



**DYNAMIC<sup>®</sup>**  
PRODUCTS LTD.

A large, light gray circular graphic with several concentric rings. A vibrant, multi-colored arc, resembling a rainbow, curves around the left and bottom of the circle. The colors transition from blue at the top left, through purple, pink, red, orange, and yellow, ending in green at the bottom left.

**32<sup>nd</sup> ANNUAL REPORT**  
**2 0 2 1 - 2 0 2 2**

**DYNAMIC PRODUCTS LIMITED**



**Bhagwandas K. Patel**  
Managing Director



### **Dear Members,**

It gives me immense pleasure to share this platform with all our shareholders for their unwavering support. We have been through two years of challenging times posed by the pandemic. The impact continues to be felt with supply chain disruptions and sharp increase in energy, logistics and other input costs.

At Dynemic, slowly and carefully we had commenced the Dahej Plant. Revenue from Operations stood at INR 25,193 Lacs in FY 2022, rising from INR 20,558 Lacs in FY 2021, recording a growth of 23% Earnings Before Interest, Depreciation, Tax and Amortization (EBIDTA) for FY 2022 stood at INR 4,300 Lacs, 2% lower growth than the previous year. Net Profit was recorded at INR 1430 Lacs in FY 2022, witnessing a decrease of 50% over the previous year. The increased cost of Dahej (Depreciation and Interest cost) and the Russia-Ukraine conflict negatively impacted on all costs, particularly raw materials, logistics, power and gasoline, resulting in a downward trend in Profit After Tax (PAT) and EBITDA.

The Company has come up with Rights Issue which was subscribed by appx 65% which has some what benefitted to deleverage the financial position of the Company. The Board of Directors of your Company, after considering the financial performance has decided not to recommend dividend for the year under review.

With the commissioning of Dahej Plant the production capacity of Food colors will be 6120 MT and Dye intermediates will be 16524 MT per annum.

Though challenges are many but we are sure to deliver good results by the end of 2022-23. AS rightly said by Franklin D. Roosevelt, **"A smooth sea never made a skilled sailor."**

I would like to thank our customers, suppliers and other partners for their continued faith in our capabilities and helping us in improving our processes and in evolving into a prestigious organization. I thank my fellow Directors, senior leadership team and stakeholders for their continued support and faith in our vision and helping us to achieve success. We welcome financial year 2022-23 with new aspirations. Stay safe and healthy.

**Bhagwandas K. Patel**  
Managing Director

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Bhagwandas K. Patel	-	Managing Director
Rameshbhai B. Patel	-	Whole Time Director
Dixit B. Patel	-	Whole Time Director
Jagdishbhai S. Shah	-	Independent Director
Shankarlal B. Mundra	-	Independent Director
Rashmi K. Otavani	-	Independent Director

### COMMITTEES OF DIRECTORS

#### Audit Committee

Jagdishbhai S. Shah  
 Bhagwandas K. Patel  
 Shankarlal B. Mundra

#### Nomination and Remuneration Committee

Shankarlal B. Mundra  
 Jagdishbhai S. Shah  
 Rashmi K. Otavani

#### Stakeholders Relationship Committee

Shankarlal B. Mundra  
 Bhagwandas K. Patel  
 Rashmi K. Otavani

#### Corporate Social Responsibility Committee

Bhagwandas K. Patel  
 Jagdishbhai S. Shah  
 Rashmi K. Otavani

#### Risk Management Committee (wef 05.06.21)

Bhagwandas K. Patel  
 Dixitbhai B. Patel  
 Jagdishbhai S. Shah

#### Company Secretary

Varsha Mehta

#### Chief Financial Officer

Amisha Patel

#### Registered Office

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

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.

Unit-3 : D/3/3/1, inDahej-III Industrial Estate, Tal : Vagra,  
 Dist : Bharuch, Gujarat

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### THIRTY SECOND ANNUAL GENERAL MEETING

DATE : September 29, 2022

DAY : Thursday

TIME : 4.00 P.M.

THRU : VC/ OVAM

NOTE :

1. In compliance with the MCA and SEBI Circular, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode at the email addresses of members as registered with the RTA / Depositories. Member may note that Notice and Annual Report 2021-22 has been uploaded on the website of the Company at [www.dynemic.com](http://www.dynemic.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of CDSL (agency for providing the VC and e-Voting facility) i.e. [www.evoting.cdsl.com](http://www.evoting.cdsl.com).
2. 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 email address of the Company [cs@dynemic.com](mailto:cs@dynemic.com) 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 LTD.**

**Registered Office :** B-301, Satyamev Complex-1, Opp. Gujarat High Court,  
S.G. Road, Sola, Ahmedabad - 380 060. Website : [www.dynemic.com](http://www.dynemic.com)  
**CIN - L24100GJ1990PLC013886**

**Notice**

Notice is hereby given that the 32nd Annual General Meeting of the Company will be held through Video Conferencing / Other Audio Visual Means on Thursday, September 29, 2022, at 4.00 p.m. to transact the following business :

**Ordinary Business :**

1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2022, the reports of the Board of Directors and Auditors thereon; and the audited consolidated financial statement of the Company for the financial year ended March 31, 2022 and the Report of the Auditors thereon.

2. To appoint a Director in place of Shri Rameshbhai B. Patel, (holding DIN No. 00037568), liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment and in this regard, pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri Rameshbhai B. Patel (DIN: 00037568), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution, to appoint Statutory Auditors of the company and to fix their remuneration:

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), M/s. B. K. Patel & Co., Chartered Accountants (FRN:112647W) be and are hereby appointed as the Statutory Auditors of the Company in the place of retiring Statutory Auditors viz. M/s. Asim Ravindra & Associates, Chartered Accountants, (Firm Registration No. 118775W), effective from the conclusion of this 32nd Annual General Meeting (2022) of the Company.

**RESOLVED FURTHER THAT** M/s. B. K. Patel & Co., Chartered Accountants (FRN:112647W) be and are hereby appointed as Statutory Auditors of the Company for a first term of 5 (five) consecutive years from the conclusion of 32nd Annual General Meeting (2022) till the conclusion of 37th Annual General Meeting of the Company (2027) on such terms and conditions including remuneration as may be determined by the Board of Directors of the Company (or Committee thereof), in addition to reimbursement of travelling and other out-of-pocket expenses actually incurred by them in connection with the audit."

**Special Business :**

4. To ratify payment of remuneration to the Cost Auditors of the Company for FY 2022-23

To Consider and if thought fit to pass the following resolution with or without modification as an Ordinary Resolution:-

**"RESOLVED THAT** pursuant to the provisions of Section 148 (3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the Remuneration payable to M/s Anuj Aggarwal & Co., Cost Accountants Ahmedabad (having firm registration No. 102409), appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2023, amounting to Rs. 85,000 (Rupees Eighty Five Thousand only) (apart from reimbursement of out-of pocket expenses incurred for the purpose of Audit), be and is hereby ratified and confirmed."

**RESOLVED FURTHER THAT** Shri Bhagwandas K. Patel, Managing Director of the company be and is hereby authorized to file the necessary forms as and when required.

5. To re-appoint Shri Dixitbhai B. Patel (DIN : 00045883) as a Whole Time Director of the Company for the further period of 5 years w.e.f. January 1, 2023

To Consider and if thought fit to pass the following resolution with or without modification as a Special Resolution:-

**"RESOLVED THAT** pursuant to the provisions of Sections 197, 203 and 197 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, the relevant provisions of the Articles of Association of the Company and all applicable guidelines as applicable from time to time, approval be and is hereby accorded to the re-appointment of Shri Dixitbhai B. Patel as a Whole Time Director of the Company, for a period of 5 (five) years with effect from January 1, 2023, on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or reenactment thereof. Upon re-appointment as a Whole Time Director his office shall be liable to retire by rotation and the reappointment as such director shall not be deemed to constitute a break in his office of Whole Time Director."

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all acts and take all such steps as may be necessary proper or expedient to give effect to this Resolution."

