra and Shri Bhagwandas K. Patel. The constitution and terms of reference of the Committee are set out in compliance with the requirements of clause 49 of the listing agreement.

Represents Membership/Chairmanship of the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee of other Companies.

P MD – Managing Director, WTD – Whole Time Director, NE – Non Executive.



During the financial year 2013-14, the Committee met Three times on 16.07.2013, 26.07.2013 and 13.12.2013 at registered office of the Company. All the Committee members attended all the meetings The Company Secretary, Ms. Varsha Mehta, is the Compliance Officer.

During the financial year, 5 complaints were received and all complaints were resolved. As of 31<sup>st</sup> March, 2014, NIL complaints were pending, which were replied to / resolved within a period of one month.

#### 5. Nomination and Remuneration Committee

The Nomination and remuneration committee has 3 non-executive, Independent Directors as members viz : Shri Shankarlal B. Mundra, Shri Jagdish S. Shah and Shri Vishnubhai G. Patel.

One meeting was held during the year 2013-14 on 25.05.2013 and attended by all members. Shri Shankarlal B. Mundra chairs the meetings. The terms of reference of Nomination and Remuneration Committee include review, determination, increase / decrease and approval of remuneration, determination of terms of appointment, Company's policy for specific remuneration packages, etc. for the Executive and other Directors.

#### **Remuneration to Directors**

Non-Executive Directors

The Non-Executive Directors do not draw any remuneration from the Company except for sitting fees. The Non-Executive Directors are paid sitting fees at the rate of Rs. 4,000/- for attending each meeting of the Board of Directors. The sitting fees paid to the Directors for the year ended on 31st March 2014 are as follows: Shri Jagdish S. Shah Rs. 16000/-; Shri Shankarlal Mundra Rs. 16000/-; Shri Vishnubhai G. Patel Rs. 16000/-; Shri Ashishbhai R. Joshi Rs. 12000/-.

Executive Directors (Updated for executive only)

The salary, perquisites and allowances paid for the year ended March 31, 2014 to Executive Directors are:

Name of Director	Salary	Perquisites & Allowances	Total
Mr. Bhagwandas K. Patel	1888932	152895	2041827
Mr. Dashrath P. Patel	1399200	113255	1512455
Mr. Ramesh B. Patel	1749012	141569	1890581
Mr. Dixit B. Patel	1089012	86591	1175603

There is no other pecuniary relationship or transaction by the Company with Non Executive Directors.

The Company does not have any scheme for grant of stock option to its Directors or Employees.

#### 6. Corporate Social Responsibility Committee

Considering the requirements of the Companies Act, 2013, the Board of Directors of the Company at its meeting held on May 29, 2014 constituted the Corporate Social Responsibility (CSR) Committee comprising of Shri B K Patel as Chairman and Shri Jagdish Shah and Shri Ashish Joshi as other members. The said committee has been entrusted with the responsibility of formulating and recommending to the Board a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and rules made there under, and the amount to be spent on CSR activity.

## 7. General Body Meeting

#### (a) Annual General Meetings

The date, time and venue of the last three Annual General Meetings and special resolutions passed at the meetings are given below:

Year	Category – Date and Time	Venue	Special Resolutions passed
2012-13	Annual General Meeting	The White Leaf Hotel, 10/2, Opposite	No
	20 <sup>th</sup> September, 2013	The Grand Bhagwati, S.G. Road,	
	at 3.00 p.m.	Bodakdev, Ahmedabad – 380054.	
2011-12	Annual General Meeting	Highland Park, The Restaurant, 1st Floor,	No
	21st September, 2012	Vrundavan Complex, Opp. Chinmay Tower,	
	at 3.00 p.m.	Gurukul Road, Memnagar,	
		Ahmedabad – 380052.	
2010-11	Annual General Meeting	Dinner Bell – II, Atlantis Enclave,	(1) Increase in Remuneration of
	18 <sup>th</sup> August, 2011	Nr. IDBI Bank, Subhash Chowk, Gurukul,	Mr. Mukesh Patel, Export
	at 4.00 p.m.	Memnagar Road, Ahmedabad – 380052.	Manager.

During the year under review no resolution(s) were transacted through Postal Ballot. At the ensuing annual general meeting there are no resolutions proposed to be put through postal ballot.

## 8. Disclosures:

- i. The Managing Director have certified to the Board of full compliances as per clause 49(V) of the listing agreement for the financial year ended 31st March, 2014.
- ii. There were no instances of non-compliance on any matter related to the capital markets, during the last three years.



- iii. There were no materially significant transactions with promoters, directors or the management, their subsidiaries or relatives that may have potential conflict with the interest of the Company at large. A disclosure of all related party transactions has been presented in the Note No. 29.3, Notes to the accounts of this Annual Report.
- iv. The Company has adopted accounting treatments which are prescribed by the Accounting Standards.
- v. The quarterly / half yearly financial statements are available on Company's and BSE's website and being published in Financial Express and Indian Express.
- vi. **CEO / CFO certification**: The Managing Director has certified to the Board with respect to the financial statement, internal controls and other matters as required by Clause 49 of the Listing Agreement with the Stock Exchange.

#### 9. Means of communication

- i. The quarterly/half yearly financial statements are announced within 45 days of the end of the quarter and are regularly submitted / published to Stock Exchange in accordance with the Listing agreement.
- ii. The Company has its official website namely www.dynemic.com which is providing all the product related and general information about the Company. The Company is regular in submitting all the relevant information with BSE and updating in website as per clause 54 of Listing Agreement.
- iii. Management Discussion and Analysis Report, in compliance with the requirements of clause 49 of the listing agreement with Stock Exchange, is annexed to the Directors' Report which forms part of the Annual Report being sent to all the members of the Company.
- iv. The Company has not issued any ADR/GDR.

#### 10. General Shareholders' Information

i. Date of Book Closure: - From 2nd September, 2014 to 11th September, 2014 (both days inclusive) for Annual General Meeting and payment of final dividend.

## ii. Financial Calendar 2014-2015 :- (tentative schedule)

Financial year : 1st April 2014 to 31st March 2015.

Board meetings for approval of quarterly results

Quarter ended on June 30, 2014 : On or before 14<sup>th</sup> August, 2014

Quarter ended on September 30, 2014 : On or before 15<sup>th</sup> November, 2014

Quarter ended on December 31, 2014 : On or before 14<sup>th</sup> February, 2015

Quarter ended on March 31, 2015 : On or before 30<sup>th</sup> May, 2015 (Audited)

Annual General Meeting for the year 2014-15 : In accordance with Section 96 of Companies Act, 2013.

#### iii. Dividend payment :-

The Board of Directors at their meeting held on 29/05/2014 recommended a final dividend of Rs. 1.50 per equity share on the face value of Rs. 10/- each for the financial year 2013-2014, subject to approval of the shareholders. Final dividend, if approved by the shareholders will be paid within prescribed statutory period.

#### iv. Listing of equity shares on Stock Exchanges :-

The equity shares of the Company are listed at Bombay Stock Exchange Limited. The Company has paid the annual listing fees for the financial year 2014-15.

v. Stock code:- BSE : 532707

ISIN: INE256H01015

### vi. Dematerializational Information :-

As on 31st March 2014, 95.93 % of the Company's total shares, i.e. 10866838 no. of shares were held in dematerialized form and 4.07 % i.e. 461611 shares were held in physical form.

#### viii. Custodial Fees to Depositories :-

The annual custodial fees for the Financial Year 2014-15 has been paid to National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

#### ix. Registrar & Share Transfer Agent :-

The Company has appointed Bigshare Services Pvt. Ltd. as the Share Transfer Agent. For any assistance, request or instruction regarding transfer or transmission of shares, dematerialization of shares, change of address, non-receipt of annual report and any other query relating to the shares of the Company, please write to the following address:

#### Bigshare Services Pvt. Ltd.

E-2 & 3, Ansa Industrial Estate, Saki-Vihar Road, Sakinaka, Andheri(E), Mumbai - 400 072.

Tel: 91-022-40430200, Fax: 91-22-2847 5207, E-mail: investor@bigshareonline.com

## x. Share Transfer System :-

The Company's shares are traded on the Stock Exchange compulsorily in dematerialized mode. Physical shares, which are lodged for transfer with the Transfer Agent are processed and returned to the shareholders within stipulated time.



## xi. Share Market Price data :-

The Monthly High and Low prices and volumes of Dynemic Products Limited at Bombay Stock Exchange Limited for the year ended on 31st March, 2014 are as under :-

Month	Monthly High	Monthly Low	No. of Shares Traded
April'13	17.20	14.60	77,967
May'13	18.44	14.00	1,21,651
June'13	17.40	13.50	29,991
July'13	16.60	14.10	86,836
August'13	15.90	13.15	1,21,173
September'13	15.70	13.10	1,89,989
October'13	15.15	13.49	95,094
November'13	18.00	14.35	1,40,613
December'13	20.00	17.20	94,596
January'14	23.95	19.50	4,58,371
February'14	31.50	19.50	9,74,093
March'14	31.40	26.40	3,63,288

## xii. Distribution of Shareholding as on 31st March, 2014

No. of Equity shares held	No. of share holders	% of shareholders	No. of shares held	% of holding
1 – 500	6992	83.68	12,67,204	11.19
501 – 1000	501	5.99	4,18,141	3.69
1001 – 2000	369	4.42	5,72,041	5.05
2001 – 3000	145	1.73	3,83,951	3.39
3001 – 4000	60	0.72	2,19,290	1.93
4001 - 5000	75	0.90	3,50,157	3.09
5001 – 10000	105	1.26	7,84,677	6.93
10001 & above	109	1.30	73,32,988	64.73
TOTAL	8356		1,13,28,449	

Shareholding pattern of the Company as on  $31^{\text{st}}$  March, 2014

Cate	egory		No. of Shares	% of Shares
Α	Pro	moter's Holding		
	1	Indian Promoters	4749726	41.93
	2	Foreign Promoters	_	_
		Sub Total	4749726	41.93
В	Pub	olic Shareholding		
	1	Institutions		
	2	Non-Institutions		
		Private Corporate Bodies	502965	4.44
		Indian Public	5916686	52.23
		NRIs / OCBs	133097	1.17
		Directors	_	_
		Clearing Members	25975	0.23
	Sub	Total	6578723	58.07
	GRA	AND TOTAL	11328449	100.0000

## xiii. Details of Shares held by Non-Executive Directors as on 31st March, 2014

Name of the Non-Executive Director	Shares Held
Mr. Jagdish S. Shah	Nil
Mr. Vishnubhai G. Patel	Nil
Mr. Shankarlal B. Mundra	Nil
Mr. Ashish R. Joshi	Nil



#### xiv. Details of unclaimed shares in terms of Clause 5A(I) of listing agreement as on 31st March, 2014

Particulars	No. of Shareholders	No. of shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e. as on April 1, 2013	3	450
Number of shareholders who approached to Issuer / Registrar for transfer of shares from suspense account during the year 2013-14	3	450
Number of shareholders to whom shares were transferred from suspense account during the year 2013-14	3	450
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e. as on March 31, 2014	3	450

that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

#### xv. Plant Location

Unit-1: 6401, 6402, 6415, 6416, 6400, 6400/1 GIDC Estate, Ankleshwar - 393 002.

Unit-2: 3709/6, 3710/1, 3710/3, GIDC Estate, Ankleshwar - 393 002.

## xvi. Information pursuant to Clause 32 of the Listing Agreement :-

Loans and Advances in the nature of loan to subsidiaries :

Name of the Company	Balance as at 31st March, 2014	Maximum outstanding during the year
	NIL	NIL

#### xvii. Investor Correspondence:-

All enquiries, clarification and correspondence should be addressed to the Company Secretary and Compliance Officer at the registered office of the Company :-

#### Ms. Varsha Mehta

Dynemic Products Limited

B-301, Satyamev Complex-1, Opp. New Gujarat High Court, S.G. Road, Ahmedabad - 380060.

Tel. Nos.: 079-27663071/76, Fax No.: 079-27662176 Email: cs@dynemic.com

## For and on Behalf of the Board of Directors

Ahmedabad 29th May, 2014 Sd/-Bhagwandas K. Patel Managing Director

## CONFIRMATION ON CODE OF CONDUCT

This is to confirm that the Board has laid down a code of conduct for all Board members and senior management of the Company. It is further confirmed that all directors and senior management personnel of the Company have affirmed compliance with the code of conduct of the Company as at March 31, 2014, as envisaged in Clause 49(I)(D) of the Listing Agreement.

For and on Behalf of the Board of Directors

Ahmedabad 29th May, 2014 Sd/-Bhagwandas K. Patel Managing Director



## INDEPENDENT AUDITOR'S REPORT

To
The Members of, **Dynemic Products Limited** 

#### Report on the Financial Statements

We have audited the accompanying financial statements of DYNEMIC PRODUCTS LIMITED ("The Company"), which comprise the Balance Sheet as at March 31, 2014, 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 Financial Statements

Management is responsible for the preparation of these 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 Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"), read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 misstatements.

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 judgement, 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the finacial statements.

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

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the 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, 2003 ("the Order") issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2. As required by Section 227(3) of the Act, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary were necessary for the purpose 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 the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013
  - e. On the basis of the written representations received from the directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act.

For, SHAH RAJESH & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN. 109767W

[RAJESH D. SHAH ] PROPRIETOR M. No. 036232

Place : Ahmedabad Date : 29/05/2014



#### ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in Paragraph 1 under the heading of "Report on other legal and regulatory requirements" of our report of even date)

- 1 (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets;
  - (b) Fixed Assets have been physically verified by the management periodically in a phased manner and no material discrepancies have been noticed on physical verification as confirmed by the management;
  - (c) The Company has not disposed off any substantial part of its fixed assets so as to affect its going concern.
- 2 (a) As explained to us, inventories have been physically verified by the management, except for minor items and the inventories lying with outside parties which have been confirmed by them;
  - (b) The procedures as explained to us, which are followed by the management for physical verification of the inventories, are, in our opinion, reasonable and adequate in relation to the size of the company and the nature of business;
  - (c) The company has maintained proper records of inventories. No material discrepancies were noticed on physical verification.
- 3 (a) The Company has not granted any loans, secured or unsecured from companies, firms or othe parties covered in the register maintained under section 301 of the Companies Act, 1956. Consequently clauses 4 (iii) (e) to 4(iii) (g) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
  - (b) The Company has taken unsecured loan from the concern in which directors are interested as listed in register maintained under section 301 of the Companies Act, 1956 as under:

Sr. No.	Name of the Unit	Amount involved (Max.balance) Rs.	Closing Bal As on 31-3-14 Rs
Α	Subsidiaries:-		
	Dynamic Overseas (I) Pvt.Ltd.	6100000	0

- (c) According to the information and explanation given to us, interest is paid on the advances/ loans taken, however other terms and conditions of the loans taken from the concerns in which directors are interested as listed in the register maintained under section 301 of the Companies Act, 1956 are primafacie not prejudicial to the interest of the company.
- (d) According to information and explanation given to us and on the basis of the examination of the books of accounts, the loans have been fully repaid within the year to the concern in which Directors are interested as listed in the register maintained under Section 301 of the Companies Act, 1956, so other terms and conditions regarding the repayments are not applicable.
- 4 In our opinion and according to the information and explanation given to us, there are generally adequate internal control procedures commensurate with the size of the company and the nature of the business, for the purchase of inventory and fixed assets and for sale of goods and services. During the course of our audit no major weakness has been noticed in the internal control system.
- On the basis of the audit procedure performed by us and according to the information, explanation and representation given to us, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Act, have been entered in the register required to be maintained under that section.
  - (b) In our opinion and according to the information and explanation given to us, the transaction made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time as per the information available with the company.
- In our opinion and according to the information and explanation given to us, the company has complied with the provisions of Section 58A,58AA or any relevant provisions of the Companies Act and its Rules and also the directives of Reserve Bank of India with regard to acceptance of deposits from the public. Since the company has not defaulted in repayments of deposits, compliance of Section 58AA or obtaining any order from Company Law Tribunal or National Company Law Tribunal or Reserve Bank of India or any other Court or any other Tribunal does not arise.
- 7 The Company has an Internal Audit System, which in our opinion is commensurate with the size and the nature of the business.
- We have broadly reviewed the accounts and records maitained by the company pursuant to the Rules made by the Government for the maintenance of the cost records under section 209 (1) (d) of the Companies Act, and we are of the opinion that prima facie the prescribed accounts and records have been maintained. We have not however, made detailed examination of the records with a view to determine whether they are accurate and complete.