6. To make revision of salary structure of Shri Bhagwandas K. Patel, Managing Director of the Company.

To Consider and if thought fit to pass the following resolution with or without modification as a Special Resolution:-

**"RESOLVED THAT** pursuant to the provisions of Articles of Association of the Company read with Section 196 & 197, of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory

modification or re-enactment thereof for the time being in force) approval of shareholders of the company be and is hereby accorded subject to such other consents, approvals and permissions, if any needed, remuneration of Shri Bhagwandas K. Patel (DIN: 00045845), Managing Director of the company be and is hereby revised with effect from April, 2022 :-

**Salary :**

Gross Salary Rs. 657500/- (Rupees Six Lacs Fifty Seven Thousand Five Hundred only) per month (in the scale of Rs. 657500/- to Rs. 2000000/-), Bonus, Encashment of leave and Gratuity as per company's rule.

**"RESOLVED FURTHER THAT,** pursuant to regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 consent of the Members be and is hereby accorded for payment of remuneration to Shri Bhagwandas K. Patel (DIN: 00045845), Managing Director at such terms and conditions as approved by Members in its Annual General Meeting held on December 24, 2020, notwithstanding that the annual aggregate remuneration payable to Shri Bhagwandas K. Patel, Managing Director, Shri Dixitbhai B. Patel, Whole Time Director and Shri Rameshbhai B. Patel, Whole Time Director, exceeds 5% of the net profit of the Company as calculated under section 198 of the Companies Act in any year during the remaining tenure of his appointment.

**RESOLVED FURTHER THAT** except for the revision in salary, all the existing terms and conditions including perquisites and commission as per ordinary resolution passed in Annual General Meeting held on December 24, 2020 shall remain unchanged.

**RESOLVED FURTHER THAT** the approval of shareholders shall be valid only till the expiry of the existing term of Shri Bhagwandas K. Patel, Managing Director.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution."

7. To make revision of salary structure of Shri Rameshbhai B. Patel, Whole Time Director of the Company. To Consider and if thought fit to pass the following resolution with or without modification as a Special Resolution:-

**"RESOLVED THAT** pursuant to the provisions of Articles of Association of the Company read with Section 196 & 197, of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) approval of shareholders of the company be and is hereby accorded subject to such other consents, approvals and permissions, if any needed, remuneration of Shri Rameshbhai B. Patel (DIN: 00037568), Whole Time Director of the company be and is hereby revised with effect from April, 2022 :-

**Salary :**

Gross Salary Rs. 630000/- (Rupees Six Lacs Thirty Thousand only) per month (in the scale of Rs. 630000/- to Rs. 2000000/-), Bonus, Encashment of leave and Gratuity as per company's rule.

**"RESOLVED FURTHER THAT,** pursuant to regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 consent of the Members be and is hereby accorded for payment of remuneration to Shri Rameshbhai B. Patel (DIN: 00037568), Whole Time Director at such terms and conditions as approved by Members in its Annual General Meeting held on December 24, 2020, notwithstanding that the annual aggregate remuneration payable to Shri Bhagwandas K. Patel, Managing Director, Shri Dixitbhai B. Patel, Whole Time Director and Shri Rameshbhai B. Patel, Whole Time Director, exceeds 5% of the net profit of the Company as calculated under section 198 of the Companies Act in any year during the remaining tenure of his appointment.

**RESOLVED FURTHER THAT** except for the revision in salary, all the existing terms and conditions as per ordinary resolution passed in Annual General Meeting held on December 24, 2020 shall remain unchanged.

**RESOLVED FURTHER THAT** the approval of shareholders shall be valid only till the expiry of the existing term of Shri Rameshbhai B. Patel, Whole Time Director.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution."

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

**"RESOLVED THAT** pursuant to provisions of Section - 188(1)(f) and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modifications or reenactments thereof for the time being in force, consent of the members be and is hereby accorded to the Board of Directors to approve and pay remuneration to Shri Mukesh B. Patel, Manager Export, who is relative of Shri Bhagwandas K. Patel, Managing Director and Shri Dixit B. Patel, Director of the Company, be increased w.e.f. 01/04/2022 from Rs. 132448/- Gross per month plus bonus and other perquisites & commission (in the scale of Rs. 132448/- to Rs. 10,00,000/-) per month time to time on normal increment basis as per general policy of the Company and applicable to other employees in his grade."

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**By Order of the Board**

Ahmedabad  
August 9, 2022

Varsha R. Mehta  
Company Secretary  
Membership No. A24312

## Notes

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General circulars dated May 5, 2022, January 13, 2021, May 5, 2020, April 13, 2020 and April 8, 2020 (collectively referred to as 'MCA Circulars') permitted the holding of the Annual General Meeting ('AGM') through VC/OAVM without physical presence of the Members at a common venue. Further, the Securities and Exchange Board of India ('SEBI') vide its Circulars dated May 13, 2022, January 15, 2021 and May 12, 2020 ('SEBI Circulars') has also granted relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 permitted the holding of AGM through VC/OAVM without physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') and the MCA Circulars, the 32nd AGM of the Company is being held through VC/OAVM.
2. The relevant Explanatory Statement and reasons in respect of proposed special business pursuant to Section 102(1) of the Companies Act, 2013 are annexed hereto.
3. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
4. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Act.
5. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
6. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode.
7. **Instructions and Procedure for Remote e-voting, attending the meeting and e-Voting during the AGM**
  - Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
  - Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.
  - (i) The voting period begins on Monday, September 26, 2022 at 9.00 a.m. and ends on Wednesday, September 28, 2022 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Thursday, September 22, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
  - (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.  
  
Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.  
  
In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
  - Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
  - (i) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote

through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact <b>CDSL</b> helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact <b>NSDL</b> helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) 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 style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) 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.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

**Additional Facility for Non - Individual Shareholders and Custodians -For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, 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.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address [cs@dynemic.com](mailto:cs@dynemic.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
11. Shri B. K. Patel, Chartered Accountant of M/s B. K. Patel & Co., (FRN 112647W), 401-404, Vraj Valencia, B/h Mahindra Show Room, S. G. Highway, Sola, Ahmedabad-380060 has been appointed as the Scrutinizer to scrutinize the e-voting process and voting during AGM, in a fair and transparent manner.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

- a) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company's email id [cs@dynemic.com](mailto:cs@dynemic.com) or at RTA's email id [investor@bigshareonline.com](mailto:investor@bigshareonline.com)
- b) For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
- c) For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Shri Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

12. As per the provisions of Section 72 of the Act, the facility for making a nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting Form No.SH13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form SH14. Members who are either not desiring to register Nomination or would want to opt out, are requested to fill and submit Form No. ISR-3. The said forms can be downloaded from the RTA's website at <https://www.bigshareonline.com/Resources.aspx> Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, quoting their folio no.
13. The format of the Register of Members prescribed by the MCA under the Act requires the Company/ Registrars and Share Transfer Agents to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividends, etc. Form No. ISR-1 for capturing additional details is available on the RTA's website at <https://www.bigshareonline.com/Resources.aspx>  
Members holding shares in physical form are requested to submit the filled-in Form No. ISR- 1 to the RTA in physical mode. Members holding shares in electronic form are requested to submit the details to their respective DP only and not to the Company or RTA.
14. Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/mobile numbers, PAN, power of attorney registration, Bank Mandate details, etc., to their Depository Participant ("DP") in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, in prescribed Form No. ISR-1, quoting their folio number and enclosing the self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND UNDER SECRETRIAL STANDARD ON GENERAL MEETINGS FOR ITEM 3 TO 8**

**ITEM No. 3**

M/s. Asim Ravindra & Associates, Chartered Accountants, (Firm Registration No. 118775W) were appointed as Statutory Auditors of the Company by the members at the Annual General Meeting (AGM) held on 25th September, 2017 for the term of five years starting from 27th AGM till the conclusion of 32nd AGM to be held in the year 2022. Accordingly, their term gets completed on conclusion of 32nd AGM of the Company in terms of the said approval and Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rule, 2014. As term of Statutory Auditors will expire on conclusion of 32nd AGM and they are Statutory Auditors of the Company since FY 2017-18, the Board of Directors of the Company proposes to change the Statutory Auditors as part of good corporate governance. After a detailed review of the profile, experience and expertise of few audit firms / entities, on the recommendation of Audit Committee, Board of Directors of the Company recommends the appointment of M/s. B. K. Patel & Co., Chartered Accountants (Firm Registration No. 112647W) as Statutory Auditors of the Company for a term of 5 (five) consecutive years commencing from conclusion of the ensuing 32nd AGM until the conclusion of 37th AGM of the Company, for approval of the members at the ensuing 32nd AGM. M/s. B. K. Patel & Co., Chartered Accountants is registered with the Institute of Chartered Accountants of India (ICAI) with Registration No. 112647W. M/s. B. K. Patel & Co. is an old and well-established Chartered Accountancy firm, having been setup in the year 1980. The firm is supported by qualified professionals and experienced team having unparalleled exposure across diverse industries. M/s. B. K. Patel & Co. have accorded their consent and confirmed that they full-fill all the eligibility criteria envisaged under Companies Act, 2013 and SEBI LODR Regulations 2015, to hold the office and perform the role of statutory auditor of the Company effectively. They hold a valid peer review certificate which is valid up to March 31, 2025. Considering the professional experience, expertise and technical competencies by M/s. B. K. Patel & Co., the Audit Committee and the Board of Directors are of the opinion that it would be in the interest of the Company to appoint M/s. B. K. Patel & Co. as Statutory Auditors. Accordingly, the Board of Directors recommend to the shareholders the appointment of M/s. B. K. Patel & Co, Chartered Accountants, as Statutory Auditors

for a term of 5 (five) consecutive years commencing from conclusion of this 32nd AGM till the conclusion of 37th AGM on a remuneration of Rs. 8.51 Lacs per annum for the first financial year 2022-23 plus reimbursement of applicable taxes, travelling and any other out of pocket expenses incurred by them towards statutory audit and quarterly limited reviews. The proposed fees are subject to annual revisions as may be determined by the Board in consultation with the Auditors. The current fees of Statutory Auditor is Rs. 8.00 Lacs per annum plus reimbursement of actual out of pocket expenses that may be incurred in connection with the audit for the financial year 2021-22 which shall include the Audit fees for the stand alone as well as consolidated accounts and quarterly limited review report. There is no material change in the fee payable from that paid to the outgoing Statutory auditors.

Your Directors, therefore, recommend a Special Resolution at Item No. 3 of the accompanying Notice, for your approval. None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the above resolution.

#### **ITEM No. 4**

The Board of Directors on the recommendation of the Audit Committee, appointed M/s. Anuj Aggarwal & Co., Cost Accountants, Ahmedabad as the Cost Auditors to carry out the audit of cost records of the Company for the financial year 2022-23 and fixed the remuneration of Rs. 85,000 plus GST and out of pocket expenses. As per the provisions of Section 148 of the Companies Act, 2013 read with the Companies [Audit and Auditors] Rules, 2014, the remuneration fixed by the Board of Directors shall be ratified by the members by passing a resolution. Accordingly, consent of the members is being sought for passing an Ordinary Resolution for ratification of remuneration payable to the Cost Auditors to carry out the audit of cost records of the Company for the financial year 2022-23. None of the Directors and Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested in the said Resolution. The Board recommends passing of the said resolution as an Ordinary Resolution for the approval of members of the Company.

#### **ITEM No. 5**

As the existing tenure of Shri Dixitbhai B. Patel will be expiring on December 31, 2022, Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee in its meeting held on 26.04.2022 has proposed to re-appoint him as Whole Time Director, for a further period of five years with effect from 01.01.2023, subject to the approval of Members and that of the Central Government, if required on the terms and conditions as set out hereunder. Also in terms of Regulation 17 (6)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 issued on May 9, 2018 ("Amended Listing Regulations"), the remuneration payable to Executive Directors who are promoters or member of promoter group, shall be subject to the approval of the shareholders by Special Resolution in General Meeting, if, the aggregate annual remuneration payable to such directors exceeds 5% of the net profits of the Company, as calculated under section 198 of the Act, where there is more than one such director. The approval given by the shareholders shall be valid only till the expiry of the term of such Director. Brief resume and other details of Shri Dixitbhai B. Patel are provided in annexure to the Notice pursuant to the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Shri Dixit B. Patel aged 42 years is Bachelor of Science and had done Diploma in Export Management. He is young and enthusiastic Director, mainly looking after exports which contributes nearly about 75% of Company's turnover.

It is proposed to seek Members' approval for the re-appointment of and remuneration payable to Shri Dixit B. Patel, as Whole Time Director, in terms of the applicable provisions of the Act.

Broad particulars of the terms of re-appointment of and remuneration payable to Shri Dixit B. Patel are as under:

#### **(A) Salary :**

Gross Salary Rs. 602500/- per month (in the scale of Rs. 600000/- to Rs. 2000000/-), Bonus, Encashment of leave, Commission and Gratuity as per company's rule.

#### **Period :**

From 01.01.2023 to 31.12.2027

The remuneration proposed to be paid to the Whole Time Director is comparable with the remuneration being paid for similar assignments in the industry.

In the event of the Company not earning any profit / earning inadequate profits during any financial year during the currency of the tenure of Shri Dixit B. Patel, as Whole Time Director, the remuneration payable shall be as per limit prescribed in Schedule V of the Companies Act, 2013.

**SITTING FEES :** As long as Shri Dixit B. Patel functions as the Whole Time Director, they shall not be paid any sitting fees for attending the meetings of the Board of Directors / Committee thereof.

#### **(B) General :**

- (i) Shri Dixit B. Patel satisfy all the conditions set out in Part-I of Schedule V to the Act for being eligible for the re-appointment.
- (ii) The office of Whole Time Director may be terminated by the Company or the concerned Director by giving the other 6 (six) months prior notice in writing.
- (iii) The employment of Whole Time Director may be terminated by the Company without notice or payment in lieu of notice :
  - if the Director is found guilty of any gross negligence, default or misconduct in connection with or

- affecting the business of the Company or any subsidiary or associate company to which he is required to render services; or
- in the event of any serious repeated or continuing breach or non-observance by the Director of any of the stipulations contained in the terms of employment with the Company; or
  - in the event the Board expresses its loss of confidence in the Director.
- (iv) Upon termination by whatever means of the Whole Time Director's employment :
- The Director shall immediately tender his resignation from the office as Director of the Company and from such other offices held by him in the Company, in any subsidiary and associate company and other entities without claim for compensation for loss of office,
  - The Director shall not without the consent of the Company at any time thereafter represent himself as connected with the Company or any of its subsidiary or associate company.
- (v) The Whole Time Director will perform his duties as such with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board and his functions will be under the overall authority of the Managing Director.
- (vi) The Whole Time Director shall adhere to the Company's Code of Business Conduct and Ethics for Directors and Management personnel.

The above may be treated as a written memorandum setting out the terms of re-appointment of Shri Dixit B. Patel as Whole Time Directors under Section 190 of the Act.

Shri Bhagwandas K. Patel, Managing Director of the Company may be considered as concerned and interested as being relative of Shri Dixit B. Patel and Shri Dixit B. Patel may be considered as concerned and interested as the resolution pertains to himself. None of the other Directors is interested or concerned in the resolution.

The Board of Directors recommended the resolution at Item No. 5 of the Notice for approval of Members by Special Resolution.

#### **ITEM No. 6 and 7**

The Managing Director and Whole-time Director(s) have provided dedicated and meritorious services and significant contribution to the overall growth of the Company. Therefore the Board is of the view that the existing upper limit remuneration in respect of Shri Bhagwandas K. Patel, Managing Director of the Company may not be sufficient enough to pay the increased remuneration over a period of balance year of his term, therefore the approval of the members of the Company is sought for revision in the maximum limit of remuneration as provided in the resolution no. 6 as minimum remuneration with effect from April 1, 2022 for the remaining period of his appointment upto August 31, 2025, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or reenactment thereof. Similarly, the existing upper limit remuneration in respect of Shri Rameshbhai B. Patel, Whole-time Director of the Company which may not be sufficient enough to pay the increased remuneration over a period of balance year of his term, therefore the approval of the members of the Company is sought for revision in the maximum limit of remuneration as provided in resolution no. 7, as minimum remuneration with effect from April 1, 2022 for the remaining period of appointment upto August 31, 2025, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or reenactment thereof.