- 9 (a) According to the information and explanation given to us and on the basis of our examination of books of accounts, the Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Sales Tax, Income Tax, Custom Duty, Excise Duty, Wealth tax, Service tax and other statutory dues with the appropriate authorities;
  - (b) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Vat Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2014 for a period of more than six months from the date of becoming payable. According to the information and explanations given to us, all the disputed amounts payable in respect of the aforesaid dues were deposied with appropriate authorities, when they become due, except the following, which are pending before appropriate authorities:-

Sr. no	Name of the Statute	Nature of Dues	Amount Rs.	Period to which matter relates	Forum where dispute is pending
1	Central Excise Act, 1944	Service Tax & Excise Duty	3023695	Various years from 2007-08 to 2013-14	Appeal pending with commissioner appeal-Surat
2	Central Excise Act, 1944	Service Tax & Excise Duty	431418	Various years from 2005-06 to 2012-13	Appeal pending with commissioner appeal-Ankleshwar
3	Central Excise Act, 1944	Service Tax & Excise Duty	123992	2004-05 & 2005-06	Appeal pending with CESTAT Ahmedabad

- 10 The Company does not have any accumulated losses and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- 11 According to the information and explanation given to us, the company has not defaulted in repayment of dues to financial institutions and banks.
- 12 According to the information and explanation given to us, the company has not granted any loans or advances on the basis of security by way of pledge of Shares, Debentures and other Securities.
- 13 The company is not a chit fund or a nidhi /mutual benefit fund/society.
- 14 The company is not in business of dealing or trading in shares. Accordingly, clause 4(xiv) of the Order is not applicable to the company.
- According to the information and explanation given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- 16 Based on the information and explanation given to us by the management, term loans were applied for the purpose for which the loans were taken.
- 17 On the basis of our overall examination of the Financial Statements of the Company and after placing reliance on the reasonable assumptions made by the company for classification of long term and short term usages of funds, the funds raised on short-term basis have not been used for long-term investment.
- According to the information and explanation given to us, the company has not made any preferential allotment of shares, during the year under Audit, to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- 19 The Company has not issued any Debenture and has not created any security or charge in respect of Debenture.
- 20 The company has not raised any monies by way of public issue during the year.
- 21 According to the information and explanation given to us and to the best of our knowledge and belief, no fraud on or by the company has been noticed or reported by the company during the year.

For, **SHAH RAJESH & ASSOCIATES**CHARTERED ACCOUNTANTS
FRN. 109767W

[RAJESH D. SHAH ]
PROPRIETOR
M. No. 036232

Place : Ahmedabad Date : 29/05/2014



## **BALANCE SHEET AS AT 31 ST MARCH 2014**

No.		1	ote 31/03/2014		31/03/2013	
			Rupees	Rupees	Rupees	Rupees
A.	<b>EQUITIES AND LIABILITIES:</b>					
	1 SHAREHOLDER'S FUNDS:					
	[a] Share Capital	1	11,32,84,490		11,32,84,490	
	[b] Reserves and surplus	2	37,56,05,834	48,88,90,324	29,31,90,556	40,64,75,046
	2 NON CURRENT LIABILITIES:					
	[a] Long-term borrowings	3	3,04,01,347		36,69,079	
	[b] Deferred tax liabilities (net)		5,23,85,486		4,97,31,419	
	Refer Note No. 29.5					
	[c] Other long-term liabilities	4	22,818		4,97,734	
	[d] Long Term Provisions		0	8,28,09,651	0	5,38,98,232
	3 CURRENT LIABILITIES:					
	[a] Short Term Borrowings	5	23,01,85,377		20,26,51,644	
	[b] Trade Payables	6	7,86,27,848		5,68,95,176	
	[c] Other current liabilities	7	2,41,45,731		1,39,16,456	
	[d] Short Term Provisions	8	7,41,19,977	40,70,78,934	3,50,38,320	30,85,01,595
	TOTAL - EQUITY AND LIABILITIES			97,87,78,909		76,88,74,873
В.	ASSETS:					
	1 NON CURRENT ASSETS :					
	[a] Fixed Assets	9				
	(i) Tangible Assets		31,27,54,422		32,09,81,927	
	(ii) Intangible Assets		11,19,397		11,20,660	
	Net Block		31,38,73,820		32,21,02,587	
	Capital Work in Progress		9,26,50,103		0	
			40,65,23,923		32,21,02,587	
	[b] Non Current Investments	10	3,75,66,010		3,76,05,613	
	[c] Long-term loans and advances	11	1,30,88,614		1,13,69,510	
	[d] Other non-current assets	12	8,82,321	45,80,60,868	16,94,957	37,27,72,667
2	CURRENT ASSETS:					
_	[a] Current investments	13	0		12,28,315	
	[b] Inventories	14	16,64,48,844		16,40,82,181	
	[c] Trade receivables	15	19,87,77,451		13,45,85,557	
	[d] Cash and cash equivalents	16	90,91,888		57,20,480	
	[e] Short-term loans and advances	17	13,75,26,861		8,49,94,928	
	[f] Other current assets	18	88,72,996	52,07,18,041	54,90,745	39,61,02,206
	TOTAL - ASSETS		, ,,===	97,87,78,909	,,,,,,	76,88,74,873
Sign	ificant Accounting Policies			2.,0.,.0,000		. 0,00,1 .,010
_	es on Financial Statements	1 to 29				

As per our Report of even date For: DYNEMIC PRODUCTS LIMITED For: SHAH RAJESH & ASSOCIATES **CHARTERED ACCOUNTANTS** (B. K. Patel) Managing Director FRN. 109767W (D. P. Patel) Director (Rajesh. D. Shah) (R. B. Patel) Director **PROPRIETOR** M. No. 036232 (D. B. Patel) Director Place: Ahmedabad (Varsha Mehta) Company Secretary Date: 29/05/2014



## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31-3-2014

Sr.	Particulars	Note	31/0	31/03/2014		/2013
No.			Rupees	Rupees	Rupees	Rupees
	REVENUE					
A.	[a] SALES OF PRODUCTS		1,22,31,03,037		90,96,68,913	
	[b] OTHER OPERATING INCOME	19	2,52,66,774		2,62,22,893	
			1,24,83,69,811		93,58,91,806	
	LESS:- EXCISE DUTY		8,47,24,486		7,83,18,340	
	INCOME FROM OPERATIONS			1,16,36,45,325		85,75,73,466
	[c] OTHER INCOME	20		37,09,855		73,08,739
	TOTAL REVENUE Rs.			1,16,73,55,181		86,48,82,206
В.	EXPENSES:					
	[a] Cost of Materials Consumed	21		59,75,34,074		48,19,46,214
	[b] Purchases of Stock-in-Trade			6,81,73,408		4,28,29,801
	[c] Changes in Inventories	22		(5,00,724)		(73,96,993)
	[d] Employee Benefits Expenses	23		3,76,69,068		3,32,53,737
	[e] Finance Costs	24		1,36,63,941		1,56,39,833
	[f] Depreciation & Amortisations			1,81,06,075		1,74,95,161
	[g] Other Exps:-					
	Other Manufacturing Exps.	25	21,22,16,879		17,78,80,386	
	Repairs & Maintenance	26	2,16,40,369		1,23,78,738	
	Administrative, Selling & Other Exps.	27	4,06,12,169	27,44,69,417	2,40,24,892	21,42,84,016
	TOTAL EXPENSES Rs.			1,00,91,15,259		79,80,51,769
	Profit before Taxation			15,82,39,921		6,68,30,437
	Less: Provision for Taxation					
	Current Tax			5,32,90,000		1,70,00,000
	Deferred Tax			26,54,066		56,88,067
	Add/ (Less):- Taxation of earlier years					
	(Refunds/Paid)			0		8,09,434
16	Net Profit for the Year			10,22,95,856		4,33,32,936
	Earning Per Share					
	Basic			9.03		3.83
	Diluted			9.03		3.83
	ificant Accounting Policies	4. 55			I	
Not	es on Financial Statements	1 to 29				

As per our Report of even date For: DYNEMIC PRODUCTS LIMITED For: SHAH RAJESH & ASSOCIATES **CHARTERED ACCOUNTANTS** (B. K. Patel) **Managing Director** FRN. 109767W (D. P. Patel) Director (Rajesh. D. Shah) (R. B. Patel) Director **PROPRIETOR** M. No. 036232 (D. B. Patel) Director Place: Ahmedabad (Varsha Mehta) Company Secretary Date: 29/05/2014



# CASH FLOW STATEMENT FOR THE YEAR ENDED 31/03/2014

Sr.	PARTICULARS	31/3/2014	31/3/2013
A ]	CASH FLOW FROM OPERATING ACTIVITIES		
	NET PROFIT BEFORE TAX & EXTRA		
	ORDINARY ITEMS	15,82,39,921	6,68,30,437
	ADJUSTMENTS FOR :-		
	Depreciation & Amortisations	1,81,06,075	1,74,95,161
	DEPRECIATION WRITTEN BACK	(29,61,673)	(14,05,662)
	DIMINUTION IN THE VALUE OF INVESTMENTS	(34,23,970)	(1,32,178)
	FINANCE COSTS	1,36,63,941	1,56,39,833
	PROFIT/LOSS ON SALE/REPLACEMENT OF FIXED ASSETS	19,23,398	20,54,550
	INTEREST/ DIVIDEND/CAPITAL GAINS INCOME	(37,09,855)	(73,08,739)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	18,18,37,837	9,31,73,402
	ADJUSTMENTS FOR :-		
	TRADE RECEIVABLES	(6,39,07,135)	37,13,991
	INVENTORIES	(23,66,663)	(1,80,35,125)
	TRADE PAYABLES	3,33,52,303	(96,88,121)
	LOANS, ADVANCES & OTHER RECEIVABLES	(2,50,80,715)	33,81,831
	CASH GENERATED FROM OPERATIONS	12,38,35,628	7,25,45,978
	DIRECT TAXES PAID	(4,77,87,379)	(1,57,66,030)
	NET CASH FROM OPERATING ACTIVITIES	7,60,48,249	5,67,79,948
B ]	CASH FLOW FROM INVESTING ACTIVITIES		
	PURCHASE OF FIXED ASSETS	(10,57,84,014)	(2,62,03,565)
	SALE OF FIXED ASSETS	13,33,204	10,34,513
	SALES OF INVESTMENTS	46,91,888	(17,85,127)
	INCOME TAX REFUND/ PAID FOR EARLIER YEARS	0	(8,09,434)
	INTEREST/ DIVIDEND/CAPITAL GAINS INCOME RECEIVED	37,09,855	73,08,739
	NET CASH USED IN INVESTING ACTIVITIES	(9,60,49,067)	(2,04,54,874)
c ]	CASH FLOW FROM FINANCING ACTIVITIES		
	PROCEEDS FROM BORROWINGS	5,42,66,002	(17,98,645)
	INTEREST & FINANCIAL CHARGES PAID	(1,36,63,941)	(1,56,39,833)
	DIVIDEND & DIVIDEND TAX PAID	(1,72,29,835)	(1,71,16,069)
	NET CASH USED FROM FINANCING ACTIVITIES	2,33,72,226	(3,45,54,547)
D ]	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	33,71,408	17,70,527
E ]	CASH AND CASH EQUIVALENTS(OPENING)	57,20,480	39,49,953
F]	CASH AND CASH EQUIVALENTS(CLOSING) ( D + E )	90,91,888	57,20,480

As per our Report of even date For: SHAH RAJESH & ASSOCIATES

CHARTERED ACCOUNTANTS

FRN. 109767W

(Rajesh. D. Shah) PROPRIETOR M. No. 036232

Place: Ahmedabad Date: 29/05/2014 For: DYNEMIC PRODUCTS LIMITED

(B. K. Patel) Managing Director

(D. P. Patel) Director

(R. B. Patel) Director

(D. B. Patel) Director

(Varsha Mehta) Company Secretary



#### **Significant Accounting Policies:**

#### 1] BASIS OF PREPARATION OF FINANCIAL STATEMENT & ACCOUNTING :-

- (i) The Annual Accounts have been prepared on the Historical cost basis and confirms to the statutory provisions of Companies Act, 1956 and General Accounting practices prevailing in the country, and the Accounting Standards issued by the Institute of Chartered Accountants of India and the guidelines issued by the Securities and Exchange Board of India.
- (ii) The Accounts have been prepared on accrual basis.

## 2] FIXED ASSETS, DEPRECIATION AND CAPITAL WORK IN PROGRESS:-

- (i) Fixed Assets have been accounted for at their Historical Cost.
- (ii) During the year, the company has provided the depreciation on straight line method at rates for single shift specified in Schedule XIV of the Companies Act,1956 on the prorata basis for the additions from Fixed Assets.
- (iii) All Fixed Assets are valued at Cost Less Accumulated depreciation (Other than land where no depreciation is charged). All costs relating to the acquisition and installations and initial financing costs relating to the borrowed funds attributable to acquisition of Fixed Assets up to date, the assets is put to use, have been capitalised.

#### 3] INVESTMENTS:-

Long-term investments are stated at cost less provision for other than temporary diminution in value in the opinion of the management. Current investments comprising, investments in mutual funds, equities, and other instruments are stated at the lower of cost and fair market value, detemined on a portfolio basis. Gain/Loss arising on disposal of investments are recognised as income/ expenditure in the year of disposal.

#### 4] RETIREMENT BENEFITS:-

Repayment for present liability of future payment of gratuity is being made to Approved Gratuity which fully cover the same under Group Gratuity Policy or Cash Accumulation Policy with Life Insurance Corporation of India.

The Gratuity trusts are covered with Life Insurance Corporation of India (LIC) and premiums are paid on advise from LIC, which determines the same on the basis of actuarial valuation.

Provision for Leave Encashments is made as at the year end as per the financial figures and other details provided and certified by the Actuaries M/s. K. A. PANDIT, as per their report dtd. 06/05/2014. The disclosures as per AS 15 is annexed sperately.

#### 5] INVENTORIES:-

All Inventories are valued at lower of Cost or Net realisable value and the cost is ascertained on First in First Out basis wherever applicable.

#### 6] SALES & REVENUE RECOGNITION :-

Sales are exclusive of Excise Duties and Sales tax. Revenue(Income) is recognised when no significant uncertainty as to determination / realization exists.

#### 7] TREATMENT OF EXCISE DUTY :-

Excise Modvate credit on purchase have been transferred to Excise Modvate Receivable a/c.which has been transferred or set off against Excise duties payable on sales and balance have been shown as Excise Modvate Receivable A/c. under the head Current Assets, Loans and Advances in Balance sheet.

#### 8] TREATMENT OF SERVICE TAX PAYABLE ON TRANSPORTATION EXPS. :-

Service tax payable on Transportation exps.has been credited to Service tax payable a/c. which has been set off agaist Modvate receivable for service tax paid on various exps.and balance of modvate receivable for Service tax paid on various exps. has been shown under the head Loans & Advances in Current Assets side of Balance Sheet.

## 9] FOREIGN CURRENCY TRANSACTIONS :-

Transactions in foreign currencies are recorded at the original rates of exchange in force at the time the transactions are effected. Balance in form of current assets and current liabilities in foreign currency, outstanding at the close of the year, are converted in Indian Currency at the appropriate rate of exchange prevailing on the date of the Balance Sheet. The resultant gain or loss is accounted during the year.

#### 10] INTER DIVISIONAL TRANSFER :-

Interdivisional transfer of goods of Rs. 103296491/- (PYF 55279173/-) of independent marketable products for further processing are being included in respective heads of account at market value to reflect the true working of the respective unit. Any un- realised profit on stock is being eliminated while valuing the inventories. The Conversion Charges of Rs. Nil (PYF 591046/-), has been included in other income and also show as expenditure under the head "other manufacturing exps" for the conversion or manufacturing process carried out by Unit-1 for the materials of Unit-2.

## 11] TAXES ON INCOME :-

- (i) Current tax is determined as tax payable in respect of taxable income of current year.
- (ii) Deferred tax for the year is recognised on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- (iii) Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or subsequently enacted by the Balance sheet date. Deferred tax assets / liabilities arising on account of unabsorbed depreciation under tax laws are recognised on to the extent there is virtual certainity of its realisation supported by convincing evidence. Deferred tax assets on account of other timing differences are recongnised only to the extent there is reasonable certainity of its realisation. At each Balance sheetdate, the carrying amount of Deferred Tax are reveived to reassure realisation.
- (iv) Tax on distributed profits payable in accordance with the provisions of the Income Tax Act, 1961 is disclosed in accordance with the Guidance Note on Accounting for Corporate Dividend Tax issued by ICAI.

#### 12] IMPAIRMENT LOSS:-

As required by the Accounting Standards (AS 28) "Impairment of Assets" issued by ICAI, as informed to us, the company has carried out the assessment of impairment of assets. There has been no impairment loss during the year.

#### 13] Contigent Liability:-

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These, if any, are disclosed in the notes on accounts. Provision is made in accounts if it becomes probable that an out flow of resources embodying economic benefits will be required to settle the obligation.



# NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014:

Part	ticulars	31/0	3/2014	31/03	3/2013
		Rupees	Rupees	Rupees	Rupees
NO	TE:1:SHARE CAPITAL:				
[a]	Authorised Share Capital		13,00,00,000		13,00,00,000
	[13000000 Equity Share of Rs. 10/- each]				
	[PYF 13000000 Equity Shares]				
			13,00,00,000		13,00,00,000
[b]	Issued, Subscribed and paid up:				
	[11328449 Equity Shares of Rs. 10/- each fully paid up		11,32,84,490		11,32,84,490
	(PYF 11328449)].				
	Total Rs.		11,32,84,490		11,32,84,490

## 1.1 Details of shareholders holding more than 5% shares

	As at 31-0	As at 31-03-2013		
Name of Shareholder	Nos of Shares	% held	Nos of Shares	% held
Bhagwandas Kalidas Patel	11,15,805	9.85	11,14,245	9.84
Rameshkumar Bhagwandas Patel	6,71,018	5.92	6,71,018	5.92
Dashrathbhai P Patel	6,77,875	5.98	6,67,330	5.89
Shashikant P Patel	0	0	5,70,127	5.03

## 1.2 The reconciliation of the number of share outstanding is set out below

Particulars	As at 31-03-2014	As at 31-03-2013
	Nos of Shares	Nos of Shares
Equity shares at the beginning of the year	1,13,28,449	1,13,28,449
Add:- NIL	0	0
Less:- NIL	0	0
Equity shares at the end of the year	1,13,28,449	1,13,28,449

## NOTE: 2: RESERVES & SURPLUS:

Part	iculars	31/0	3/2014	31/03/2013		
		Rupees	Rupees	Rupees	Rupees	
[a]	General Reserves :-					
	Opening Balance	2,52,17,820		2,02,17,820		
	Add : Transferred from Profit & Loss A/c.	50,00,000	3,02,17,820	50,00,000	2,52,17,820	
[b]	Share Premium on issue of Equity Shares		10,36,80,201		10,36,80,201	
[c]	Profit & Loss A/c.					
	Balance Carried forward from earlier year	16,42,92,535		14,31,89,434		
	ADD:- Transferred from Profit & Loss A/c	10,22,95,856		4,33,32,936		
		26,65,88,391		18,65,22,370		
	LESS:- Appropriations out of Profit & Loss A/c					
	General Reserves	50,00,000		50,00,000		
	Proposed Dividend	1,69,92,674		1,47,26,984		
	Dividend Per Share Rs.1.50 per share (PY Rs. 1.30)					
	Tax on Dividend	28,87,905		25,02,851		
		2,48,80,578	24,17,07,813	2,22,29,835	16,42,92,535	
	Total Rs.		37,56,05,834		29,31,90,556	



Particulars	31/03/2014 Runees Runees		31/03/	2013
	Rupees	Rupees	Rupees	Rupees
NOTE : 3 : LONG TERM BORROWINGS :				
FROM BANKS:- SECURED- TERM LOANS FROM  [a] * GIDC- Land purchase Lease Hold  [GIDC Lease A/c. Secured against Lease Hold land)	2,61,18,750		0	
Due in next year Rs. 14925000/- Defaults:- NIL Principal Amount- Rs. 44775000/- Date of start of repayments- 31/03/2014 Nos of Installments- 12 quarterly installments Due Date of Last Installment- 31/12/2016 Rate of Interest- 14% p.a.				
[b] * ICICI Bank Ltd Car Loans (Secured against the specific cars) Principal Amount- Rs. 1000000/- Defaults:- NIL Date of start of repayments- 01/08/2013 Nos of Installments-36 monthly installments Due Date of Last Installment- 01/07/2016 Rate of Interest- 9.50% p.a.	4,14,719		0	
[c] * ICICI Bank Ltd Car Loans (Secured against the specific cars) Defaults:- NIL Principal Amount- Rs. 1200000/- Date of start of repayments- 15/12/2013 Nos of Installments- 36 monthly installments Due Date of Last Installment- 15/11/2016 Rate of Interest- 9.34% p.a.	6,18,237		0	
[d] * ICICI Bank Ltd Car Loans (Secured against the specific cars)	0	271,51,705	3,79,983	3,79,983
Defaults:- NIL Principal Amount- Rs. 1113140/- Date of start of repayments- 15/04/2012 Nos of Installments- 36 monthly installments Due Date of Last Installment- 10/02/2015 Rate of Interest- 10.12% p.a.				
FROM OTHER PARTIES:- UNSECURED				
[a] Fixed Deposits from Directors	0		0	
[b] Fixed Deposits from Share holders [c] Fixed Deposits from Public	21,93,673 10,55,969	32,49,642	25,27,656 7,61,440	32,89,096
Total Rs.	10,55,505		7,01,440	
iotal NS.		304,01,347		36,69,079
NOTE : 4 : OTHER LONG TERM LIABILITIES:-				
TRADE PAYABLES				
Sundry Creditors (For Goods- Unsecured)	0		0	
(Outstanding for more than one year)				
Micro, Small & Medium Enter. (For Goods- Unsecured)	0		0	
Advances from Customers (outstanding for more than one year)	1,818		0	
Employee Bond A/c- Rapayable after one year	21,000		0	
OTHERS- Capital & Imported Goods	0	22,818	4,97,734	4,97,734



Part	ticulars	31/0	3/2014	31/03	3/2013
		Rupees	Rupees	Rupees	Rupees
	TE : 5 : SHORT TERM BORROWINGS : DM BANKS:- SECURED				
[a]	* Citi Bank N.A.  * Axis Bank Ltd.  [HP. C.C. A/c. Secured against pari passu mortgage/ charge on all immovable properties & stocks of Raw Materials, Stores, Finished Goods etc. & personal guarantee of Directors.]	7,28,06,965 4,95,41,712		1,76,20,897 5,16,31,181	
[b]	P.C.F.C.A/c.:  * Citi Bank N.A.  [ P. C. F. C. A/c. Secured against mortgage/ charge on all immovable properties & book debts relating to mfg. units, office premises & personal guarantee of Directors.]	10,60,72,181		13,30,91,624	
			22,84,20,858		20,23,43,703
FRC	OM OTHER PARTIES:- UNSECURED				
[a]	Fixed Deposits from Directors	0		0	
[b]	Fixed Deposits from Share holders	14,95,293		46,522	
[c]	Fixed Deposits from Public	2,69,226	17,64,519	2,61,419	3,07,941
	Total Rs.		23,01,85,377		20,26,51,644
NO7 *	TE:6:TRADE PAYABLES:  Micro, Small & Medium Enterprise  (For Goods- Unsecured)  Others (For Goods- Unsecured)  Others (For Capital Goods &	0 6,32,16,082		0 4,34,05,500	
	Imported Goods- Unsecured)	1,54,11,766		1,34,89,676	
	Total Rs.	1,37,11,700	7,86,27,848	1,57,65,670	5,68,95,176

## Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The company is required to make certain disclosures regarding outstanding dues and the payments made to Sundry Creditors under The Micro, Small and Medium Enterprises Development Act, 2006. On the basis of the information and the records available with the Company, the following disclosures are made for the amount due to the Micro Small and Medium enterprises who have registered with the competent authorities:-

SR NO.	PARTICULARS	31/3/2014	31/3/2013
1	Amount of interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	0.00	0.00
2	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the day during the year) but without adding the interest specified under the MSMED.	0.00	0.00
3	Amount of interest accrued and remaining unpaid at the year end of the accounting year.	0.00	0.00



Particulars		31/03	3/2014	31/03/2013		
		Rupees	Rupees	Rupees	Rupees	
NOTE : 7 : OTHER CURRENT LIAB	ILITIES :					
Other Payables-Sundry Credito	ors (For Others-Unsecured)	60,39,667		35,34,512		
* Unclaimed Dividend (201	2-13)	85,988		0		
* Unclaimed Dividend (201	1-12)	1,41,096		1,45,711		
* Unclaimed Dividend (201	0-11)	2,01,746		2,03,246		
* Unclaimed Dividend (200	9-10)	1,22,996		1,22,996		
* Unclaimed Dividend (200	8-09)	1,09,504		1,09,504		
* Unclaimed Dividend (200		96,035		96,035		
* Unclaimed Dividend (200	•	66,791		66,791		
* Unclaimed Dividend (200	•	0		78,902		
* Advance from Customers	•	11,32,282		8,55,808		
* Employee Bond A/c		0		12,000		
• •	term loans Refer Note No. 3			,		
* Citi Bank N.A FCTL & IN		0		78,66,107		
* GIDC Lease Loans-for L		149,25,000		0		
* Axis Bank Ltd Car Loan	•	0		4,08,322		
* ICICI Bank Ltd Car Loar		12,24,627		3,82,586		
* Interest accrued but no		0		33,938		
Total Rs.	t due on borrowings		2,41,45,731	33,330	1,39,16,456	
Total No.			2,41,43,731		1,33,10,430	
NOTE: 8: SHORT TERM PROVISI	ONS:-					
* Leave Encashment Salary	Provisions	949,399		808,485		
Refer Note No. 29.1						
* Proposed Dividend		1,69,92,674		1,47,26,984		
* Tax on Proposed Divider	d	28,87,905		25,02,851		
* Provision for Taxation for	current tax	5,32,90,000		1,70,00,000		
Total Rs.			7,41,19,977		3,50,38,320	



NOTE:9: FIXED ASSETS

Sr			GROSS	BLOCK			DEPRECIATION			NET BLOCK		
No	NAME OF THE ASSETS	As on 01/04/13 Rs.	Addition during the Year Rs.	Deduction during the Year Rs.	As on 31/03/14 Rs.	As on 01/04/13 Rs.	Addition during the Year Rs.	Deduction during the Year Rs.	As on 31/03/14 Rs.	As on 31/03/13 Rs.	As on 31/03/14 Rs.	
Α	TANGIBLES											
1	Lease Hold Land	1,44,49,546	0	0	1,44,49,546	0	0	0	0	1,44,49,546	1,44,49,546	
	OWN ASSETS											
2	Building	12,66,17,972	12,58,540	0	12,78,76,512	2,37,84,908	42,33,081	0	2,80,17,989	10,28,33,064	9,98,58,523	
3	Machineries	16,91,71,432	31,89,482	26,71,468	16,96,89,446	4,43,53,028	80,71,159	7,98,350	5,16,25,836	12,48,18,404	11,80,63,610	
4	Furniture	77,20,428	22,000	0	77,42,428	53,09,664	4,89,051	0	57,98,715	24,10,764	19,43,713	
5	Motor Cycle	3,07,790	0	0	3,07,790	62,226	14,620	0	76,846	2,45,564	2,30,944	
6	Motor Car	51,05,391	31,86,777	16,10,971	66,81,197	16,70,937	5,58,469	10,92,575	11,36,831	34,34,454	55,44,366	
7	Office Equipments	31,08,732	1,02,740	2,23,369	29,88,103	19,70,764	1,92,470	1,02,851	20,60,383	11,37,968	9,27,720	
8	Computer	16,95,066	1,05,434	4,35,318	13,65,182	8,68,189	2,41,723	4,21,178	6,88,734	8,26,877	6,76,448	
9	Electric Fitting & Install.	1,29,49,869	11,28,162	0	1,40,78,031	40,14,911	6,24,328	0	46,39,238	89,34,958	94,38,793	
10	Lab Equipments	77,69,239	4,62,101	6,42,151	75,89,189	25,36,505	3,79,650	3,90,238	25,25,917	52,32,734	50,63,272	
11	Office Premises	58,86,491	0	0	58,86,491	7,50,066	95,950	0	8,46,016	51,36,425	50,40,475	
12	Pollu.Eff Treatment	4,24,47,860	31,85,893	3,50,000	4,52,83,753	71,97,242	20,77,641	41,563	92,33,321	3,52,50,618	3,60,50,432	
13	Resi.Premises	8,36,390	0	0	8,36,390	1,09,122	13,633	0	1,22,755	7,27,268	7,13,635	
14	Electric Motor & Pumps	24,52,164	85,698	0	25,37,862	9,30,435	1,17,828	0	10,48,263	15,21,729	14,89,599	
15	Fire fighting Equipments	5,58,645	0	0	5,58,645	1,33,987	26,536	0	1,60,523	4,24,658	3,98,122	
16	Gas Inst.& Fab	22,42,964	0	0	22,42,964	6,34,769	74,915	0	7,09,684	16,08,195	15,33,280	
17	Pipes & Valve Fittings	1,02,47,757	25,679	0	1,02,73,436	18,40,723	3,42,524	0	21,83,247	84,07,034	80,90,189	
18	Storage Tank	42,45,183	0	2,85,000	39,60,183	7,84,455	1,38,143	1,14,918	8,07,680	34,60,728	31,52,503	
19	Dies	2,80,160	0	0	2,80,160	1,59,223	31,686	0	1,90,910	1,20,937	89,250	
	Total Rs.	41,80,93,079	1,27,52,506	62,18,277	42,46,27,308	9,71,11,153	1,77,23,407	29,61,673	11,18,72,887	32,09,81,927	31,27,54,422	
	Previous Years	39,76,87,814	2,62,03,565	57,98,300	41,80,93,079	8,13,83,714	1,71,33,102	14,05,662	9,71,11,153	31,63,04,101	32,09,81,927	
В	INTANGIBLES:-											
1	ERP Computer Software	22,33,554	3,81,405	0	26,14,959	11,12,894	3,82,668	0	14,95,562	11,20,660	11,19,397	
	TOTAL	22,33,554	381405	0	26,14,959	11,12,894	3,82,668	0	14,95,562	11,20,660	11,19,397	
	Previous Years	22,33,554	0	0	22,33,554	7,50,835	3,62,059	0	11,12,894	14,82,719	11,20,660	
<b>c</b>	Capital Work In Progress- Project under Implementation Lease Hold Land	0	9,26,50,103	0	9,26,50,103	0	0	0	0	0	9,26,50,103	
	(At Dahej GIDC)	0	0	0	0	0	0	0	0	0	0	
	TOTAL	0	9,26,50,103	0	9,26,50,103	0	0	0	0	0	9,26,50,103	
	Previous Years	0	0	0	0	0	0	0	0	0	0	



Particulars		31/0	3/2014	31/03/2013		
			Rupees	Rupees	Rupees	Rupees
NO	E : 10	0 : NON CURRENT INVESTMENTS :				
[a] INVESTMENTS IN EQUITY (At Cost) Trade Investments:-						
		de Investments:-				
	Unq	quoted Investments- Equity Shares				
	(i)	Investments in Subsidiary				
		(1) Dynamic Overseas (India) P. Ltd. Shares	20,60,000		20,60,000	
		[20600 Shares of Rs.100 each (P.Y.F.20600)]				
				20,60,000		20,60,000
	(ii)	Investments in Others				
	(,	* Enviro Technology Ltd. Shares	1,50,000		1,50,000	
		[15000 Shares of Rs.10 each(P.Y.F.15000)]	_,,55,555		2,00,000	
		* Bharuch Enviro Infrastructure Ltd.	12,600		12,600	
		[1260 Shares of Rs.10 each(P.Y.F.1260)]				
		* Bharuch Eco-Aqua Infra.Ltd	7,84,500		7,84,500	
		[78450 Shares of Rs.10 each (P.Y.F.78450)]				
		* Forum (Chandolidia) Aawas Owner's Asso.	100		100	
		[1 Share of Rs.100 each (P.Y.F.100)]	1 01 00 000		1 01 00 000	
		* Dynemic Holdings Pvt.Ltd. [1010000 Shares Of Rs.10 each (P.Y.F.1010000)]	1,01,00,000		1,01,00,000	
		* Ank.Res. &.Analy.Inf.Ltd.	10,000		10,000	
		[1000 Shares of Rs.10 each (P.Y.F.1000)]				
				1,10,57,200		1,10,57,200
	[b]	Investments in Mutual Funds				
		Non-Liquid Dividend Plan (Balance)				
		List for purchases & sales of MF is given seperately				
		HDFC AMC PMS (Real Estate Portfolio)	30,45,734		48,05,961	
		IndiaReit Fund Scheme IV	17,50,000		15,00,000	
		(The list is attached as Annexure-II showing cost and market value of all MF)		47,95,734		63,05,961
		·		47,55,754		03,03,301
	[c]	Other Non Current Investments			. =	
		Vishwas Organisors LLP- Capital Contribution (25% share in LLP Firm)	2,50,000		2,50,000	
		Interest Accrued on above capital	76,876		54,376	
		Vishwas Organisors LLP- Loan Contribution	1,47,50,000		1,47,50,000	
		Interest Accrued on above Loans	45,76,200	1,96,53,076	31,28,076	1,81,82,452
		Total Rs.		3,75,66,010		3,76,05,613
		1 : LONG TERM LOANS & ADVANCES:-				
[a]		oital Advances- For capital goods	17,009		2,15,538	
[b]		h Excise & Vat Authorities	3,80,346		96,238	
[c]		posits- Deposits with govt bodies & others	1,17,55,164		1,09,96,114	
[d]		ns & Advances to Related Parties	0		0	
[e]		er Loans & Advances	7,74,860		0	
		vances for Expenses	99,616		0	
		vance Sales Tax	61,620		61,620	
	(Un	secured, considered good)				
		Total Rs.		1,30,88,614		1,13,69,510