In terms of Regulation 17 (6)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 issued on May 9, 2018 ("Amended Listing Regulations"), the remuneration payable to Executive Directors who are promoters or member of promoter group, shall be subject to the approval of the shareholders by Special Resolution in General Meeting, if, the aggregate annual remuneration payable to such directors exceeds 5% of the net profits of the Company, as calculated under section 198 of the Act, where there is more than one such director. The approval given by the shareholders shall be valid only till the expiry of the term of such Director.

On recommendation of Board of Directors, approval of Members by way of Special Resolution is sought for paying remuneration even if the annual aggregate remuneration payable to Shri Bhagwandas K. Patel, Managing Director, Shri Dixitbhai B. Patel, Whole Time Director and Shri Rameshbhai B. Patel, Whole Time Director, exceeds 5% of the net profit of the Company as calculated under section 198 of the Companies Act in any year during the remaining tenure of his appointment.

The Board of Directors recommended the resolution at Item No. 6 and 7 of the Notice for approval of Members by Special Resolution.

Shri Bhagwandas K. Patel, Managing Director and Shri Dixitbhai B. Patel, Whole Time Director related to each other may be considered as concerned and interested as the resolution pertains to themselves and also related to each other. None of the other Directors, Key Managerial Personnel and relatives thereof are in any way, concerned or interested in the resolution at Item no. 6 and 7.

#### **ITEM No. 8**

Pursuant to provision of Section 188(1)(f) of the Companies Act, 2013, consent of the Company is, inter alia, required to be accorded by the Company, where a Director or relative of a director is appointed to an office or a place of profit under

the Company or a subsidiary of the Company. The Board of Directors at its meeting held on August 9, 2022 based on recommendation of Nomination and Remuneration Committee and Audit Committee approved the increase in remuneration of Shri Mukesh B. Patel, Export Manager, being Son-in-law of Shri Bhagwandas Patel (Managing Director) & Brother-in-law of Shri Dixit Patel (Whole Time Director).

**Brief profile:**

Shri Mukeshbhai B. Patel is the Export Manager of the company and is working with the company since January, 2003. He is Bachelor of Engineering (Mechanical) and has also done post graduate diploma in International Trade. He is handling the International Marketing of the Company since he joined the Company. His present salary is Rs. 132448/- Gross plus other permissible perquisite and commission. The performance of the Shri Mukeshbhai B. Patel has been reviewed by the management from time to time.

In view of his rich experience and contribution made by Shri Mukeshbhai B. Patel to the Company for the last several years and also considering the increasing scale of business of the Company, the Board considered to get approval of shareholders for increase in remuneration on yearly normal increment basis as applicable to other employees in his grade w.e.f. from April 1, 2022 from Rs. 132448/- Gross per month plus bonus and other perquisites (in the scale of Rs. 132448/- to Rs. 10,00,000/- ) per month.

Brief profile of Related Party and disclosure pursuant to Rule 15(3) of Companies (Meetings of Board and its powers) Rules 2014 are as under :

Name of Related Party	Shri Mukeshbhai B. Patel
Name of Director or KMP who is related	Shri Bhagwandas K. Patel
	Shri Dixitbhai B. Patel
Nature of relationship	Son-in-law / Brother-in-law
Nature, material terms, monetary value and particulars of contract or arrangement	Remuneration to be Paid w.e.f. 01.04.2022 from Rs. 132448/- Gross per month plus bonus and other perquisites & commission (in the scale of Rs. 132448/- to Rs. 10,00,000/-) per month time to time on normal increment basis as per general policy of the Company and applicable to other employees in his grade
Brief Profile and information relevant or important for the members to take a decision on the proposed resolution	Covered above.

Shri Bhagwandas K. Patel, Managing Director and Shri Dixitbhai B. Patel, Whole Time Director of the Company may be considered as concerned and interested as being relatives of Shri Mukeshbhai B. Patel. None of the other Directors, Key Managerial Personnel and relatives thereof are in any way, concerned or interested in the resolution at Item no. 8. The Board of Directors recommended the resolution at Item No. 8 of the Notice for approval of Members by Special Resolution.

## Annexure to Notice

### Details of Directors seeking Appointment / Re-appointment

Particulars	Shri Rameshbhai B. Patel
Age	59 years
Qualifications	Bachelor of Science
Experience (Brief Resume)	Shri Rameshbhai B. Patel aged 59 years is Bachelor of Science having rich experience of above 33 years in colour & chemical industry and is one of the promoter of the Company. He is in charge of total production/R&D of Unit I at Ankleshwar. He has been instrumental and a driving force for increasing efficiency of plants, developing new product/expanding product range, selecting technology at Dynemic Products Ltd. He was appointed as Whole Time Director of the Company for a period of 5 years with effect from 01.09.2020 which was approved by the shareholders in the 30th Annual General Meeting held on 24.12.2020.
Terms and Conditions of Appointment / Re-appointment	As per the resolution at item no. 6 of the Notice convening Annual General Meeting on December 24, 2020 read with explanatory statement thereto.
Remuneration last drawn (including sitting fee, if any)	Rs. 67.55 Lakhs
Remuneration proposed to be paid	As per resolution at item no. 7 of the Notice convening Annual General Meeting
Date of First appointment on the Board	14.06.1990
Shareholding in the Company as on March 31, 2022	679993
Relationship with other Directors / KMP	None
Number of meetings of the Board attended during the year	5
Directorships of other Boards as on March 31, 2022	<ul style="list-style-type: none"> <li>• Cerecon Bio-Sciences Private Limited erstwhile Dynamic Overseas (India) Private Limited - Subsidiary Company</li> <li>• Ratnamani Bio-Chemicals and Pharmaceuticals Private Limited</li> </ul>
Chairman / Member of the Committees of the Board of the Company as on March 31, 2022	Nil
Chairman / Member of Committees of other Boards as on March 31, 2022	Nil
Listed Companies from which resigned in the past three years	Nil
Particulars	Shri Dixit B. Patel
Age	42 years
Qualifications	Bachelor of Science and had done Diploma in Export Management
Experience (Brief Resume)	Shri Dixit B. Patel aged 42 years is Bachelor of Science and had done Diploma in Export Management. He is young and enthusiastic Director, mainly looking after exports which contributes nearly about 75% of Company's turnover. Shri Dixit Patel has more than 20 years experience in the export field. He was appointed as Whole Time Director of the Company for a period of 5 years with effect from 01.01.2018 which was approved by the shareholders in the 27th Annual General Meeting held on 25.09.2017.

Terms and Conditions of Appointment / Re-appointment	As per the resolution at item no. 5 of the Notice convening Annual General Meeting read with explanatory statement thereto.
Remuneration last drawn (including sitting fee, if any)	Rs. 63.84 Lakhs
Remuneration proposed to be paid	As per resolution at item no. 5 of the Notice convening Annual General Meeting
Date of First appointment on the Board	01.01.2008
Shareholding in the Company as on March 31, 2022	169225
Relationship with other Directors / KMP	Son of Shri Bhagwandas K. Patel, Managing Director
Number of meetings of the Board attended during the year	5
Directorships of other Boards as on March 31, 2022	<ul style="list-style-type: none"> <li>• Dynamic Overseas (India) Private Limited - Subsidiary Company</li> <li>• Dynemic Holdings Private Limited - Associate Company</li> <li>• DBK Chemtech Private Limited</li> </ul>
Chairman / Member of the Committees of the Board of the Company as on March 31, 2022	Member of Risk Management Committee
Chairman / Member of Committees of other Boards as on March 31, 2022	Nil
Listed Companies from which resigned in the past three years	Nil

**By Order of the Board**

**Varsha R. Mehta**  
**Company Secretary**  
**Membership No. A24312**

**Ahmedabad**  
**August 9, 2022**

## Boards' Report

Dear Shareholders,

Your Directors have pleasure in presenting the 32nd Annual Report together with the audited Statement of Accounts of the Company for the year ended March 31, 2022.

### FINANCIAL RESULTS

(Rs. in Lakhs)

Particulars	Standalone		Consolidated	
	Year ended 31st March'22	Year ended 31st March'21	Year ended 31st March'22	Year ended 31st March'21
Revenue from Operations	24264	20123	24264	20123
Other Operating Income	928	435	928	435
<b>Total Income from Operations (net)</b>	<b>25192</b>	<b>20558</b>	<b>25192</b>	<b>20558</b>
Other Income	28	56	30	61
<b>Total Income</b>	<b>25220</b>	<b>20614</b>	<b>25222</b>	<b>20619</b>
Profit before Interest, Depreciation & Amortization and Tax Expenses	4300	4400	4299	4401
Finance Cost	845	228	845	228
Depreciation & Amortization	1127	344	1127	344
<b>Profit Before Tax</b>	<b>2328</b>	<b>3828</b>	<b>2327</b>	<b>3829</b>
Provision for Current Tax	95	1000	95	1001
Provision for Deferred Tax	803	(21)	803	(21)
<b>Total Tax</b>	<b>898</b>	<b>979</b>	<b>898</b>	<b>980</b>
<b>Profit after Tax</b>	<b>1430</b>	<b>2849</b>	<b>1429</b>	<b>2849</b>
<b>Other Comprehensive Income</b>	<b>(17)</b>	<b>(11)</b>	<b>(17)</b>	<b>(11)</b>
<b>Total Comprehensive Income / (Expenses)</b>	<b>1413</b>	<b>2838</b>	<b>1412</b>	<b>2839</b>

### RIGHTS ISSUE

The Company had issued and allotted 3,65,664 partly paid-up equity shares of Rs. 10/- each of the Company on rights basis, in the ratio of 1 equity share for every 20 equity shares held, to eligible equity shareholders of the Company at an issue price of Rs. 450/- per fully paid-up equity share (including a premium of Rs. 440/- per equity share). An amount equivalent to 50% of the issue price viz. Rs. 225 per equity share was received on application.

### DIVIDEND

Your Directors, after considering the financial performance has decided not to recommend dividend for the year under review.

During the year, unclaimed dividend amount of Rs. 1,23,302.00 pertaining to financial year 2013-14 was transferred to Investor Education & Protection Fund (IEPF) established by the Central Government, on 1st November, 2021.

### 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 set out as Annexure E to the Boards' Report.

### ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The information to be disclosed under Section 134 (3) (m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, are set out in Annexure A to this Report.

### CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

As part of its initiatives under "Corporate Social Responsibility" (CSR), the company has contributed funds for Brahmarshi Gyan Samvardhak Trust. The contributions in this regard has been made to the registered trust which is undertaking these scheme.

The Annual Report on CSR activities is annexed herewith as : Annexure B.

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**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013. The details of the investments made by company is given in the notes to the financial statements.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Pursuant to requirement of the Companies Act, 2013, Shri Rameshbhai B. Patel shall retire at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. The details of Directors seeking appointment/ re-appointment at the ensuing Annual General Meeting has been provided in the Notice of the Annual General Meeting, forming part of the Annual Report.

The Independent Directors hold office for a fixed term of five years and are not liable to retire by rotation. In accordance with Section 149(7) of the Act, each independent director has given a written declaration to the Company confirming that he/she meets the criteria of independence as mentioned under Section 149(6) of the Act and SEBI Regulations.

The Board of Directors on recommendation of Nomination and Remuneration Committee has reappointed Shri Dixitbhai B. Patel as Whole-time Director respectively of your company for a further period of 5 (five) years with effect from 1st January, 2023, subject to approval of shareholders, as his current term of office is upto December 31, 2022. The approval of members for their re-appointments are being sought vide item no. 5 in Notice of the Annual Report.

**Nomination and Remuneration Policy**

Company's Policy on Directors, KMP and other employees as per Section 134(3) of Companies Act, 2013 is given in Corporate Governance Section forming part of Annual Report.

**Meetings**

The Board of Directors duly met 5 (Five) times respectively on 05.06.2021, 07.08.2021, 13.11.2021, 18.12.2021 and 11.02.2022 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed.

**INSURANCE**

All movable and immovable properties as owned by the Company continued to be adequately insured against risks.

**DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and also has constituted Internal Complaints Committee (ICC). All employees (permanent, contractual, temporary, trainees) are covered under this policy. The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The following is a summary of sexual harassment complaints received and disposed off during the year.

- No. of complaints filed during the financial year - NIL
- No. of complaints disposed off during the financial year - Not Applicable
- Number of complaints pending as on end of the financial year - NIL

**DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134 (5) of the Companies Act, 2013 it is hereby confirmed that :

- in the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards had been followed and that there are no material departures;
- 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;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the accounts for the financial year ended March 31, 2022 on a going concern basis;
- the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large. Prior Omnibus approval of the Audit Committee is obtained on yearly basis for the transactions which are of a foreseen and repetitive nature. The Company had also taken members' approval at its Annual General Meeting held on 11th September, 2014 for entering into the transactions with Related Parties. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website [www.dynemic.com/shareholder-information.php](http://www.dynemic.com/shareholder-information.php)

Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

Disclosure of transactions with promoter / promoter group holding 10% or more shareholding.

(in Lacs)

Name of Promoter	Transaction Type	Amount
Shri Bhagwandas K. Patel	Remuneration	116.26
Number of shares - 1207182 (10.66%)	Dividend	0.00

Transactions with related parties are disclosed in Note No. 38 to the Annual Financial Statements.

### Material Changes:

There have been no material changes and commitments affecting the financial position of the Company since the close of financial year i.e. since March 31, 2022. Further, it is hereby confirmed that there has been no change in the nature of business of the Company.

### AUDITORS :-

#### (A) STATUTORY AUDITOR :-

M/s Asim Ravindra & Associates, Chartered Accountants were appointed as Statutory Auditors of your Company at the Annual General Meeting held on September 25, 2017 for a term of five consecutive years.

Accordingly, the term of existing statutory auditors gets completed on conclusion of 32nd AGM of the Company in terms of the said approval and Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rule, 2014. As their term will expire on conclusion of 32nd AGM, the Board of Directors of the company proposes to change the Statutory Auditors as part of good corporate governance. The Audit Committee and the Board of Directors at their meetings held on May 30, 2022, after considering various parameters and subject to approval of the shareholders, recommended the appointment of M/s. B. K. Patel & Co., Chartered Accountants (Firm Registration No. 112647W) as Statutory Auditors in place of retiring Statutory Auditors, for a term of 5 (five) consecutive years commencing from conclusion of this 32nd AGM till the conclusion of 37th AGM.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

#### (B) SECRETARIAL AUDITOR:-

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed M/s. Ashok Pathak & Associates, Company Secretary in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as "Annexure C" for the financial year ended on March 31, 2022. The Secretarial Audit Report contains qualification remark. The explanation to the same is given in the Board's Report.

The explanation on comments / observation(s) in the Secretarial Audit Report are as under -

There were four instances of violation of Code of Conduct for Prohibition of Insider Trading during the closure of window period. The Compliance Officer has issued warning letters for such violation and waived the penalty. The relevant details are as under :

- Mrs. Rajulaben J Patel, one of the designated person has bought 500 shares at Rs.2,25,275/- during the period 16/04/2021 to 23/04/2021.
- Shri Jayantilal K Patel, one of the designated person has bought 500 shares at Rs.2,25,125/- during the period 16/04/2021 to 23/04/2021

The Compliance Officer issued show cause notice to aforesaid designated person for violation of Code of Conduct for prohibition of insider trading on 26/04/2021. The concern designated persons have replied to show caused notice on 28/04/2021. The Compliance Officer has issued warning letters on 29/04/2021 for such violation and waived the penalty on the grounds namely - the violation is first time and it is unintentional and the said person was not in possession of UPSI. The Company has informed / reported to the stock exchanges on same day i.e.29/04/2021, in the standardize format, the aforesaid instances of violations of the Code of Conduct in accordance with 13 of

Schedule B of the PIT Regulations, 2015. The Company has not taken any action against the said designated persons for violation of Code of Conduct in accordance with Clause 12 of Schedule B r/w. Regulation 9 of PIT Regulations, 2015.