Particulars		31/0	3/2014	31/03/2013	
		Rupees	Rupees	Rupees	Rupees
NO	TE : 12: OTHER NON CURRENT ASSETS :				
(Un	secured, Considered Good)				
*	Trade Receivables	8,82,321		11,67,080	
*	Other Receivables	0		5,27,877	
	Total Rs.		8,82,321		16,94,957
NO.	TE: 13: CURRENT INVESTMENTS:				
	Investments- Equity Shares- Quoted				
[~]	(1) Gujarat State Financial Corpn.Ltd.	0		38,000	
	[190 Shares of Rs.200 each(P.Y.F.190)]				
	[It has been written off as non realiasable]				
	(2) In Equities as per List by Kotak Mahindra Bank Ltd (At Cost)	0		46,14,284	
		0		46,52,284	
	Less:- Provision for Diminution in value of Investments (Net)	0		24.22.070	
	(The list is attached as Annexure-I showing	0	0	34,23,970	12 20 215
	cost and market value of all the shares)		0		12,28,315
	Total Rs.		0		12,28,315
	TE: 14: INVENTORIES : ued at Cost or Net realisable value whichever is lower				
	per Inventory taken, valued and Certified by Directors of the Company]				
*	Raw Materials	5,02,91,331		4,81,69,922	
*	Packing Material	19,38,367		21,07,107	
*	ETP stock	1,60,702		2,47,432	
*	Trading Materials	728		1,313	
*	-			·	
*	Work in progress	1,12,69,376		1,03,13,331	
-1-	Finished Goods	10,02,47,590		10,29,33,546	
	Finished Goods (Captive)	25,40,750		3,09,531	
_	Total Rs.		16,64,48,844		16,40,82,181
NO	TE :15: TRADES RECEIVABLES (Unsecured Considered Good)				
*	Due Over Six Months.	13,72,349		0	
*	Others (Less Than 6 Months)	19,74,05,102		13,45,85,557	
	Total Rs.		19,87,77,451		13,45,85,557
NO.	TE: 16 ·CASH AND CASH FOLITYALENTS ·			I	
NO:	TE: 16 :CASH AND CASH EQUIVALENTS :  Cash-in-hand	95.914		67.376	
	-	95,914 17,02,604		67,376 12,97,998	
*	Cash-in-hand	•			
*	Cash-in-hand Balance with Schedule Bank in current a/c# # Balance include Unclaimed Dividend of Rs. 824155/- (PY Rs. 823185/-)	17,02,604		12,97,998	
* *	Cash-in-hand Balance with Schedule Bank in current a/c# # Balance include Unclaimed Dividend of Rs. 824155/- (PY Rs. 823185/-) Balance with Non-Schedule Bank in current a/c	17,02,604 7,24,334		12,97,998 5,82,349	
* * *	Cash-in-hand Balance with Schedule Bank in current a/c# # Balance include Unclaimed Dividend of Rs. 824155/- (PY Rs. 823185/-) Balance with Non-Schedule Bank in current a/c Balance with Non-Schedule Bank in margins a/c	17,02,604 7,24,334 461		12,97,998 5,82,349 461	
* *	Cash-in-hand Balance with Schedule Bank in current a/c# # Balance include Unclaimed Dividend of Rs. 824155/- (PY Rs. 823185/-) Balance with Non-Schedule Bank in current a/c Balance with Non-Schedule Bank in margins a/c Fixed Deposits with Banks *	17,02,604 7,24,334		12,97,998 5,82,349	
* * *	Cash-in-hand Balance with Schedule Bank in current a/c# # Balance include Unclaimed Dividend of Rs. 824155/- (PY Rs. 823185/-) Balance with Non-Schedule Bank in current a/c Balance with Non-Schedule Bank in margins a/c	17,02,604 7,24,334 461		12,97,998 5,82,349 461	



Particulars	31/0	3/2014	31/03/2013	
	Rupees	Rupees	Rupees	Rupees
NOTE: 17: SHORT TERM LOANS AND ADVANCES: (Unsecured, Considered Good)				
* With Excise & Vat Authorities	8,11,36,806		6,42,57,380	
* Deposits- Deposits with govt bodies & others	7,22,389		7,59,050	
* Other Loans & Advances	28,04,542		41,33,860	
* Advance Income tax	4,75,00,000		1,55,00,000	
* Advances given for expenses	5,10,066		3,44,638	
* Advances given for goods	48,53,058		0	
Total Rs.		13,75,26,861		8,49,94,928
NOTE: 18: OTHER CURRENT ASSETS:				
(Unsecured, Considered Good)	00 =0 005		54.00.745	
* Other Receivables	88,72,996		54,90,745	
Total Rs.		88,72,996		54,90,74
NOTE: 19: OTHER OPERATING INCOME:				
* Cash Discount Received	1,68,657		93,372	
* Conversion Charge Income	0		5,91,046	
* Foreign Exchange Gain & Loss- Exports & Imports	0		39,14,374	
* Focus Market Income	56,60,428		53,15,243	
* Duty Draw Back Income	138,96,886		1,15,73,992	
* Focus Product Income	21,50,468		19,07,252	
* Rates & Quality Difference	2,07,294		30,362	
* Old Drum Sale Income	5,48,825		6,54,792	
* Old Machinery Scrap Sale Income	0		10,97,178	
* Liner Scrap Sale Income	3,55,817		91,502	
* Misc. Income	13,230		319	
* Quantity Discount	18,40,315		8,56,554	
* Discount Income	0		96,908	
* Scrap Sale Income	4,24,854		0	
TOTAL	, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	2,52,66,774	-	2,62,22,893



Par	ticulars	31/0	3/2014	31/03/2013	
		Rupees	Rupees	Rupees	Rupees
NO	TE: 20 : OTHER INCOME				
*	Office Rent Income	1,08,000		1,08,000	
*	Interest On GEB Deposit	3,39,784		3,18,106	
*	Interest On ETL Deposit	21,000		1,01,630	
*	Creditors W / Off	0		25,000	
*	Keyman Insurance Income	0		31,35,400	
*	Dividend on Mutual Fund	0		6,560	
*	Dividend From Company	36,542		36,164	
*	Interest on HDFC Real Estate Fund	10,47,060		18,76,358	
*	Interest on FD (Bank)	4,52,710		2,70,793	
*	Interest on Staff Loan	99,523		1,64,309	
*	Interest From Partnership-Vishwas LLP	16,31,527		15,10,961	
*	Provision for Diminution in the Value of Investments	34,23,970		0	
	(Reversal of Provision No longer Required)				
	TOTAL	71,60,115		75,53,280	
	LESS:- EXPENDITURE RELATING TO INCOME ON INVESTMENTS				
*	Securities Transaction Tax - Kotak	1,347		180	
*	Other Shares Related Expenses-BNP	2,745		0	
*	Long Term Capital Loss-KOTAK MAHINDRA MF Management Cons. Fees & Entry Load	32,70,793 1,37,375		2,19,101 1,57,438	
*	Investments Written off- GSFC Shares	38,000		0	
*	Provision for Diminution in the Value of Investments (Net)	0		(1,32,178)	
	TOTAL	34,50,260		2,44,541	
	TOTAL OTHER INCOME ( NET)		37,09,855		73,08,739
	TE 24 COST OF DAW MATERIALS CONSUMED				
NU *	TE: 21 : COST OF RAW MATERIALS CONSUMED  Opening Stock	4,81,69,922		3,76,54,451	
	Add. : Purchase during the year	59,96,55,483		49,24,61,686	
		64,78,25,405		53,01,16,137	
	Less : Closing Stock	5,02,91,331		4,81,69,922	
	Total Rs.		59,75,34,074		48,19,46,214
	Refer Note No. 28.8 A & B				
NO	TE : 22 : CHANGES IN INVENTORIES				
	ENING INVENTORIES:				
*	Finished Goods	10,29,33,546		10,08,01,226	
*	Finished Goods ( Captive)	3,09,531		0	
*	Trading Materials	1,313		0	
•	Work-in-Progress	1,03,13,331		53,59,501	
CLC	DSING INVENTORIES :		11,35,57,720		10,61,60,727
*	Finished Goods	10,02,47,590		10,29,33,546	
*	Finished Goods ( Captive)	25,40,750		3,09,531	
*	Trading Materials	728		1,313	
*	Work-in-Progress	1,12,69,376		1,03,13,331	
			11,40,58,444		11,35,57,720
	CHANGES IN INVENTORIES		(5,00,724)		(73,96,993)



Particulars		31/0	3/2014	31/03/2013	
		Rupees	Rupees	Rupees	Rupees
NOTE: 23: EMPLOYEES BENEFITS EX	PS. :-				
* Salary & Wages to Employees	5	2,48,24,444		2,04,16,303	
* Salaries & Bonus to Director		66,20,466		61,98,605	
* Contribution to PF		16,49,298		14,67,835	
* Other Salary & Wages Expens	e	11,75,848		7,13,730	
* Leave Salary (Inc. Provisions		8,03,885		9,65,441	
Refer Note No. 29.1	,	3,55,555		5,55,11	
* Bonus & other expenses		25,95,127		34,91,823	
Total Rs.			3,76,69,068		3,32,53,737
NOTE : 24 : FINANCE COSTS :-					
* Interest		88,93,818		114,19,981	
* Forex Gain Loss on FCTL		10,37,069		10,58,779	
* Interest on late payment	t of custom duty	0		291	
* Other Financial Charges		37,33,054		31,60,782	
		37,33,034		31,00,782	
Total Rs.			1,36,63,941		1,56,39,833
NOTE : 25 : OTHER MANUFACTURING					
A PACKING MATERIAL CONSUMED	)				
* Op. Stock		21,07,107		21,17,607	
Add: Purchases during th	ne year	2,16,34,749		1,57,22,878	
		2,37,41,856		1,78,40,485	
Less : Closing stock		19,38,367		21,07,107	
Total Rs.			2,18,03,489		1,57,33,378
B E.T.P MATERIAL CONSUMED					
* Op. Stock		2,47,432		1,14,271	
Add: Purchases during th	ne year	24,43,566		23,37,712	
9	,	26,90,998		24,51,983	
Less: Closing stock		1,60,702		2,47,432	
Total Rs.			25 20 206	_, ., ,	22.04.554
			25,30,296		22,04,55
C POWER & FUEL CONSUMED					
<ul> <li>* Electric Power &amp; Burning</li> </ul>		2,84,30,107		2,81,38,912	
* Fuel Purchased & Consu		15,80,458		6,32,388	
<ul> <li>* Gas Consumption Charg</li> </ul>	es	9,25,76,619		7,16,64,925	
Total Rs.			12,25,87,184		10,04,36,225
D OTHER MFGS. EXPENSES					
* Transportation		85,63,725		69,04,404	
* Conversion/Job Charges.		89,18,122		64,97,149	
* Factory Exp		21,13,861		11,40,436	
* Labour Charges		152,93,114		134,07,761	
* Forwarding & Handling (	Charges	155,25,630		132,46,308	
* Pallatisation Charges		4,57,063		4,54,081	
* ETP Expense		101,17,761		77,34,933	
* Colour Expense		2,25,225		4,95,106	
* R & D Exps.		7,050		74,890	
* Cst on Purchase		9,47,044		17,02,510	
* Safety Exps. * Consumable Stores		2,67,383		2,46,556	
Consumable Stores		28,59,932		76,02,098	
Total Rs.			6,52,95,909		5,95,06,232
TOTAL:- MANUFACTU	RING COST		21,22,16,879		17,78,80,386



Part	iculars	31/03	/2014	31/03/2013	
		Rupees	Rupees	Rupees	Rupees
гои	E: 26: REPAIRS AND MAINTENANCE EXPS:-				
*	Electrical Parts & Maintenance	3,79,565		5,67,655	
*	ETP Parts & Maintenance	49,02,361		40,90,051	
*	Machinery Parts Repairs & Maintenance	51,55,885		48,27,632	
*	A.C. Service Charges	1,46,675		91,980	
*	Building Repairing	10,62,137		5,44,722	
*	Computer Maintenance & Consumables	2,34,602		2,26,188	
*	Office Maintenance Exps	67,880		0	
k	Lab Equipment Reparing	2,03,409		63,243	
*	Furniture Repairing & Maintenance	1,61,524		35,470	
k	Consumable Stores (MEE)	21,63,030		0	
k	Vehicle Repairing (Director)	1,05,763		1,39,984	
*	Vehicle Repairing Exp	26,480		9,240	
*	Consumable Stores (Plant)	64,96,524		12,75,660	
k	Consumable Stores(Electricals)	5,34,534		5,06,913	
	Total Rs.		2,16,40,369		1,23,78,738
	E: 27: ADMINISTRATIVE AND OTHER EXPS:-				
k	Consultancy, Legal & Professional Fees	27,77,540		13,20,073	
k	Exhibition Exp.	14,02,983		9,32,781	
k	Donation to Charitable Institutes	11,11,000		5,12,500	
*	Insurance Premium	42,70,625		29,41,508	
*	Petrol Exps-Directors	3,94,325		3,23,650	
*	Sitting Fees to Directors	60,000		52,000	
*	Selling Commission	23,60,931		18,81,723	
*	Foreign Exchange Gain /loss	107,62,661		0	
*	Staff Welfare Exps.	6,28,330		5,61,246	
k	Telephone Exps-Others	2,50,075		2,55,222	
*	Travelling & Conveyance (Director)	2,74,343		3,02,967	
*	Bad Debts	0		1,01,520	
k	Angadia & Courier Exp	6,15,199		6,97,594	
*	Audit Fees	3,75,000		3,75,000	
k	Cost Audit Fees	65,000		65,000	
k	FDA Approval Fees	24,94,994		24,74,053	
k	Lab-Testing Exp	3,07,749		3,89,757	
k	Misc Office Exp	2,07,327		2,13,675	
k	Office Electric Bill Exp.	2,92,365		2,65,070	
*	Security Exp	9,97,788		8,61,644	
k	Stationery & Printing Exp- Incl ( Annual Reports)	7,48,158		5,23,149	
*	Water Charges	6,37,137		5,07,044	
k	Sales Promotion Exps	1,92,183		1,85,413	
*	Regi. Certification, Renewal & Filing Fees	14,68,854		8,43,336	
k	Advertisement Expense	2,69,226		2,42,232	
*	Loss/Profits on sale/w/o of assets	19,23,398		20,54,550	
*	Other Administrative & Estabishment Exps	57,24,979		51,42,186	
	Total Rs.		4,06,12,169	<u> </u>	2,40,24,892



### Note 28 Additional information to the financial statements

# 28.1 Contingent Liabilities and Commitments:-

		As at 31 March, 2014	As at 31 March, 2013
ī	Contingent Liabilities:-		
	(a) Letter of Credits- Citi Bank	209,96,700	13,82,364
	(b) Letter of Credits- Axis Bank	57,86,795	33,96,630
II	Commitments:-		
	(a) Estimated amount of contracts remaining to be executed on capital account and not provided for		
	Tangible assets	15,81,285	0
	Intangible assets	0	0
	(b) Uncalled liability on shares and other investments partly paid	0	0
	(c) Other commitments (specify nature)	0	0

# 28.2 Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges

Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties:

Name of the party	Relationship	As at 31 March, 2014	As at 31 March, 2013
Dynemic Overseas (India) Pvt Ltd	Subsidiary Company	0	0

# 28.3 Value of imports calculated on CIF basis @:

Particulars	As at 31 March, 2014	As at 31 March, 2013
Raw Materials	79237158	68373977
Stores & Spares	NIL	NIL
Capital Goods	NIL	NIL

### 28.4 Expenditure in foreign currency:

Sr. No	Particulars	As at	As at
		31 March, 2014	31 March, 2013
1	Exibition Expenses- Foreign	13,88,863	7,90,567
2	FDA Approval Fees	24,94,994	24,74,053
3	Foreign Travelling Exps	1,04,740	3,48,289
4	Selling Commission	33,174	1,18,044
	TOTAL	40,21,771	37,30,952

# 28.5 Amounts remitted in foreign currency during the year on account of dividend:

Sr. No	Particulars	As at 31 March, 2014	As at 31 March, 2013
1		0	0
	TOTAL	0	0

# 28.6 Earnings in foreign exchange:

Sr. No	Particulars	As at 31 March, 2014	As at 31 March, 2013
1	Export of goods calculated on FOB basis	65,08,98,168	46,11,93,023
2	Other income, indicating the nature thereof.	0	0
	TOTAL	65,08,98,168	46,11,93,023



### 28.7 Details of consumption of imported and indigenous items \*

Sr.	Particulars	As at 31 Ma	rch, 2014	As at 31 March, 2013	
No.		Amount Rs.	% of Total	Amount Rs.	% of Total
1	Imported - Raw Materials	7,92,37,158	13%	6,83,73,977	14%
2	Indigeneous Raw Materials	51,82,96,916	87%	41,35,72,237	86%
3	Stores & Spares	0	0%	0	0

### 28.8 A. Quantity and Value there of in regard to each item of stock of Raw Materials (As certified by Management)

Sr.	Particulars	Unit	Ор	ening Stock	Clo	osing Stock
No			Qty	Amount Rs.	Qty	Amount Rs.
1	Aniline Oil	Kgs	30098.000	35,51,611	47348.000	62,74,063
2	Sodium Bisulphite	Kgs	15940.000	3,47,710	575.000	13,800
3	Sodium Nitrite	Kgs	40108.383	13,74,976	13984.383	5,55,823
4	Sodium Metal	Kgs	7858.000	11,39,410	11374.000	16,70,204
5	Caustic Soda Lye	Kgs	14144.000	3,53,602	16551.000	5,25,454
6	Sulphuric Acid	Kgs	73546.907	3,05,679	54600.398	2,94,225
7	lodine	Kgs	655.000	24,31,826	0.000	0
8	Sodium Naphthionate	Kgs	18415.330	35,23,854	15274.570	61,09,829
9	Others	Kgs	313344.784	3,51,41,254	250820.125	3,48,47,933
	Total Rs.			4,81,69,922		5,02,91,331

### B. Consumption of Raw materials with value and quantative breakup (As certified by Management )

Sr.	Particulars	Unit	2013	3-14		2012-13
No			Qty	Amount Rs.	Qty	Amount Rs.
1	Aniline Oil	Kgs	1029720.000	1,20,63,900	1015600.000	10,41,45,426
2	Sodium Bisulphite	Kgs	1116365.000	2,44,86,270	876125.000	1,93,82,786
3	Sodium Nitrite	Kgs	608624.000	2,11,02,464	479767.855	1,67,03,926
4	Sodium Metal	Kgs	112074.000	1,59,12,314	88931.000	1,22,47,146
5	Caustic Soda Lye	Kgs	642553.000	1,66,55,100	505780.000	1,49,13,531
6	Sulphuric Acid	Kgs	2626988.509	94,82,582	2393581.650	99,12,149
7	lodine	Kgs	11255.000	3,74,68,337	10595.000	4,32,48,658
8	Sodium Naphthionate	Kgs	164768.000	3,66,01,522	141602.000	2,71,73,532
9	Others	Kgs	7238977.841	42,37,61,585	6538976.535	23,42,19,060
	Total Rs.			59,75,34,074		48,19,46,214

Note:- 1. Some of the finished goods items purchased, repacked and sold, are included in the above consumption figures and consequently, also included in production figures.