- c) Shri Haresh K Patel, one of the designated person has sale 460 shares at Rs.3,22,506/- during the period 01/10/2021 to 08/10/2021
- d) Shri Shankarlal B Mundra, one of the designated person has bought 100 shares at Rs.74,961/- during the period 01/10/2021 to 08/10/2021

The Compliance Officer issued show cause notice to aforesaid designated person for violation of Code of Conduct for prohibition of insider trading on 11/10/2021. The concern designated persons have replied to show caused notice on 14/10/2021. The Compliance Officer has issued warning letters on 14/10/2021 for such violation and waived the penalty on the grounds namely - the violation is first time and it is unintentional and the said person was not in passion of UPSI. The Company has informed / reported to the stock exchanges on same day i.e.14/10/2021, in the standardize format, the aforesaid instances of violations of the Code of Conduct in accordance with 13 of Schedule B of the PIT Regulations, 2015.

#### **(C) COST AUDITOR:-**

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the Cost Audit records maintained by the Company are required to be audited by a qualified Cost Accountant.

Your Directors have on the recommendation of the Audit Committee, appointed M/s Anuj Aggarwal & Co., Cost Accountants (Firm Registration number 102409) to audit the cost accounts of the Company for the Financial Year 2022-2023. As required under the Act, the remuneration payable to the Cost Auditor is required to be placed before the Members in a General Meeting for their ratification.

A Resolution seeking ratification of remuneration payable to M/s Anuj Aggarwal & Co, Cost Accountants is included in the Notice convening the Annual General Meeting.

#### **ANNUAL RETURN:**

In accordance with the provisions of Section 92(3) of the Act, Annual Return of the Company as on March 31, 2022 is hosted on the website of the Company at <http://www.dynemic.com/db/uploads/5m501094776.pdf>

#### **RISK MANAGEMENT :**

In compliance with the provisions of Regulation 21 of SEBI LODR Regulations, the Board of Directors has constituted a Risk Management Committee. The details of Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report.

At present the company has not identified any element of risk which may threaten the existence of the company.

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT :**

As per Clause 34(2) (e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report, is appended to this report.

#### **CORPORATE GOVERNANCE:**

A separate section on Corporate Governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report, as per SEBI Regulations.

#### **PARTICULARS OF EMPLOYEES**

There was no employee drawing salary in excess of limits described under Section 134 of the Companies Act, 2013 read with Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014.

#### **FIXED DEPOSITS**

The Company has not accepted any fixed deposits during the year under report.

#### **CONSOLIDATED FINANCIAL STATEMENT**

The Consolidated Financial Statements of the Company for the Financial Year 2021-22 are prepared in compliance with the applicable provisions of the Act, Accounting Standards and Regulations as prescribed by Securities and Exchange Board of India (SEBI) under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of Section 136 of the Companies Act, 2013, the Financial Statements of the Company, the Consolidated Financial Statements along with all relevant documents and the Auditor's Report thereon form part of this Annual Report. The Financial Statements as stated above are also available on the website [www.dynemic.com](http://www.dynemic.com) of the Company.

#### **SUBSIDIARY AND ASSOCIATE COMPANY**

A report on the performance and financial position of subsidiary and associate company as per Companies Act, 2013 is provided in **Annexure -D**.

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**INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The details in respect of internal financial control and their adequacy are included in the Management and Discussion & Analysis, which forms part of this report.

**Vigil Mechanism and Whistle Blower Policy**

The Company has a WHISTLE BLOWER POLICY to deal with instance of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct, if any. The details of the WHISTLE BLOWER POLICY are posted on the website of the Company. During the year under review, no employee was denied access to the Audit Committee. [www.dynemic.com/shareholder-information.php](http://www.dynemic.com/shareholder-information.php)

**Business Responsibility Report (BRR)**

The Listing Regulations mandate the inclusion of the BRR as part of the Annual Report for the top 1,000 listed entities based on market capitalization. Since your Company is in Top 1,000 Companies by Market Cap, in compliance with the Listing Regulations, we had included BRR disclosures into our Annual Report in Annexure F.

**GENERAL**

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

**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.

Ahmedabad  
August 9, 2022

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

**Bhagwandas K. Patel**  
Managing Director

**Dixitbhai B. Patel**  
Director

## DETAILS PERTAINING TO EMPLOYEES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT 2013

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year 2021-22 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under :

Sr.No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for FY 2021-22 *(Rs. in Lakhs)	% increase in Remuneration in the FY 2021-22	Ratio of remuneration of each Director / to median remuneration of employees
1	Bhagwandas K. Patel Managing Director	61.26	35.37%	25.48
2	Rameshbhai B. Patel Whole Time Director	57.55	37.76%	23.94
3	Dixitbhai B. Patel Whole Time Director	53.84	40.59%	22.39
4	Varsha R. Mehta Company Secretary and Compliance Officer	10.32	15.20%	4.29
5	Amisha R. Patel Chief Financial Officer	9.48	22.98%	3.95

\* Excluding Commission and Leave Pay

- i) The median remuneration of employees of the Company during the financial year was 2.40 lakhs
- ii) In the financial year, there was 10% increase in the median remuneration of employees;
- iii) There were 301 permanent employees on the rolls of Company as on March 31, 2022;
- iv) Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2021-22 was 66%.
- v) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- vi) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year - Not Applicable; and
- vii) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- viii) The disclosure require as per Rule 5(2) Section 197 is not applicable as there were no employees drawing remuneration exceeding the limit.

## ANNEXURE A - TO THE BOARDS' REPORT

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

### A. CONSERVATION OF ENERGY :

#### (i) Steps taken for conservation of energy

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.

#### (ii) Steps taken by the Company for utilizing alternate sources of energy - N.A.

#### (iii) The Capital investment on energy conservation equipments - Nil

### B. TECHNOLOGY ABSORPTION :

#### (i) Efforts towards technology absorption - Continuous endeavor to improve Product Quality & Process Yield.

#### (ii) The benefits derived like product improvement, cost reduction, product development or import Substitution - The Company is able to market its value added products in Domestic as well as International Market

#### (iii) Information regarding imported technology (Imported during last three years) - Nil

#### (iv) Expenditure incurred on Research and Development - Nil

### C. FOREIGN EXCHANGE EARNING AND OUTGO :

(Rs. in Lakhs)

	Current Year Rs.	Previous Year Rs.
• Foreign Exchange earned	17607	13701
• Foreign Exchange used	95	2845

For and on Behalf of the Board of Directors

Ahmedabad  
August 9, 2022

Bhagwandas K. Patel  
Managing Director

Dixitbhai B. Patel  
Director

## Annexure B to Board Report

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

CSR policy is stated herein below :

#### CSR Policy

(Approved by the Board of Directors on 08.11.2014)

Our aim is to be one of the most respected companies in India delivering superior and everlasting value to all our customers, associates, shareholders, employees and Society at large.

The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society. To pursue these objectives we will continue to spend the required amount as provided in Schedule VII of the Companies Act, 2013

Web Link : [www.dynemic.com/shareholder-information.php](http://www.dynemic.com/shareholder-information.php)

2. Composition of CSR committee

Name of The Member	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
Shri Bhagwandas K. Patel	Chairman	June 5, 2021	2
Shri Jagdish Shah	Member	February 11, 2022	2
Mrs. Rashmi K. Otavani	Member	(Two meetings held)	2

3. Average net profit of the company for last three financial years:

Average net profit : Rs. 31.70 Crores

4. Prescribed CSR Expenditure ( Two percent of the amount as in item 3 above)

- (a) The company is required to spend Rs. 63.40 Lacs
- (b) Surplus arising out of the CSR projects or programs or activities of the previous financial years : 0.20 Lacs
- (c) Amount required to be set-off for the financial year, if any : Nil
- (d) Total CSR obligation for the financial year (4a+4b-4c) : Rs. 63.20 Lacs

5. (a) Details of CSR spend for the financial year :

Total Amount Spent for the Financial Year	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 64.00 Lacs	Not Applicable				

- (b) Details of CSR amount spent against ongoing projects for the financial year - Not Applicable
- (c) Details of CSR amount spent against other than ongoing projects for the financial year - refer Annexure I.
- (d) Amount spent in Administrative Overheads - NIL
- (e) Amount spent on Impact Assessment, if applicable - Not Applicable
- (f) Total amount spent for the Financial Year (5b+5c+5d+5e) - Rs. 64.00 lacs
- (g) Excess amount for set off, if any -

Sr.No.	Particular	Amount (in Rs.)
1.	Two percent of average net profit of the Company as per section 135(5)	63.40 Lacs
2.	Total amount spent for the Financial Year	64.00 Lacs
3.	Excess amount spent for the financial year [(ii) - (i)]	0.60 Lacs
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.20 Lacs
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.80 Lacs

6. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable as the concept of 'ongoing projects' has been introduced in the CSR Amendment Rules, relevant from fiscal 2021.

7. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): None
8. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable
5. Details of CSR spend for the financial year :
- a) Total amount spent for the financial year : Rs. 64,00,000/-
- b) Amount unspent if any : Nil

Annexure I - Manner in which the amount spent during the financial year is detailed below:

Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of Project (State / District)	Project duration (in years)	Amount allocated for the project (in Rs.)	Amount spent in the current F.Y. (in Rs.)	Amount transferred to Unspent CSR account for the project as per Section 135(6) (in Rs.)	Mode of implementation – Direct (Yes/No)	Mode of implementation	
									Name	CSR Regn. No.
Brahmarshi Gyan Samvardhak Trust	(ii)	Yes	Gujarat	----	----	64,00,000	0	No	Brahmarshi Gyan Samvardhak Trust	CSR00010542

The implementation and monitoring of CSR policy is in compliance with CSR objectives and Policy of the Company.

B.K. Patel  
(Chairman of CSR Committee)

J.S. Shah  
(Member of CSR Committee)

R.K. Otavani  
(Member of CSR Committee)

**Annexure C to Board Report**  
**FORM NO. MR.3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

**The Members,**

**Dynemic Products Limited**

B-301, Satyamev Complex-1

Gandhinagar-Sarkhej Highway Road Court,

Sola. Ahmedabad.380 060

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Dynemic Products Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Dynemic Products Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of :

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time, where applicable;
  - (d) \* The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (e) \* The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) \*The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
  - (h) \*The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (j) \*The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; and
  - (k) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

\* No event took place under these regulations during the audit period.

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors (SS-1) and on General Meetings (SS-2) issued by The Institute of Company Secretaries of India which the company has generally complied with.

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

- a. There were four instances of violation of Code of Conduct, under Regulation 9 r/w Clause 4 of Schedule B and Regulation 4 of SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI Circular No. SEBI/HO/ ISD/ CIR/ P/ 2020/135 Dated 23/07/20, for Prohibition of Insider Trading during the closure of window period as under :
  - e) Mrs. Rajulaben J Patel, one of the designated person/ Promoter has bought 500 shares at Rs.2,25,275/- during the period 16/04/2021 to 23/04/2021.
  - f) Shri Jayantilal K Patel, one of the designated person / Promoter has bought 500 shares at Rs.2,25,125/- during the period 16/04/2021 to 23/04/2021
  - g) Shri Haresh K Patel, one of the designated person / Employee has sale 460 shares at Rs.3,22,506/- during the period 01/10/2021 to 08/10/2021
  - h) Shri Shankarlal B Mundra, one of the designated person / Independent Director has bought 100 shares at Rs.74,961/- during the period 01/10/2021 to 08/10/2021

**We further report that**

- a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director. There was no change in the composition of the Board of Directors during the period under review.
- b. Adequate notices were given to all directors of the Board Meetings. Agenda and detailed notes on agenda are sent in advance of the meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.
- c. Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

We further report that based on the compliance mechanism established by the company and on the basis of the Compliance Certificate(s) issued by the Respective Plant Heads / Department Heads and take on record by the Board of Directors at their meeting(s), we are of the opinion that the management has :

- a. Adequate systems and processes commensurate with its size and operation, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- b. Identified and complied with following laws applicable to the company :
  - (a) Food Safety and Standards Act, 2006;
  - (b) Indian Boiler Act, 1923
  - (c) The Trade Marks Act, 1999

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

**For, Ashok P. Pathak & Co.,**  
**Company Secretaries,**  
**ICSI Unique Code : S1997GJ020700**

**CS Ashok P. Pathak\***  
**Proprietor**

**ACS No : 9939 | COP No : 2662**  
**Peer Review Certificate No. : 1519/2021**  
**ICSI UDIN : A009939D000423517**

**30th May, 2022**  
**Ahmedabad**

\* Insolvency Professional (IP) registered with the Institute of Insolvency and Bankruptcy Board of India. (IBBI) IBBI/IPA-002/IP-N00329/2017-18/10934

**Note :** This report is to be read with our letter of even date which is annexed as **Annexure I** and forms an integral part of this report.

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## ANNEXURE- I to Secretarial Audit Report

To,  
The Members,  
Dyemic Products Limited  
B-301, Satyamev Complex-1  
Gandhinagar-Sarkhej Highway Road Court,  
Sola. Ahmedabad.380 060

Our report of even date is to be read along with this letter

1. Maintenance of Secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain responsible assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we follow provide a responsible basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

For, Ashok P. Pathak & Co.,  
Company Secretaries,  
ICSI Unique Code : S1997GJ020700

CS Ashok P. Pathak\*  
Proprietor

30th May, 2022  
Ahmedabad

ACS No : 9939 | COP No : 2662  
Peer Review Certificate No. : 1519/2021

## ANNEXURE D

[Pursuant to first proviso to sub-section [3] of section 129 read with rule 5 of Companies [Accounts] Rules, 2014]  
**Statement containing salient features of the Financial Statement of Subsidiary / Associate as per Companies Act, 2013**

(Rs. in Lakhs)

PART "A" SUBSIDIARY	
Name of the subsidiary	Cerecon Bio Sciences Private Limited (Erstwhile Dynamic Overseas (India) Private Limited)
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2021 to 31.03.2022
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
Share capital	21.00
Reserves & surplus	73.79
Total assets	95.47
Total Liabilities	95.47
Investments	0
Turnover	0
Profit before taxation	-0.44
Provision for taxation	0
Profit after taxation	-0.44
Proposed Dividend	Nil
% of shareholding	98.09%

- Names of subsidiaries which are yet to commence operations – N.A.
- Names of subsidiaries which have been liquidated or sold during the year – N.A.

(Rs. in Lakhs)

PART "B" ASSOCIATE – Statement pursuant to Section 129(3) of the Companies Act, 2013	
Name of Associate	Dynemic Holdings Private Limited
Latest audited Balance Sheet Date	31/03/2022
Shares of Associates held by the Company on the year end	
No.	1010000
Amount of Investment in Associates (in Rs.)	101.00
Extend of Holding (%)	49.22%
Description of how there is significant influence	There is significant influence due to percentage(%) of Share Capital
Reason why the associate/joint venture is not consolidated	N.A.
Net worth attributable to shareholding as per latest audited Balance Sheet	88.70
Profit/Loss for the year	
Considered in Consolidation	(0.25)
Not Considered in Consolidation	0

- Names of associates or joint ventures which are yet to commence operations – N.A.
- Names of associates or joint ventures which have been liquidated or sold during the year – N.A.

For and on Behalf of the Board of Directors

Ahmedabad  
August 9, 2022

Bhagwandas K. Patel  
Managing Director

Dixitbhai B. Patel  
Director

## ANNEXURE E - Management Discussion and Analysis Report

### Industry Structure & Development

Color is an important part of consumer perception of food and it is a significant factor to determine food taste. Colors also affect the apparent level of sweetness and consumers focus more on colored food. Color additive reinforces the colors present in the food and ensures uniformity of the food from season to season and batch to batch in the production. Colors play a vital role in an array of applications such as meat products, beverages, dairy products, bakery & confectionery, processed food & vegetables, and oil & fats among others.

Food color additives are critical to the food and beverage industries, as important constituents of product formulation aim to satisfy consumer expectations. Even before the taste, the consumer's initial experience of food is visual. Color is added to enhance the sensory experience of food for the consumer and match the product flavor.

Chemicals used in artificial colors involve less cost for processing as compared to natural colors. Furthermore, the processing time of artificial colors is extremely less and is eco-friendly. Artificial colors are widely used across various industries, especially in the beverages and processed food industries. Similar to natural colors, they are prepared by expertise in laboratories; however, the difference between artificial color and natural color is that the former is chemically produced in a laboratory and the latter is naturally derived.