### 28.9 Remuneration to Auditors

Particulars	Current Year Amount Rs.	Previous Year Amount Rs.
As Audit Fees	300,000	300,000
As Tax Audit Fees	75,000	75,000
For Taxation	250,000	250,000
For Other Matters- Apeals	160,000	0
For Service Tax	97,026	77,250

**28.10** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure. Paise have been rounded upto the nearest rupee.



### NOTE 29 DISCLOSURES UNDER ACCOUNTING STANDARDS:

# 29.1 DISCLOSURES AS PER AS 15- Employees Benefits

The disclosures of "Employee Benefits" defined as per accounting standard AS 15 are given as below :-

### **Defined Contribution Plans:-**

Contribution to Defined Contribution Plans, recognised as expense for the year is as under:-

Particulars	2013-14	2012-13
Employer's Contribution to Provident & Other funds	16,49,298	14,67,835
Group Gratuity Insurance Premium paid to LIC	21,35,157	4,48,093

(Group Gratuity Fund is managed by the LIC and the company pay the defined contribution as premium to the LIC of India.)

### **Defined Benefits Plans:-**

The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method. The Leave encashment is recognised on the basis of the actuarial valuation, valued by actuary, M/s K.A. PANDIT.

Lea	ave Disclosures:	2013-14	2012-13
I.	Assumptions:		
	Discount Rate Current Period	9.31%	8.25%
	Rate of Return on Plan Assets Current Period	9.31%	8.25%
	Salary Escalation Current Period	7.00%	7.00%
	Attrition Rate Current Period	2.00%	2.00%
II.	Table Showing Change in Benefit Obligation :	2013-14	2012-13
	Liability at the beginning of the year	808485	840615
	Interest Cost	66700	73554
	Current Service Cost	654798	591235
	Past Service Cost (Non Vested Benefit)	-	-
	Past Service Cost (Vested Benefit)	-	-
	Settlement	-	-
	Liability Transfer In	-	-
	Liability Transfer out	-	-
	Benefit Paid	(662,971)	(997,571)
	Actuarial (gain)/loss on obligations	82387	300652
	Liability at the end of the year	949399	808485
III.	Tables of Fair value of Plan Assets :		
	Fair Value of Plan Assets at the beginning of the year	-	-
	Expected Return on Plan Assets Contributions	82387	300652
	Fund Transfer In	-	-
	Fund Transfer Out	-	-
	Benefit Paid	82387	300652
	Actuarial gain/(loss) on Plan Assets	-	-
	Fair Value of Plan Assets at the end of the year	-	-
	Total Actuarial Gain/(Loss) To Be Recognised	82387	300652
IV.	Recognition of Transitional Liability		
	Transition Liability at start	-	-
	Transition Liability Recognised during Year	-	-
	Transition Liability at end	-	-
V.	Actual Return on Plan Assets :		
	Expected Return on Plan Assets	-	-
	Actuarial gain/(loss) on Plan Assets	-	-
	Actual Return on Plan Assets	-	-
VI.	Amount Recognised in the Balance Sheet :		
	Liability at the end of the year	(949399)	(808485)
	Fair Value of Plan Assets at the end of the year	-	-
	Difference	(949399)	(808485)
	Unrecognised Past Service Cost	-	-
	Un recognised Transition Liability	-	-
	Amount Recognised in the Balance Sheet	(949399)	(808485)



		2013-14	2012-13
VII.	Expenses Recognised in the Income Statement :		
	Current Service Cost	654798	591235
	Interest Cost	66700	73554
	Expected Return on Plan Assets	-	-
	Past Service Cost (Non Vested Benefit) Recognised	-	-
	Past Service Cost (Vested Benefit) Recognised	-	-
	Recognition of Transition Liability	-	-
	Acturial (Gain) or Loss	82387	300652
	Expense Recogniseable in P& L- as per actuarial valuation	803885	965441
	Expense Recognised in P& L	803885	965441
VIII.	Balance Sheet Reconciliation		
	Opening Net Liability	808485	840615
	Expense as above	803885	965441
	Transfer from other company	-	-
	Transfer to other company	-	-
	Employers Contribution	(662971)	(997571)
	Amount Recognised in Balance Sheet	949399	808485
IX.	OTHER DETAILS		
	NO OF MEMBERS	128	128
	SALARY PM	2345774	2067164
	CONTRIBUTION FOR NEXT YEAR	-	-
х.	Category of Assets		
	Government of India Assets	-	-
	Corporate Bonds	-	-
	Special Deposits Scheme	-	-
	State Govt	-	-
	Property	-	-
	Other	-	-
	Insurer Managed Funds	-	-
	Total	-	-
XI.	EXPERIENCE ADJUSTMENT		
	Experience adjustments on plan liabilities (Gain)/Loss	194979	253973
	Experience adjustments on plan Assets Gain/(Loss)	0	0

# 29.2 DISCLOSURES AS PER AS 17- Segment Rporting

### **Segmental Reporting:-**

Segment information for primary reporting (by business segment)

In accordance with the Accounting Standard -17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India, the Company has its operation in manufacturing, and marketing of Dyes & Dyes Intermediates The primary reporting segment for the company, therefore is the business segment, viz., Dyes & Dyes Intermediates.

Segment information for secondary reporting (by geographical segments)

The secondary reporting segment for the company is the geographical segment based on the location of customers which is :1) Domestic, 2) Export

Information about secondery segments:-

Particulars	Domestic	Exports	Unallocated	Total
Revenue by geographical market	328767107	809611444	0	1138378551
	(252580548)	(578770026)	(0)	(831350574)
Carrying amount of Segment Assets (Gross)	848928830	129850080	0	978778909
(Exports Recivables)	(679063322)	(89811550)	(0)	(768874873)

Figures in brackets are for the previous year.

### 29.3 DISCLOSURES AS PER AS 18- Related Party Transactions

- A] List of parties where control exist
  - (i) Subsidiary Company
    - \* Dynamic Overseas (India) Pvt.Ltd.
- B] Other related parties with whom transactions have taken place during the year
  - (ii) Associates :-
    - \* Shakti Intermediates Pvt.Ltd.
    - \* Dynemic Holdings Pvt Ltd.



(iii) Key management personnel :-

Mr. B.K.Patel Managing Director Mr. Rameshbhai B.Patel Wholetime Director Mr.Dasharathbhai P.Patel Wholetime Director Mr.Dixit B.Patel Wholetime Director

### C] Transactions with related parties :-

Nature of Transaction	Key Managerial Personnel & their Relatives Rs.		Subsidiary Companies Amt.Rs.		Associates Amt.Rs.	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Fixed Deposits taken						
Taken during the period	3,89,500	10,66,000	0	0	0	0
Repaid during the period	3,26,230	9,68,795	0	0	0	0
Closing Balance	35,28,452	31,16,974	0	0	0	0
Loans & Advances						
Given during the period	6,16,678	17,17,740	1,26,00,000	1,65,00,000	0	0
Settled during the period	12,73,374	13,30,418	1,26,00,000	1,65,00,000	0	0
Closing Balance	9,36,694	15,93,390	0	0	0	0
Investments						
Given during the period	0	0	0	0	0	0
Settled during the period	0	0	0	0	0	0
Closing Balance	0	0	20,60,000	20,60,000	1,01,00,000	1,01,00,000
Sundry Debtors	0	0	0	0	0	0
Sundry Creditors	0	0	0	0	0	0
Purchase of Goods	0	0	0	0	1,27,000	0
Conversion Charges	0	0	0	0	37,80,730	29,47,499
Amount Expended on be half of	93,73,302	85,33,128	0	0	0	0
Sales	0	0	59,27,110	68,03,100	39,425	18,157

#### **DISCLOSURES AS PER AS 20- Earning Per Share** 29.4

The Earning per share, computed as per requirement under Accounting Standard-20 on Earning per Share, issued by the Institute of Chartered Accountants of India, is as under :

Particulars	2013-14	2012-13
Net Profit after tax (Amt.Rs.)	102295856	43332936
Weighted Average Nos. of Shares	11328449	11328449
Basic Earning per Share on nominal value of Rs.10/-per share	9.03	3.83

#### 29.5 DISCLOSURES AS PER AS 22- Accounting for Taxes on Income:

Deferred Tax :- The break up of deferred tax liability are as under :

	De	Deferred Tax Liability / Assets				
Nature of timing difference	Balance As on 1st April 13	Debit/(Credit) for the year Rs.	Balance As on 31st March 2014			
(a) Deferred Tax Liability - Depreciation - Prov for deminution in Value of Investments	49965916 (234497)	2419569 (234497)	52385485 (0)			
Total	49731419	2654066	52385485			

(B. K. Patel)

**Managing Director** 

Director

Director

As per our Report of even date For: DYNEMIC PRODUCTS LIMITED For: SHAH RAJESH & ASSOCIATES

**CHARTERED ACCOUNTANTS** FRN. 109767W

Date: 29/05/2014

(D. P. Patel) (Rajesh. D. Shah) (R. B. Patel) **PROPRIETOR** 

M. No. 036232 (D. B. Patel) Director Place: Ahmedabad (Varsha Mehta) Company Secretary



# STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO COMPANY'S INTEREST IN THE SUBSIDIARY COMPANY

1	Name of Subsidiary Company	Dynemic Overseas (India) Pvt. Ltd.
2.	The Financial year of the Subsidiary Company ends on	31st March, 2014
3.	Date from which become Subsidiary Company	1st September, 2005
4.	<ul> <li>Number of shares held by Dynemic Products Ltd. in the Subsidiary at the end of the financial year of the Subsidiary Company.</li> </ul>	20600 Equity Shares of Rs. 100/- each
	<ul> <li>Extent of interest of Holding Company at the end of the financial year of the Subsidiary Company.</li> </ul>	98%
5.	The Net aggregate amount of the Subsidiary Company's Profit (Loss) so far as it concerns the members of the Holding Company :	11,70,535
	a] Not dealt within the Holding Company's accounts	
	i] For the period 1st April, 2013 to 31st March, 2014	11,70,535
	<ul><li>ii] For the previous period(s) since it become the Holding Company's Subsidiary (Loss)</li></ul>	33,86,677
	b] Dealt within the Holding Company's accounts	
	i] For the period 1st April, 2013 to 31st March, 2014	0
	ii] For the previous period(s) since it become the Holding Company's Subsidiary	0

# ANNEXURE - I LIST OF HOLDING OF EQUITY SHARES SHOWING MARKET VALUE AND COST VALUE

Security Name	Qty	Avg. Cost	Hldg. Cost	Mkt. Price	Mkt. Value	Unrealised Gain Loss
Diversified						
Reliance Industries Limited	0	0	0	0	0	0
(Formerly known as RPL)	(1,256)	(1,374.53)	(17,26,404.00)	(773.70)	(9,71,767.20)	-(7,54,636.82)
Miscelleanous						
Reliance Power Ltd.	0	0	0	0	0	0
	(750)	(670.01)	(5,02,504.70)	(61.55)	(46,162.50)	-(4,56,342.20)
Paper & Paper Boards						
Kalptaru Papers Ltd.	0	0	0	0	0	0
	(25,000)	(83.03)	(20,75,826.00)	(5.90)	(1,47,500.00)	-(19,28,326.50)
Telecommunications – Service						
Reliance Communications Ltd.	0	0	0	0	0	0
	(450)	(687.89)	(3,09,549.00)	(55.30)	(24,885.00)	-(2,84,664.24)
Equity Total			0		0	0
			(46,14,284.46)		(11,90,314.70)	-(34,23,969.76)
Net Asset Value			0		0	0
			(46,14,284.46)		(11,90,314.70)	-(34,23,969.76)

# ANNEXURE - II LIST OF INVESTMENT IN MUTUAL FUND SHOWING MARKET VALUE AND COST VALUE

Scheme	Units	Cost Price	Hldg. Cost	Mkt. Price	Mkt. Value
HDFC AMC PMS (Real Estate Portfolio)	15606.00	195.16	30,45,734.00	305.52	47,67,882.00
	(29,454.00)	(163.17)	(48,05,961.00)	(201.640)	(59,39,233.00)
India Reit Fund Scheme IV	(17.50)	1,00,000	17,50,000.00	17.50	17,50,000.00
	(15.00)	(1,00,000)	(15,00,000.00)	(15.00)	(15,00,000.00)
Total Portfolio Value			47,95,734.00 (63,05,961.00)		65,17,882.00 (74,39,233.00)

The figures in the brackets relates to the previous year i.e. 2012-13.



# INDEPENDENT AUDITOR'S REPORT

То

The Board of Directors

Dynemic Products Limited

### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of DYNEMIC PRODUCTS LIMITED ("The Company"), and it's subsidiary (collectively reffered to as "The Group"), which comprise the Consolidated Balance Sheet as at March 31, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"), read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 misstatements.

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 judgement, 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 control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated finacial statements.

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

### 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:

- (a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
- (b) In the case of the Consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

- 1. As required by Section 227(3) of the Act, we report that:
  - We have obtained all the information and explanations which to the best of our knowledge and belief were necessary were necessary for the purpose 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 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 books of account.
  - d. In our opinion, the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13thSeptember, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013

For, **SHAH RAJESH & ASSOCIATES**CHARTERED ACCOUNTANTS

FRN. 109767W

Place : Ahmedabad

Date : 29/05/2014

PROPRIETOR

M. No. 036232



# CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2014

Sr.	Pai	rticulars	Note	31	/03/2014	31/0	3/2013
No.				Rupees	Rupees	Rupees	Rupees
A.	EQ	UITIES AND LIABILITIES :					
	1	SHAREHOLDER'S FUNDS:					
		[a] Share Capital	1	11,32,84,490		11,32,84,490	
		[b] Reserves and surplus	2	37,99,76,758	49,32,61,248	29,67,65,132	41,00,49,622
	2	MINORITY INTEREST			6,24,889		6,08,637
	3	NON CURRENT LIABILITIES:					
		[a] Long-term borrowings	3	3,04,01,347		36,69,079	
		[b] Deferred tax liabilities (net)		5,24,46,481		4,97,90,592	
		Refer Note No. 29.4					
		[c] Other long-term liabilities	4	22,818		4,97,734	
		[d] Long Term Provisions		0	8,28,70,646	0	5,39,57,405
	4	CURRENT LIABILITIES :					
		[a] Short Term Borrowings	5	23,01,85,377		20,26,51,644	
		[b] Trade Payables	6	7,86,27,848		5,68,95,176	
		[c] Other current liabilities	7	2,41,90,602		1,39,54,934	
		[d] Short Term Provisions	8	7,44,99,977	40,75,03,804	3,53,60,535	30,88,62,288
		TOTAL - EQUITY AND LIABILITIES			98,42,60,587		77,34,77,952
В.	ASS	SETS:					
٠.	1	NON CURRENT ASSETS :					
	-	[a] Fixed Assets	9				
		(i) Tangible Assets		31,31,81,821		32,14,29,739	
		(ii) Intangible Assets		11,25,372		11,26,635	
		Net Block		31,43,07,193		32,25,56,373	
		Capital Work in Progress		9,26,50,103		0	
		Cupital Work in 110g.cos		3,20,00,200	40,69,57,296		32,25,56,373
		[b] Non Current Investments	10	3,55,06,010	40,03,37,230	3,55,45,613	32,23,30,373
		[c] Long-term loans and advances	11	1,31,13,949		1,13,93,832	
		[d] Other non-current assets	12	8,82,321	45,64,59,576	16,94,957	37,11,90,776
	2	CURRENT ASSETS:		0,02,022	10,0 1,00,010	20,5 1,501	3.722,337.73
	_	[a] Current investments	13	0		12,28,315	
		[b] Inventories	14	16,64,48,844		16,40,82,181	
		[c] Trade receivables	15	19,96,27,289		13,76,02,995	
		[d] Cash and cash equivalents	16	1,49,38,401		85,68,133	
		[e] Short-term loans and advances	17	13,79,13,480		8,53,14,807	
		[f] Other current assets	18	88,72,996	52,78,01,011	54,90,745	40,22,87,177
		TOTAL - ASSETS	10	00,72,330	98,42,60,587	34,30,743	77,34,77,952
			-		30,42,00,307		11,34,11,352
_		ant Accounting Policies					
Not	es o	n Financial Statements	1 to 29				

As per our Report of even date For: DYNEMIC PRODUCTS LIMITED For: SHAH RAJESH & ASSOCIATES **CHARTERED ACCOUNTANTS** (B. K. Patel) Managing Director FRN. 109767W (D. P. Patel) Director (Rajesh. D. Shah) (R. B. Patel) Director **PROPRIETOR** M. No. 036232 (D. B. Patel) Director Place: Ahmedabad (Varsha Mehta) Company Secretary Date: 29/05/2014



# CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31-3-2014

Sr.	Particulars	Note	31/0	3/2014	31/03	/2013
No.			Rupees	Rupees	Rupees	Rupees
	REVENUE					
A.	[a] SALES OF PRODUCTS		1,22,85,69,217		91,24,71,465	
	[b] OTHER OPERATING INCOME	19	2,58,18,917		2,67,39,070	
			1,25,43,88,133		93,92,10,534	
	LESS:- EXCISE DUTY		8,47,24,486		7,83,18,340	
	INCOME FROM OPERATIONS			1,16,96,63,647		86,08,92,195
	[c] OTHER INCOME	20		37,09,855		73,08,739
	TOTAL REVENUE Rs.			1,17,33,73,503		86,82,00,934
В.	EXPENSES:					
	[a] Cost of Materials Consumed	21		59,75,34,074		48,19,46,214
	[b] Purchases of Stock-in-Trade			7,18,54,383		4,42,26,371
	[c] Changes in Inventories	22		(5,00,724)		(73,96,993)
	[d] Employee Benefits Expenses	23		3,77,01,568		3,32,83,737
	[e] Finance Costs	24		1,36,28,798		1,54,22,061
	[f] Depreciation & Amortisations			1,81,26,485		1,75,15,572
	[g] Other Exps:-					
	Other Manufacturing Exps.	25	21,27,43,958		17,85,17,878	
	Repairs & Maintenance	26	2,16,40,369		1,23,78,738	
	Administrative, Selling & Other Exps.	27	4,12,10,247	27,55,94,574	2,44,68,085	21,53,64,700
	TOTAL EXPENSES Rs.			1,01,39,39,158		80,03,61,662
	Profit before Taxation			15,94,34,345		6,78,39,272
	Less: Provision for Taxation					
	Current Tax			5,36,70,000		1,73,22,215
	Deferred Tax			26,55,889		56,90,793
	Add/ (Less):- Taxation of earlier years					
	(Refunds/Paid)			0		8,11,886
16	Net Profit for the Year(Before adjustment					
	for Minority Interest			10,31,08,456		4,40,14,378
	Less:- Share of Profit Transferred to					
	Minority Interest			16,252		13,629
17	Net Profit for the Year(After adjustment					
	for Minority Interest			10,30,92,204		4,40,00,748
	Earning Per Share					
	Basic			9.10		3.88
	Diluted			9.10		3.88
	ificant Accounting Policies					
Not	es on Financial Statements	1 to 29				
As p	er our Report of even date		F	or : DYNEMIC PRO	DUCTS LIMITED	

**CHARTERED ACCOUNTANTS** (B. K. Patel) **Managing Director** FRN. 109767W (D. P. Patel) Director (Rajesh. D. Shah) (R. B. Patel) Director **PROPRIETOR** M. No. 036232 (D. B. Patel) Director Place: Ahmedabad (Varsha Mehta) Company Secretary Date: 29/05/2014



Date: 29/05/2014

# CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31/03/2014

Sr.	PARTICULARS	31/3/2014	31/3/2013
A]	CASH FLOW FROM OPERATING ACTIVITIES		
	NET PROFIT BEFORE TAX & EXTRA		
	ORDINARY ITEMS	15,94,34,345	6,78,39,272
	ADJUSTMENTS FOR :-		
	Depreciation & Amortisations	1,81,26,485	1,75,15,572
	DEPRECIATION WRITTEN BACK	(29,61,673)	(14,05,662)
	DIMINUTION IN THE VALUE OF INVESTMENTS	(34,23,970)	(1,32,178)
	FINANCE COSTS	1,36,28,798	1,54,22,061
	PROFIT/LOSS ON SALE/REPLACEMENT OF FIXED ASSETS	19,23,398	20,54,550
	INTEREST/ DIVIDEND/CAPITAL GAINS INCOME	(37,09,855)	(73,08,739)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	18,30,17,528	9,39,84,876
	ADJUSTMENTS FOR :-		
	TRADE RECEIVABLES	(6,17,39,536)	6,96,553
	INVENTORIES	(23,66,663)	(1,80,35,125)
	TRADE PAYABLES	3,21,87,146	(96,88,121)
	LOANS, ADVANCES & OTHER RECEIVABLES	(2,46,49,132)	34,79,286
	CASH GENERATED FROM OPERATIONS	12,64,49,344	7,04,37,469
	DIRECT TAXES PAID	(4,74,37,379)	(1,60,11,479)
	NET CASH FROM OPERATING ACTIVITIES	7,90,11,965	5,44,25,990
B]	CASH FLOW FROM INVESTING ACTIVITIES		
	PURCHASE OF FIXED ASSETS	(10,57,84,014)	(2,62,03,565)
	SALE OF FIXED ASSETS	13,33,204	10,34,513
	SALES OF INVESTMENTS	46,91,888	(17,85,127)
	INCOME TAX REFUND/ PAID FOR EARLIER YEARS	0	(8,11,886)
	INTEREST/ DIVIDEND/CAPITAL GAINS INCOME RECEIVED	37,09,855	73,08,739
	NET CASH USED IN INVESTING ACTIVITIES	(9,60,49,067)	(2,04,57,326)
	CASH FLOW FROM FINANCING ACTIVITIES		
C]	PROCEEDS FROM BORROWINGS	5,42,66,002	(17,98,645)
	INTEREST & FINANCIAL CHARGES PAID	(1,36,28,798)	(1,54,22,061)
	DIVIDEND & DIVIDEND TAX PAID	(1,72,29,835)	(1,71,16,069)
	NET CASH USED FROM FINANCING ACTIVITES	2,34,07,369	(3,43,36,775)
D ]	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	63,70,267	(3,68,110)
E]	CASH AND CASH EQUIVALENTS(OPENING)	85,68,133	89,36,243
F]	CASH AND CASH EQUIVALENTS(CLOSING) ( D + E )	1,49,38,401	85,68,133
- 1		2, 13,33, 701	

For: DYNEMIC PRODUCTS LIMITED As per our Report of even date For: SHAH RAJESH & ASSOCIATES **CHARTERED ACCOUNTANTS** (B. K. Patel) **Managing Director** FRN. 109767W (D. P. Patel) Director (Rajesh. D. Shah) (R. B. Patel) Director **PROPRIETOR** M. No. 036232 (D. B. Patel) Director Place: Ahmedabad (Varsha Mehta) Company Secretary



### SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

### A PRINCIPLES OF CONSOLIDATION :-

The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as of the company. The consolidated financial statements have been prepered on following basis:-

- (i) The financial statements of the Company and its subsidiary company have been combined on a line-by-line basis by adding to gether like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS 21)- "Consolidated Financial Statements" unrealised profit or losses have been fully eliminated.
- (ii) The excess of cost to the Company of its investments in the subsidiary company over its share of equity of the subsidiary companies at the dates on which the investments in the subsidiary companies are made, is recognised as "Goodwill being an assets in the consolidated financial statements.
- (iii) Minority interest in the net assets of consolidated subsidiary consist of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company and further movements in their share in the equity, subsequent to the dates of investments.

### B Other Significant Accounting Policies:

### 1 | BASIS OF PREPARATION OF FINANCIAL STATEMENT & ACCOUNTING :-

- (i) The Annual Accounts have been prepared on the Historical cost basis and confirms to the statutory provisions of Companies Act, 1956 and General Accounting practices prevailing in the country, and the Accounting Standards issued by the Institute of Chartered Accountants of India and the guidelines issued by the Securities and Exchange Board of India.
- (ii) The Accounts have been prepared on accrual basis.

### 2] FIXED ASSETS, DEPRECIATION AND CAPITAL WORK IN PROGRESS:-

- (i) Fixed Assets have been accounted for at their Historical Cost.
- (ii) During the year, the company has provided the depreciation on straight line method at rates for single shift specified in Schedule XIV of the Companies Act,1956 on the prorata basis for the additions from Fixed Assets.
- (iii) All Fixed Assets are valued at Cost Less Accumulated depreciation (Other than land where no depreciation is charged). All costs relating to the acquisition and installations and initial financing costs relating to the borrowed funds attributable to acquisition of Fixed Assets up to date, the assets is put to use, have been capitalised.
- 3] INVESTMENTS: Long-term investments are stated at cost less provision for other than temporary diminution in value in the opinion of the management. Current investments comprising, investments in mutual funds, equities, and other instruments are stated at the lower of cost and fair market value, determined on a portfolio basis. Gain/Loss arising on disposal of investments are recognised as income/ expenditure in the year of disposal.
- RETIREMENT BENEFITS: Repayment for present liability of future payment of gratuity is being made to Approved Gratuity which fully cover the same under Group Gratuity Policy or Cash Accumulation Policy with Life Insurance Corporation of India. The Gratuity trusts are covered with Life Insurance Corporation of India (LIC) and premiums are paid on advise from LIC, which determines the same on the basis of actuarial valuation. Provision for Leave Encashments is made as at the year end as per the financial figures and other details provided and certified by the Actuaries M/s. K. A. PANDIT, as per their report dtd. 06/05/2014. The disclosures as per AS 15 is annexed sperately.
- 5] INVENTORIES:- All Inventories are valued at lower of Cost or Net realisable value and the cost is ascertained on First in First Out basis wherever applicable.
- 6] SALES & REVENUE RECOGNITION: Sales are exclusive of Excise Duties and Sales tax. Revenue(Income) is recognised when no significant uncertainty as to determination / realization exists.
- 7] TREATMENT OF EXCISE DUTY: Excise Modvate credit on purchase have been transferred to Excise Modvate Receivable a/c.which has been transferred or set off against Excise duties payable on sales and balance have been shown as Excise Modvate Receivable A/c. under the head Current Assets, Loans and Advances in Balance sheet.
- 8] TREATMENT OF SERVICE TAX PAYABLE ON TRANSPORTATION EXPS.:- Service tax payable on Transportation exps. has been credited to Service tax payable a/c. which has been set off agaist Modvate receivable for service tax paid on various exps. and balance of modvate receivable for Service tax paid on various exps. has been shown under the head Loans & Advances in Current Assets side of Balance Sheet.
- **FOREIGN CURRENCY TRANSACTIONS:** Transactions in foreign currencies are recorded at the original rates of exchange in force at the time the transactions are effected. Balance in form of current assets and current liabilities in foreign currency, outstanding at the close of the year, are converted in Indian Currency at the appropriate rate of exchange prevailing on the date of the Balance Sheet .The resultant gain or loss is accounted during the year.
- 10] INTER DIVISIONAL TRANSFER: Interdivisional transfer of goods of Rs. 103296491/- ( PYF 55279173/-) of independent marketable products for further processing are being included in respective heads of account at market value to reflect the true working of the respective unit. Any un- realised profit on stock is being eliminated while valuing the inventories. The Conversion Charges of Rs. Nil (PYF 591046/-), has been included in other income and also show as expenditure under the head "other manufacturing exps" for the conversion or manufacturing process carried out by Unit-1 for the materials of Unit-2.

# 11] TAXES ON INCOME:-

- (i) Current tax is determined as tax payable in respect of taxable income of current year.
- (ii) Deferred tax for the year is recognised on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- (iii) Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or subsequently enacted by the Balance sheet date. Deferred tax assets / liabilities arising on account of unabsorbed depreciation under tax laws are recognised on to the extent there is virtual certainity of its realisation supported by convincing evidence. Deferred tax assets on account of other timing differences are recongnised only to the extent there is reasonable certainity of its realisation. At each Balance sheetdate, the carrying amount of Deferred Tax are reveived to reassure realisation.
- (iv) Tax on distributed profits payable in accordance with the provisions of the Income Tax Act, 1961 is disclosed in accordance with the Guidance Note on Accounting for Corporate Dividend Tax issued by ICAI.
- 12] IMPAIRMENT LOSS:- As required by the Accounting Standards (AS 28) "Impairment of Assets "issued by ICAI, as informed to us, the company has carried out the assessment of impairment of assets. There has been no impairment loss during the year.
- **Contigent Liability:** These, if any, are disclosed in the notes on accounts. Provision is made in accounts if it becomes probable that an out flow of resources embodying economic benefits will be required to settle the obligation.



# Notes on Consolidated Financial Statements for the Year ended 31st March 2014:

Particulars		31/03/2014		31/03/2013	
		Rupees	Rupees	Rupees	Rupees
NOT	TE:1:SHARE CAPITAL:				
[a]	Authorised Share Capital		13,00,00,000		13,00,00,000
	[13000000 Equity Share of Rs. 10/- each]				
	[PYF 13000000 Equity Shares]				
			13,00,00,000		13,00,00,000
[b]	Issued, Subscribed and paid up:				
	[11328449 Equity Shares of Rs. 10/- each fully paid up		11,32,84,490		11,32,84,490
	(PYF 11328449)].				
	Total Rs.		11,32,84,490		11,32,84,490

# 1.1 Details of shareholders holding more than 5% shares

	As at 31-	As at 31-03-2013			
Name of Shareholder	Nos of Shares	% held	Nos of Shares	% held	
Bhagwandas Kalidas Patel	11,15,805	9.85	11,14,245	9.84	
Rameshkumar Bhagwandas Patel	6,71,018	5.92	6,71,018	5.92	
Dashrathbhai P Patel	6,77,875	5.98	6,67,330	5.89	
Shashikant P Patel	0	0	5,70,127	5.03	

# 1.2 The reconciliation of the number of share outstanding is set out below

Particulars	As at 31-03-2014	As at 31-03-2013
	Nos of Shares	Nos of Shares
Equity shares at the beginning of the year	1,13,28,449	1,13,28,449
Add:- NIL	0	0
Less:- NIL	0	0
Equity shares at the end of the year	1,13,28,449	1,13,28,449

# NOTE: 2: RESERVES & SURPLUS:

Part	iculars	31/0	3/2014	31/03/2013	
		Rupees	Rupees	Rupees	Rupees
[a]	General Reserves :-				
	Opening Balance	2,52,17,820		2,02,17,820	
	Add: Transferred from Profit & Loss A/c.	50,00,000	3,02,17,820	50,00,000	2,52,17,820
[b]	Share Premium on issue of Equity Shares		10,36,80,201		10,36,80,201
[c]	Profit & Loss A/c.				
	Balance Carried forward from earlier year	16,78,67,111		14,60,96,198	
	ADD:- Transferred from Profit & Loss A/c	10,30,92,204		4,40,00,748	
		27,09,59,315		19,00,96,946	
	LESS:- Appropriations out of Profit & Loss A/c				
	General Reserves	50,00,000		50,00,000	
	Proposed Dividend	1,69,92,674		1,47,26,984	
	Dividend Per Share Rs.1.50 per share (PY Rs. 1.30)				
	Tax on Dividend	28,87,905		25,02,851	
		2,48,80,578	24,60,78,737	2,22,29,835	16,78,67,111
	Total Rs.		37,99,76,758		29,67,65,132



Particulars	31/03	3/2014	31/03/2013	
	Rupees	Rupees	Rupees	Rupees
NOTE : 3 : LONG TERM BORROWINGS :				
FROM BANKS:- SECURED- TERM LOANS FROM				
[a] * GIDC- Land purchase Lease Hold [GIDC Lease A/c. Secured against Lease Hold land) Due in next year Rs. 14925000/- Defaults:- NIL Principal Amount- Rs. 44775000/- Date of start of repayments- 31/03/2014 Nos of Installments- 12 quarterly installments	2,61,18,750		0	
Due Date of Last Installment- 31/12/2016 Rate of Interest- 14% p.a.				
[b] * ICICI Bank Ltd Car Loans (Secured against the specific cars) Principal Amount- Rs. 1000000/- Defaults:- NIL Date of start of repayments- 01/08/2013 Nos of Installments-36 monthly installments Due Date of Last Installment- 01/07/2016 Rate of Interest- 9.50% p.a.	4,14,719		0	
[c] * ICICI Bank Ltd Car Loans (Secured against the specific cars) Defaults:- NIL Principal Amount- Rs. 1200000/- Date of start of repayments- 15/12/2013 Nos of Installments- 36 monthly installments Due Date of Last Installment- 15/11/2016 Rate of Interest- 9.34% p.a.	6,18,237		0	
[d] * ICICI Bank Ltd Car Loans (Secured against the specific cars)	0	271,51,705	3,79,983	3,79,983
Defaults:- NIL Principal Amount- Rs. 1113140/- Date of start of repayments- 15/04/2012 Nos of Installments- 36 monthly installments Due Date of Last Installment- 10/02/2015 Rate of Interest- 10.12% p.a.				
FROM OTHER PARTIES:- UNSECURED				
[a] Fixed Deposits from Directors	0		0	
[b] Fixed Deposits from Share holders	21,93,673		25,27,656	
[c] Fixed Deposits from Public	10,55,969	32,49,642	7,61,440	32,89,096
Total Rs.		304,01,347		36,69,079
NOTE : 4 : OTHER LONG TERM LIABILITIES:-				
TRADE PAYABLES				
Sundry Creditors (For Goods- Unsecured)	0		0	
(Outstanding for more than one year)				
Micro, Small & Medium Enter. (For Goods- Unsecured)	0		0	
Advances from Customers (outstanding for more than one year)	1,818		0	
Employee Bond A/c- Repayable after one year	21,000		0	
OTHERS- Expenses	0		0	
OTHERS- Capital & Imported Goods	0	22,818	4,97,734	4,97,734
Total Rs.				



Par	ticulars	31/03	3/2014	31/03/2013	
		Rupees	Rupees	Rupees	Rupees
NO	TE : 5 : SHORT TERM BORROWINGS :				
FRC	DM BANKS:- SECURED				
[a]	C.C.Hypo A/c. :				
	* Citi Bank N.A.	7,28,06,965		1,76,20,897	
	* Axis Bank Ltd.	4,95,41,712		5,16,31,181	
	[HP. C.C. A/c. Secured against pari passu mort- gage/ charge on all immovable properties & stocks of Raw Materials, Stores, Finished Goods etc. & personal gurantee of Directors.]				
[b]	P.C.F.C.A/c.:				
	* Citi Bank N.A.	10,60,72,181		13,30,91,624	
	[ P. C. F. C. A/c. Secured against mortgage/ charge on all immovable properties & book debts relating to to mfg. units, office premises & personal guarantee of Directors.]				
			22,84,20,858		20,23,43,703
FRC	OM OTHER PARTIES:- UNSECURED				
[a]	Fixed Deposits from Directors	0		0	
[b]	Fixed Deposits from Share holders	14,95,293		46,522	
[c]	Fixed Deposits from Public	2,69,226	17,64,519	2,61,419	3,07,941
	Total Rs.		23,01,85,377		20,26,51,644
NO.	TE : 6 : TRADE PAYABLES :				
*	Micro, Small & Medium Enter.	0		0	
	(For Goods- Unsecured)			O	
*	Others (For Goods- Unsecured)	6,32,16,082		4,34,05,500	
*	Others (For Capital Goods &	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		.,= .,==,=	
	Imported Goods- Unsecured)	1,54,11,766		1,34,89,676	
	Total Rs.		7,86,27,848		5,68,95,176

# Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The company is required to make certain disclosures reagarding outstanding dues and the payments made to Sundry Creditors under The Micro, Small and Medium Enterprises Development Act, 2006. On the basis of the information and the records available with the Company, the following disclosures are made for the amount due to the Micro Small and Medium enterprises who have registered with the competent authorities:-

SR NO.	PARTICULARS	31/3/2014	31/3/2013
1	Amount of interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	0.00	0.00
2	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the day during the year) but without adding the interest specified under the MSMED.	0.00	0.00
3	Amount of interest accrued and remaining unpaid at the year end of the accounting year.	0.00	0.00



Par	ticulars	31/03/2014		31/03	/2013
		Rupees	Rupees	Rupees	Rupees
NO	TE : 7 : OTHER CURRENT LIABILITIES :				
Otl	her Payables-Sundry Creditors (For Others-Unsecured)	60,84,539		35,72,991	
*	Unclaimed Dividend (2012-13)	85,988		0	
*	Unclaimed Dividend (2011-12)	1,41,096		1,45,711	
*	Unclaimed Dividend (2010-11)	2,01,746		2,03,246	
*	Unclaimed Dividend (2009-10)	1,22,996		1,22,996	
*	Unclaimed Dividend (2008-09)	1,09,504		1,09,504	
*	Unclaimed Dividend (2007-08)	96,035		96,035	
*	Unclaimed Dividend (2006-07)	66,791		66,791	
*	Unclaimed Dividend (2005-06)	0		78,902	
*	Advance from Customers	11,32,282		8,55,808	
*	Employee Bond A/c	0		12,000	
*	Current maturities of Long term loans	0		0	
	Reffer Note No. 3			O	
	* Citi Bank N.A FCTL & INR	0		786,6,107	
	CITI BUILK W.A. TETE & INIX			, ,	
	GIDC Lease Loans-101 Land -Danej	1,49,25,000		0	
	Axis balle eta. Cal coalis	0		4,08,322	
	* ICICI Bank Ltd Car Loans	12,24,627		3,82,586	
*	Interest accrued but not due on borrowings	0		33,938	
*	Interest accrued and due on borrowings	0		0	
*	Unpaid matured deposits & Interest accrued thereon	0		0	
	Total Rs.		2,41,90,602		1,39,54,934
NO	TE : 8 : SHORT TERM PROVISIONS:-				
*	Leave Encashment Salary Provisions	949,399		808,485	
	Refer Note No. 29.1				
*	Proposed Dividend	1,69,92,674		1,47,26,984	
*	Tax on Proposed Dividend	28,87,905		25,02,851	
*	Provision for Taxation for current tax	5,36,70,000		1,73,22,215	
	Total Rs.		7,44,99,977		3,53,60,535



NOTE:9: FIXED ASSETS

Sr			GROSS	BLOCK		DEPRECIATION				NET BLOCK		
No	NAME OF THE ASSETS	As on 01/04/13 Rs.	Addition during the Year Rs.	Deduction during the Year Rs.	As on 31/03/14 Rs.	As on 01/04/13 Rs.	Addition during the Year Rs.	Deduction during the Year Rs.	As on 31/03/14 Rs.	As on 31/03/13 Rs.	As on 31/03/14 Rs.	
Α	TANGIBLES											
1	Lease Hold Land	144,49,546	0	0	144,49,546	0	0	0	0	144,49,546	144,49,546	
	OWN ASSETS											
2	Building	1272,29,072	12,58,540	0	1284,87,612	239,48,196	42,53,492	0	282,01,688	1032,80,876	1002,85,924	
3	Machineries	1691,71,432	31,89,482	26,71,468	1696,89,446	443,53,028	80,71,159	7,98,350	516,25,837	1248,18,404	1180,63,609	
4	Furniture	77,20,428	22,000	0	77,42,428	53,09,664	4,89,051	0	57,98,715	24,10,764	19,43,713	
5	Motor Cycle	3,07,790	0	0	3,07,790	62,226	14,620	0	76,846	2,45,564	2,30,944	
6	Motor Car	51,05,391	31,86,777	16,10,971	66,81,197	16,70,937	5,58,469	10,92,575	11,36,831	34,34,454	55,44,366	
7	Office Equipments	31,08,732	1,02,740	2,23,369	29,88,103	19,70,764	1,92,470	1,02,851	20,60,383	11,37,968	9,27,720	
8	Computer	16,95,066	1,05,434	4,35,318	13,65,182	8,68,189	2,41,723	4,21,178	6,88,734	8,26,877	6,76,448	
9	Electric Fitting & Install.	129,49,869	11,28,162	0	140,78,031	40,14,911	6,24,328	0	46,39,239	89,34,958	94,38,792	
10	Lab Equipments	77,69,239	4,62,101	6,42,151	75,89,189	25,36,505	3,79,650	3,90,238	25,25,917	52,32,734	50,63,272	
11	Office Premises	58,86,491	0	0	58,86,491	7,50,066	95,950	0	8,46,016	51,36,425	50,40,475	
12	Pollu.Eff Treatment	424,47,860	31,85,893	3,50,000	452,83,753	71,97,242	20,77,641	41,563	92,33,320	352,50,618	360,50,433	
13	Resi.Premises	8,36,390	0	0	8,36,390	1,09,122	13,633	0	1,22,755	7,27,268	7,13,635	
14	Electric Motor & Pumps	24,52,164	85,698	0	25,37,862	9,30,435	1,17,828	0	10,48,263	15,21,729	14,89,599	
15	Fire fighting Equipments	5,58,645	0	0	5,58,645	1,33,987	26,536	0	1,60,523	4,24,658	3,98,122	
16	Gas Inst.& Fab	22,42,964	0	0	22,42,964	6,34,769	74,915	0	7,09,684	16,08,195	15,33,280	
17	Pipes & Valve Fittings	102,47,757	25,679	0	102,73,436	18,40,723	3,42,524	0	21,83,247	84,07,034	80,90,189	
18	Storage Tank	42,45,183	0	2,85,000	39,60,183	7,84,455	1,38,143	1,14,918	8,07,680	34,60,728	31,52,503	
19	Dies	2,80,160	0	0	2,80,160	1,59,223	31,686	0	1,90,909	1,20,937	89,251	
	Total Rs.	4187,04,179	127,52,506	62,18,277	4252,38,408	972,74,442	177,43,817	29,61,673	1120,56,587	3214,29,737	3131,81,821	
	Previous Years	3982,98,914	262,03,565	57,98,300	4187,04,179	815,26,591	171,53,512	14,05,662	972,74,441	3167,72,323	3214,29,738	
<b>B</b>	INTANGIBLES:- ERP Computer Software	22,33,554	3,81,405	0	26,14,959	11,12,895	3,82,668	0	14,95,563	11,20,659	11,19,396	
2	Goodwill (on Consolidation)	5,976	0	0	5,976	0	0	0	0	5,976	5,976	
	TOTAL	22,39,530	3,81,405	0	26,20,935	11,12,895	3,82,668	0	14,95,563	11,26,635	11,25,372	
	Previous Years	22,39,530	0	0	22,39,530	7,50,835	3,62,060	0	11,12,895	14,88,695	11,26,635	
<b>c</b>	Capital Work In Progress- Project under Implementation Lease Hold Land (At Dahej GIDC)	0 0	9,26,50,103	0	9,26,50,103	0	0	0	0	0	9,26,50,103	
	TOTAL	0	9,26,50,103	0	9,26,50,103	0	0	0	0	0	9,26,50,103	
	Previous Years	0	0	0	0	0	0	0	0	0	0	

Note:- Opening balances have been regrouped wherever required



Particulars	31/0	3/2014	31/03/2013	
	Rupees	Rupees	Rupees	Rupees
NOTE: 10: NON CURRENT INVESTMENTS:				
[a] INVESTMENTS IN EQUITY ( At Cost )				
Trade Investments:-				
Unquoted Investments- Equity Shares				
(i) Investments in Others				
<ul> <li>* Enviro Technology Ltd. Shares</li> </ul>	1,50,000		1,50,000	
[15000 Shares of Rs.10 each(P.Y.F.15000)]				
* Bharuch Enviro Infrastructure Ltd.	12,600		12,600	
[1260 Shares of Rs.10 each(P.Y.F.1260)]				
* Bharuch Eco-Aqua Infra.Ltd	7,84,500		7,84,500	
[78450 Shares of Rs.10 each (P.Y.F.78450)]				
* Forum (Chandolidia) Aawas Owner's Asso.	100		100	
[1 Share of Rs.100 each (P.Y.F.100)]				
* Dynemic Holdings Pvt.Ltd.	1,01,00,000		1,01,00,000	
[1010000 Shares Of Rs.10 each (P.Y.F.1010000)]  * Ank Res & Analy Inflitd	10.000		10,000	
* Ank.Res. &.Analy.Inf.Ltd. [1000 Shares of Rs.10 each (P.Y.F.1000)]	10,000		10,000	
[1000 311a1e3 01 N3.10 each (F.1.1.1000)]		1 10 57 200		1 10 57 200
		1,10,57,200		1,10,57,200
[b] Investments in Mutual Funds				
Non-Liquid Dividend Plan (Balance)				
List for purchases & sales of MF is given seperately				
HDFC AMC PMS (Real Estate Portfolio)	30,45,734		48,05,961	
IndiaReit Fund Scheme IV	17,50,000		15,00,000	
(The list is attached as Annexure-II showing		47.05.704		62.05.064
cost and market value of all MF )		47,95,734		63,05,961
[c] Other Non Current Investments				
Vishwas Organisors LLP- Capital Contribution	2,50,000		2,50,000	
(25% share in LLP Firm)				
Interest Accrued on above capital	76,876		54,376	
Vishwas Organisors LLP- Loan Contribution	1,47,50,000	1.05.53.075	1,47,50,000	1 01 02 452
Interest Accrued on above Loans	45,76,200	1,96,53,076	31,28,076	1,81,82,452
Total Rs.		3,55,06,010		3,55,45,613
NOTE: 11: LONG TERM LOANS & ADVANCES:-				
[a] Capital Advances- For capital goods	17,009		2,15,538	
[b] With Excise & Vat Authorities	3,80,346		96,238	
[c] Deposits- Deposits with govt bodies & others	1,17,56,664		1,09,97,614	
[d] Loans & Advances to Related Parties	0		0	
[e] Other Loans & Advances	7,75,872		0	
Advances for Expenses	99,616		0	
Advance Sales Tax	84,442		84,442	
(Unsecured, considered good)				
		1,31,13,949		1,13,93,832



Par	ticulars	31/0	3/2014	31/03	3/2013
		Rupees	Rupees	Rupees	Rupees
NO	TE : 12: OTHER NON CURRENT ASSETS :				
(Un	secured, Considered Good)				
*	Trade Receivables	8,82,321		11,67,080	
*	Other Receivables	0		5,27,877	
	Total Rs.		8,82,321		16,94,957
NO.	TE . 12. CUIDDENT INVECTMENTS .				
[a]	TE: 13: CURRENT INVESTMENTS: Investments- Equity Shares- Quoted				
[~]	(1) Gujarat State Financial Corpn.Ltd.	0		38,000	
	[190 Shares of Rs.200 each(P.Y.F.190)]				
	[It has been written off as non realiasable]				
	(2) In Equities as per List by Kotak Mahindra Bank Ltd (At Cost)	0		46,14,284	
		0		46,52,284	
	Less:- Provision for Diminution in value of	0		24.22.070	
	Investments (Net)	0		34,23,970	12 20 215
	(The list is attached as Annexure showing cost and market value of all the shares)		0		12,28,315
	Total Rs.		0		12,28,315
	TE: 14: INVENTORIES : ued at Cost or Net realisable value whichever is lower				
	per Inventory taken, valued and Certified by Directors of the Company]				
*	Raw Materials	5,02,91,331		4,81,69,922	
*		19,38,367		21,07,107	
*	Packing Material			, ,	
*	ETP stock	1,60,702		2,47,432	
	Trading Materials	728		1,313	
*	Work in progress	1,12,69,376		1,03,13,331	
*	Finished Goods	10,02,47,590		10,29,33,546	
*	Finished Goods (Captive)	25,40,750		3,09,531	
	Total Rs.		16,64,48,844		16,40,82,181
NO	TE :15: TRADES RECEIVABLES (Unsecured Considered Good)				
*	Due Over Six Months.	13,72,349		0	
*	Others (Less Than 6 Months)	19,82,54,940		13,76,02,995	
	Total Rs.		19,96,27,289		13,76,02,995
NO.	TE: 16 :CASH AND CASH EQUIVALENTS :	4 64 433		72.070	
*	Cash-in-hand Balance with Schedule Bank in current a/c#	1,61,472 74,83,558		72,978 41,40,049	
	# Balance include Unclaimed Dividend of Rs. 824155/-	74,03,330		41,40,049	
	(PY Rs. 823185/-)				
*	Balance with Non-Schedule Bank in current a/c	7,24,334		5,82,349	
*	Balance with Non-Schedule Bank in margins a/c	461		461	
*	Fixed Deposits with Banks*	65,68,576		37,72,296	
	* Fixed deposits include deposits of Rs. 5926909/-				
	(PY Rs. 3496630/-) with maturity of more than 12 months				
	Total Rs.		1,49,38,401		85,68,133



Particulars	31/03	/2014	31/03/2013	
	Rupees	Rupees	Rupees	Rupees
NOTE: 17: SHORT TERM LOANS AND ADVANCES: (Unsecured, Considered Good)				
* With Excise & Vat Authorities	8,11,36,806		6,42,58,392	
* Deposits- Deposits with govt bodies & others	7,22,389		7,59,050	
* Other Loans & Advances	28,35,058		42,49,989	
* Advance Income tax	4,78,50,000		1,57,00,000	
* Advances given for expenses	5,16,169		3,47,376	
* Advances given for goods	48,53,058		0	
Total Rs.		13,79,13,480		8,53,14,807
NOTE : 18: OTHER CURRENT ASSETS :				
(Unsecured, Considered Good)				
* Other Receivables	88,72,996		54,90,745	
Total Rs.		88,72,996		54,90,74
NOTE: 19: OTHER OPERATING INCOME:				
* Cash Discount Received	1,68,657		93,372	
* Conversion Charge Income	0		5,91,046	
* Foreign Exchange Gain & Loss- Exports & Imports	2,08,969		41,57,637	
* DEPB Income	17,881		0	
* Focus Market Income	57,16,476		53,48,243	
* Duty Draw Back Income	1,41,46,285		1,18,13,899	
* Focus Product Income	21,50,468		19,07,252	
* Profit/loss on Sale of FMS	19,825		0	
* Rates & Quality Difference	2,07,294		30,362	
* Old Drum Sale Income	5,48,825		6,54,792	
* Old Machinery Scrap Sale Income	0		10,97,178	
* Liner Scrap Sale Income	3,55,817		91,502	
* Misc. Income	13,251		311	
* Quantity Discount	18,40,315		8,56,554	
* Discount Income	0		96,908	
* Round Off	4,24,854		0	
* VAT Refund Income	0		14	
TOTAL		2,58,18,917		2,67,39,070



Par	ticulars	31/0	3/2014	31/03	3/2013
		Rupees	Rupees	Rupees	Rupees
NO.	TE: 20 : OTHER INCOME				
*	Office Rent Income	1,08,000		1,08,000	
*	Interest On GEB Deposit	3,39,784		3,18,106	
*	Interest On ETL Deposit	21,000		1,01,630	
*	Creditors W / Off	0		25,000	
*	Keyman Insurance Income	0		31,35,400	
*	Dividend on Mutual Fund	0		6,560	
*	Dividend From Company	36,542		36,164	
*	Interest on HDFC Real Estate Fund	10,47,060		18,76,358	
*	Interest on FD (Bank)	4,52,710		2,70,793	
*	Interest on Staff Loan	99,523		1,64,309	
*	Interest From Partnership-Vishwas LLP	16,31,527		15,10,961	
*	Provision for Diminution in the Value of Investments	34,23,970		0	
	(Reversal of Provision No longer Required)	34,23,370		0	
	TOTAL	71,60,115		75,53,280	
	LESS:- EXPENDITURE RELATING TO INCOME ON INVESTMENTS				
*	Securities Transaction Tax - Kotak	1,347		180	
*	Securities Transaction Tax - MF	2,745 1,37,375		1 57 429	
*	Long Term Capital Loss-KOTAK MAHINDRA MF Management Cons. Fees & Entry Load	32,70,793		1,57,438 2,19,101	
*	Investments Written off- GSFC Shares	38,000		2,13,101	
*	Provision for Diminution in the Value of Investments (Net)	0		(1,32,178)	
	TOTAL	34,50,260		2,44,541	
	TOTAL OTHER INCOME (NET)		37,09,855		73,08,739
	FE 24 COST OF DAWNAATEDIALS CONSUMED				
NO *	TE: 21 : COST OF RAW MATERIALS CONSUMED  Opening Stock	4,81,69,922		3,76,54,451	
	Add.: Purchase during the year	59,96,55,483		49,24,61,686	
	ç ,	64,78,25,405		53,01,16,137	
	Less : Closing Stock	5,02,91,331		4,81,69,922	
	Total Rs.		59,75,34,074		48,19,46,214
NO.	TE: 22: CHANGES IN INVENTORIES				
	ENING INVENTORIES:				
*	Finished Goods	10,29,33,546		10,08,01,226	
*	Finished Goods ( Captive)	3,09,531		0	
*	Trading Materials	1,313		0	
*	Work-in-Progress	1,03,13,331		53,59,501	
			11,35,57,720		10,61,60,727
CLO *	SING INVENTORIES:	10.03.47.500		10 20 22 540	
*	Finished Goods Finished Goods (Captive)	10,02,47,590 25,40,750		10,29,33,546 3,09,531	
*	Trading Materials	728		1,313	
*	Work-in-Progress	1,12,69,376		1,03,13,331	
			11,40,58,444		11,35,57,720
	CHANGES IN INVENTORIES		(5,00,724)		(73,96,993)



Particulars	31/03/2014	31/03	31/03/2013		
	Rupees Rupees	s Rupees	Rupees		
NOTE : 23 : EMPLOYEES BENEFITS EXPS. :-					
* Salary & Wages to Employees	2,48,24,444	1,96,70,143			
* Salaries & Bonus to Directors	66,20,466	69,74,765			
* Contribution to PF	16,49,298	14,67,835			
* Other Salary & Wages Expense	12,05,848	7,13,730			
* Leave Salary (Inc. Provisions -unpaid)	8,03,885	9,65,441			
Refer Note No. 28.1		, ,			
* Bonus & other expenses	25,97,627	34,91,823			
Total Rs.	3,77,01,5		3,32,83,73		
NOTE : 24 : FINANCE COSTS :-					
* Interest	88,01,069	1,11,22,708			
* Forex Gain Loss on FCTL	10,37,069	10,58,779			
* Interest on late payment of custom duty	0	291			
* Other Financial Charges	37,90,660	32,40,283			
Total Rs.	1,36,28,7		1,54,22,061		
NOTE - 25 - OTHER MANUES CTURING EVES					
NOTE : 25 : OTHER MANUFACTURING EXPS:- A PACKING MATERIAL CONSUMED					
* Op. Stock	21,07,107	21,17,607			
Add: Purchases during the year	2,16,34,749	1,57,22,878			
	2,37,41,856	1,78,40,485			
Less: Closing stock	19,38,367	21,07,107			
Total Rs.	2,18,03,4	89	1,57,33,378		
B E.T.P MATERIAL CONSUMED					
* Op. Stock	2,47,432	1,14,271			
Add: Purchases during the year	24,43,566	23,37,712			
and the second s	26,90,998	24,51,983			
Less: Closing stock	1,60,702	2,47,432			
-					
Total Rs.	25,30,2	.96	22,04,553		
POWER & FUEL CONSUMED					
* Electric Power & Burning	2,84,30,107	2,81,38,912			
* Fuel Purchased & Consumed	15,80,458	6,32,388			
<ul> <li>Gas Consumption Charges</li> </ul>	9,25,76,619	7,16,64,925			
Total Rs.	12,25,87,1	.84	10,04,36,22		
OTHER MFGS. EXPENSES					
* Transportation	85,63,725	69,06,154			
<ul><li>* Conversion/Job Charges.</li></ul>	89,18,122	64,97,149			
* Factory Exp	21,13,861	11,40,436			
* Labour Charges	1,52,93,114	1,34,07,761			
* Forwarding & Handling Charges	1,60,52,709	1,38,82,050			
* Pallatisation Charges	4,57,063	4,54,081			
* ETP Expense	1,01,17,761	77,34,933			
* Colour Expense	2,25,225	4,95,106			
* R & D Exps.	7,050	74,890			
* Cst on Purchase	9,47,044	17,02,510			
* Safety Exps. * Consumable Stores	2,67,383	246,556			
Consumable Stores	28,59,932	76,02,098			
Total Rs.	6,58,22,9		6,01,43,724		
TOTAL:- MANUFACTURING COST	21,27,43,9	58	17,85,17,878		



FIOTE: 26: REPAIRS AND MAINTENANCE EXPS:- Electrical Parts & Maintenance ETP Parts & Maintenance Machinery Parts Repairs & Maintenance A.C. Service Charges Building Repairing	3,79,565 49,02,361 51,55,885 1,46,675 10,62,137 2,34,602	Rupees	5,67,655 40,90,051	Rupees
Electrical Parts & Maintenance ETP Parts & Maintenance Machinery Parts Repairs & Maintenance A.C. Service Charges Building Repairing	49,02,361 51,55,885 1,46,675 10,62,137		40,90,051	
ETP Parts & Maintenance  Machinery Parts Repairs & Maintenance  A.C. Service Charges  Building Repairing	49,02,361 51,55,885 1,46,675 10,62,137		40,90,051	
Machinery Parts Repairs & Maintenance  A.C. Service Charges  Building Repairing	51,55,885 1,46,675 10,62,137		• •	
A.C. Service Charges Building Repairing	1,46,675 10,62,137			
Building Repairing	10,62,137		48,27,632	
			91,980	
	2.34.602		5,44,722	
Computer Maintenance & Consumables			2,23,560	
Office Maintenance Exps	67,880		0	
Lab Equipment Reparing	2,03,409		63,243	
Furniture Repairing & Maintenance	1,61,524		35,470	
Consumable Stores (MEE)	21,63,030		0	
Vehicle Repairing (Director)	1,05,763		1,39,984	
Vehicle Repairing Exp	26,480		9,240	
Consumable Stores (Plant)	64,96,524		12,75,660	
Consumable Stores(Electricals)	5,34,534		5,06,913	
Total Rs.	-,-,-	2,16,40,369	-,,-	1,23,78,738
Total NS.		2,10,40,303		1,23,70,730
IOTE : 27 : ADMINISTRATIVE AND OTHER EXPS:-				
Consultancy, Legal & Professional Fees	28,45,446		13,89,146	
Exhibition Exp.	14,02,983		9,32,781	
Insurance Premium	11,11,000		29,41,717	
Donation to Charitable Institutes	42,79,944		5,12,500	
Petrol Exps-Directors	3,94,325		3,23,650	
Sitting Fees to Directors	60,000		52,000	
Selling Commission	24,72,573		19,27,731	
Foreign Exchange Gain /loss	1,07,62,661		0	
Staff Welfare Exps.	6,28,330		5,61,246	
Telephone Exps-Others	2,50,075		2,55,222	
Travelling & Conveyance (Director)	2,74,343		3,02,967	
Bad Debts	0		1,01,520	
Angadia & Courier Exp	6,16,278		6,99,001	
Audit Fees	4,08,708		4,08,708	
Cost audit Fees	65,000		65,000	
FDA Approval Fees	24,94,994		24,74,053	
Lab-Testing Exp	3,07,749		4,13,774	
Misc Office Exp	2,09,929		2,13,675	
Office Electric Bill Exp.	3,34,958		3,24,277	
Security Exp	9,97,788		8,61,644	
Stationery & Printing Exp- Incl ( Annual Reports)	8,64,603		5,40,015	
Water Charges	6,37,137		5,07,044	
Sales Promotion Exps	1,92,183		1,85,413	
Regi. Certification, Renewal & Filing Fees	15,12,191		9,74,759	
Advertisement Expense	2,69,226		2,42,232	
Profit / Loss on Sale of DEPB, FMS & VKUY	7,040		3,152	
Loss/Profits on sale/w/o of assets	19,23,398		20,54,550	
Other Administrative & Estabishment Exps	58,87,385		52,00,308	
Total Rs.		4,12,10,247		2,44,68,085



### Note 28 Additional information to the financial statements

### 28.1 Contingent Liabilities and Commitments:-

		As at 31 March, 2014	As at 31 March, 2013
ī	Contingent Liabilities:-		
	(a) Letter of Credits- Citi Bank	2,09,96,700	13,82,364
	(b) Letter of Credits- Axis Bank	57,86,795	33,96,630
II	Commitments:-		
	(a) Estimated amount of contracts remaining to be executed on		
	capital account and not provided for		
	Tangible assets	15,81,285	0
	Intangible assets	0	0
	(b) Uncalled liability on shares and other investments partly paid	0	0
	(c) Other commitments (specify nature)	0	0

### 28.2 Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges

Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties:

Name of the party	Relationship	As at 31 March, 2014	As at 31 March, 2013	
Dynemic Overseas (India) Pvt Ltd	Susidiary Company	0	0	

#### 28.3 Remuneration to Auditors

Particulars	Current Year Amount Rs.	Previous Year Amount Rs.
As Audit Fees	3,30,000	3,30,000
As Tax Audit Fees	75,000	75,000
For Taxation	2,80,000	2,75,000
For Other Matters- Apeals	1,60,000	0
For Service Tax	1,04,442	84,048

28.4 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure. Paise have been rounded upto the nearest rupee.

### Notes on Consolidated Financial Statement for the year ended 31st March, 2014

# NOTE 29 DISCLOSURES UNDER ACCOUNTING STANDARDS:

# 29.1 DISCLOSURES AS PER AS 17- Segment Rporting

### **Segmental Reporting:-**

Segment information for primary reporting (by business segment)

In accordance with the Accounting Standard -17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India , the Company has its operation in manufacturing, and marketing of Dyes & Dyes Intermediates The primary reporting segment for the company, therefore is the business segment, viz., Dyes & Dyes Intermediates.

Segment information for secondary reporting (by geographical segments)

The secondery reporting segment for the company is the geographical segment based on the location of customers which is :1) Domestic, 2) Export

Information about secondery segments:-

Particulars	Domestic	Exports	Unallocated	Total
Revenue by geographical market	328767107	815077624	0	1143844731
	(252580548)	(581572577)	(0)	(834153125)
Carrying amount of Segment Assets (Gross)	854410508	129850080	0	984260587
	(683666402)	(89811550)	(0)	(773477952)

Figures in brackets are for the previous year.

### 29.2 DISCLOSURES AS PER AS 18- Related Party Transactions

- A] List of parties where control exist
  - (i) Subsidiary Company
    - \* Dynamic Overseas (India) Pvt.Ltd.
- B] Other related parties with whom transactions have taken place during the year
  - (ii) Associates :-
    - \* Shakti Intermediates Pvt.Ltd.
- \* Dynemic Holdings Pvt Ltd.



(iii) Key management personnel :-

Mr. B.K.Patel Managing Director
Mr. Rameshbhai B.Patel Wholetime Director
Mr.Dasharathbhai P.Patel Wholetime Director
Mr.Dixit B.Patel Wholetime Director

### C] Transactions with related parties :-

Nature of Transaction	Key Managerial Personnel & their		Com	Subsidiary Companies		Associates Amt.Rs.	
	Rela	tives Rs.	Amt.Rs.				
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	
Fixed Deposits taken							
Taken during the period	3,89,500	10,66,000	0	0	0	0	
Repaid during the period	3,26,230	9,68,795	0	0	0	0	
Closing Balance	35,28,452	31,16,974	0	0	0	0	
Loans & Advances							
Given during the period	6,16,678	17,17,740	1,26,00,000	1,65,00,000	0	0	
Settled during the period	12,73,374	13,30,418	1,26,00,000	1,65,00,000	0	0	
Closing Balance	9,36,694	15,93,390	0	0	0	0	
Investments							
Given during the period	0	0	0	0	0	0	
Settled during the period	0	0	0	0	0	0	
Closing Balance	0	0	20,60,000	20,60,000	1,01,00,000	1,01,00,000	
Sundry Debtors	0	0	0	0	0	0	
Sundry Creditors	0	0	0	0	0	0	
Purchase of Goods	0	0	0	0	1,27,000	0	
Conversion Charges	0	0	0	0	37,80,730	29,47,499	
Amount Expended on be half of	93,73,302	85,33,128	0	0	0	0	
Sales	0	0	59,27,110	68,03,100	39,425	18,157	

### 29.3 DISCLOSURES AS PER AS 20- Earning Per Share

The Earning per share, computed as per requirement under Accounting Standard-20 on Earning per Share, issued by the Institute of Chartered Accountants of India, is as under:

Particulars	2013-14	2012-13
Net Profit after tax (Amt.Rs.)	10,30,92,204	4,40,00,748
Weighted Average Nos. of Shares	1,13,28,449	1,13,28,449
Basic Earning per Share on nominal value of Rs.10/-per share	9.10	3.88

### 29.4 DISCLOSURES AS PER AS 22- Accounting for Taxes on Income:

Deferred Tax :- The break up of deferred tax liability are as under :

	Deferred Tax Liability / Assets		
Nature of timing difference	Balance As on 1st April 13	Debit/(Credit) for the year Rs.	Balance As on 31st March 2014
(a) Deferred Tax Liability - Depreciation - Prov for deminution in Value of Investments	5,00,25,090 (2,34,497)	24,22,295 (2,34,497)	5,24,47,384 (0)
Total	49,79,0,592	26,56,792	5,24,47,384

As per our Report of even date For: DYNEMIC PRODUCTS LIMITED For: SHAH RAJESH & ASSOCIATES **CHARTERED ACCOUNTANTS** (B. K. Patel) **Managing Director** FRN. 109767W (D. P. Patel) Director (Rajesh. D. Shah) (R. B. Patel) Director **PROPRIETOR** M. No. 036232 (D. B. Patel) Director Place: Ahmedabad (Varsha Mehta) Company Secretary Date: 29/05/2014



# **DYNEMIC PRODUCTS LTD.**

CIN - L99999GJ1990PLC013886

Registered Office: B-301, Satyamev Complex-1, Opp. New Gujarat High Court, S.G. Road, Sola, Ahmedabad - 380 060. Website: www.dynemic.com

# ATTENDANCE SLIP

		AIIE	NDAN	ICE SLIP		
NAME & ADDRESS OF THE REGISTERED SHAREHOLDER		3	D.P. I.D.			
			Client Id/ Folio No.			
				No. of Shares		
				No. of Shares		
				White Leaf Hotel, 10/2, Opposite The Grait 4.00 p.m. as a Shareholder / Proxy*.	nd Bhagwati, S.G.	
*Name of th	me of the Proxy Signature of the Member / Proxy attending				y attending	
				lance slip to the meeting and handover the sam of the Annual Report for reference at the m		
- — — — -		Form No. PROXY				
[Pursuant to : CIN Name of the Registered Of	L9999 Company: Dynen ffice: B-301,	9GJ1990PLC013886 nic Products Ltd.		Companies (Management and Administration of the Court, S.G. Road, Sola, Ahmedabad - 380		
Name of S	Share Holder(s)					
	d Address					
Email ID.						
Folio No./	DP ID/Client ID					
		ng		shares of the above named Company	v hereby appoint	
(1) Name	. , ,	ng		' '	у, петеру арропп	
E-mail			Addres	ure	or failing him/he	
(2) Name			Addres		•	
E-mai	I ID:		Signati	ure o	or failing him/he	
(3) Name			Addres	ss		
E-mai	II ID:		Signati	ure		
at The White	Leaf Hotel, 10/2, Op		ad, Bod	the 24th Annual General Meeting of the Co akdev, Ahmedabad - 380 054 on Thursday, tions as are indicated below:		
Sr. No.	Re	esolutions	Sr. No.	Resolutions		
	nary Business		10	To authorize to create mortgage/	/charge under	
	oval of Annual Accou	unts		Section 180(1)(a) of the Companies Act, 2013		
<b>—</b>	aration of Dividend		11	Authority to enter into transaction with relate		
	•		_	parties under Section 188(1) of the (	Companies Act,	
	ppointment of Statu	tory Auditors		2013		
Special Business  5. Appointment of Mr. Jagdish S. Shah as Independent Director		_ 12	To authorize Board to invite unsecured de			
		R. Joshi as Independent Director	-	from members under Section 73 of the Companies Act, 2013		
H		<u> </u>	r 13	Consent of members be accorded to	o the Board of	
	- ' '			Directors of the Company to ame		
	thorize to borrow un	der Section 180(1)(c) of the Companie	·s	conditions of appointment of Managing Director, Mr. Bhagwandas K. Patel		
Signed this		day of 20			A ££:	
_		day of 20			Affix evenue	
-	` '		_	S	tamp e. 1/-	

Note: 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.

# What is the "Green Economy"?

For the purposes of the Green Economy Initiative, UNEP has developed a working definition of a green economy as one that results in improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities. In its simplest expression, a green economy can be thought of as one which islow carbon, resource efficient and socially inclusive.

Practically speaking, a green economy is one whose growth in income and employment is driven by public and private investments that reduce carbon emissions and pollution, enhance energy and resource efficiency, and prevent the loss of biodiversity and ecosystem services. These investments need to be catalyzed and supported by targeted public expenditure, policy reforms and regulation changes. This development path should maintain, enhance and, where necessary, rebuild natural capital as a critical economic asset and source of public benefits, especially for poor people whose livelihoods and security depend strongly on nature.







CIN: L99999GJ1990PLC013886

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