The artificial food color is expected to grow at the significant rate in the coming years owing to increase in demand for food colors in various applications such as bakery & confectionery, dairy, seafood, and meat products. Thus, low cost of artificial colors has gained a major traction in the market over natural food colors. Furthermore, higher reliability and longer shelf life of artificial food colors as compared to natural food colors has positively impacted the growth of artificial food color.

Moreover, increase in curiosity of millennials to try innovative food boosts the growth of the synthetic food color market. Furthermore, rise in rate of internet penetration around the major parts of the world makes way for manufacturers to initiate several key online marketing programs. These online platforms are one of the easiest ways to create awareness about the specifications and features of the food ingredients among the target customers. Hence, tapping into such markets is expected to create potential opportunities for the expansion of the synthetic food color market.

### Opportunities and Threats

The Synthetic color segment is expected to grow at the highest rate in the coming years, owing to increase in demand for food colors in various applications such as bakery & confectionery, dairy, seafood, and meat products. In addition, consumers are seeking for quality and appearance of products, which key participants take it into consideration. Thus, low cost of artificial colors has gained a major traction in the market over natural food colors. Furthermore, higher reliability and longer shelf life of artificial food colors as compared to natural food colors has positively impacted on the growth of the artificial segment.

The Synthetic food color market was valued at \$715.58 million in 2019, and is projected to reach \$895.68 million by 2027, growing at a CAGR of 9.1% from 2020 to 2027. Europe was the highest contributor with \$232.65 million in 2019, and is anticipated to reach \$278.41 million by 2027, registering a CAGR of 8.5%. Europe and North America regions collectively accounted for around 62.9% share of the artificial color food color market in 2019, with the former constituting around 32.5% share.

However, the regulation of several food regulatory authorities on synthetic food color may hamper the growth of market. Also, the changing consumer preference towards the natural ingredient may impede the growth of synthetic food color market.

### Risks and Concerns

- Volatility in Currency rates of USD.
- Global Raw Material Prices.
- Stringent environmental regulations & conditions imposed.

Although synthetic food colors have been approved for human consumption, the need to replace these ingredients with natural alternatives, such as carmine, has increased. Thus, manufacturers are launching various products with natural ingredients, owing to surge in demand for nutritious and natural ingredients.

### Financial and Operational Performance

#### (a) Net Sales and Other Income

Sales during the year ended March 31, 2022 were Rs. 24264 Lakhs as against Rs. 20124 Lakhs in the previous year, an increase of Rs. 4140 Lakhs in comparison over the previous year. During the year Operating Income increased approx by 113% from Rs. 435 Lakhs to Rs. 928 Lakhs and other income decreased from Rs. 55.61 Lakhs to Rs. 27.84 Lakhs.

#### (b) Expenditure

The total expenditure increased from Rs. 16786 Lakhs to Rs. 22892 Lakhs for the year under review showing an increase of Rs. 6106 Lakhs over the previous financial year.

### (c) Profit

Profit before tax decreased from Rs. 3828 Lakhs to Rs. 2328 Lakhs this year. The Company's net profit after tax is Rs. 1430 Lakhs as compared to previous year Rs. 2849 Lakhs.

### (d) Significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios -

Name of Ratio	Numerator	Denominator	31st March 2022	31st March 2021	% changes over previous year	Reasons for more than 25% changes
<b>Debt Service Coverage Ratio</b>	PAT+Depr.+Interest on TL	Interest on TL+Repayment of TL	1.04%	2.23%	53.32%	See Note#
<b>Return on Equity Ratio</b>	PAT	Total Equity	8.43%	18.32%	53.97%	See Note#
<b>Trade payables turnover ratio</b>	Trade Payables	Total Purchases	0.34	0.21	-61.59%	See Note#
<b>Net profit ratio</b>	Net Profit ( PAT)	Total Revenue from Operation	8.43%	18.32%	53.97%	See Note#
<b>Return on Capital employed</b>	Net Profit ( PAT)	Total Equity+ Long Term Borrowings	5.37%	11.30%	52.47%	See Note#
<b>Return on investment</b>	Net Profit ( PAT)	Total Capital Employed	3.46%	8.13%	57.49%	See Note#

**Note:-#** During the current year FY 2021-22, the company has started the production at Unit -3 at Dahej and has transferred capital working progress amounting to Rs. 25615.82 lacs to the respective assets and has claimed the depreciation thereon and has also started the charging of the interest and other production and administrative expenses to the Profit Loss a/c, effective from July 21 for some assets and from October 21 for some assets and due to this there is losses at Unit 3 at Dahej amounting to Rs. 1826.38 lacs and this has major impact on all these ratios.

### Segment wise or Product wise performance

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.

### Outlook

India is a strong global dye supplier, accounting for approximately 16% of the global production of dyestuff and dye intermediates. Maharashtra and Gujarat account for 90% of dyestuff production in India due to the availability of raw materials and dominance of textile industry in these regions. India's quick-service restaurant (QSR) market is expected to augment a CAGR of 23% between 2020 and 2025, as large food service chains such as McDonald's, Burger King, and Domino's among others deepen their reach in India's smaller cities, and benefit from a younger demographic. Moreover, the impact of COVID-19 and the prolonged global lockdown severely impacted the food service market in India. The Government of India announced temporary closure of all hotels, restaurants, and food courts across the country as a precautionary measure to contain the spread of COVID-19. In response to the situation, QSRs have drastically started take-away services to deliver safe, hygiene and customized order to their customers. These factors led to the growth of the QSRs market in India.

The idea of synthetic food color might sound a little strange and peculiar to those who are entirely in a habit of eating natural food products, but still the synthetic food color market is steadily gaining traction in the Indian market. Day in and day out, new and innovative food products are being included in the list of synthetics food products. Currently, the North American countries are witnessing strong growth in the synthetic food color market, due to the fast-growing fast-food industry. Developing countries such as India and China also cater to a voluminous demand for synthetic food color products.

### Environmental & Hazardous Safety And Quality Assurance

In pursuit of excellence & meeting the changes that happen time to time & also to fulfill the requirements received from customers, your Company continued to integrate its ISO 9001:2015, ISO:14001, FSSC:22000, HACCP and other certification. 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 under FSSAI, EU, USFDA and also fulfill criteria of Kosher & Halal, & WHO-GMP Certification.

Your company is committed to socio-environmental aspects and go beyond compliance norms of competitive authorities.

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**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 301 permanent employees as on March 31, 2022.

**Disclosure of Accounting Treatment**

The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act. The previous year figures have been regrouped/reclassified or restated, so as to make the figures comparable with the figures of current year. The significant Accounting Policies which are consistently applied have been set out in the Notes to the Financial Statements.

**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**  
**August 9, 2022**

**Bhagwandas K. Patel**  
**Managing Director**

**Dixitbhai B. Patel**  
**Director**

## CORPORATE GOVERNANCE REPORT

The Directors present the Company's report on Corporate Governance which sets out systems and processes of the Company, as prescribed in Regulation 17 to 27 of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 and some of the practices followed by the Company on Corporate Governance, for the financial year ended March 31, 2022.

The Company has complied with all the requirements of the Corporate Governance.

### 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 is in conformity with Regulation 17 of the Listing Regulations as well as the Companies Act, 2013 the required details are given below :

Companies Act, 2013 the required details are given below :

Name	Category	No. of Board Meetings Held / Attended		Attendance at the last AGM	Directorships in other Indian Public Companies* as at 31 <sup>st</sup> March 2022	Other Mandatory Committee** membership as at	
						31 <sup>st</sup> March 2022	
		Held	Attended			Chairman	Member
Bhagwandas K. Patel DIN : 00045845	MD-Executive (Promoter )	5	5	Yes	NIL	NIL	NIL
Ramesh B. Patel DIN : 00037568	WTD-Executive (Promoter)	5	5	Yes	NIL	NIL	NIL
Dixit B. Patel DIN : 00045883	WTD-Executive (Promoter)	5	5	Yes	NIL	NIL	NIL
Jagdish S. Shah DIN : 00037826	Independent	5	5	Yes	NIL	NIL	NIL
Shankarlal B. Mundra DIN : 00388204	Independent	5	5	Yes	NIL	NIL	NIL
Rashmi K. Otavani DIN : 06976600	Independent	5	5	Yes	2	NIL	3

\* Excludes Directorships in private/foreign companies and companies incorporated under Section 8 of the Companies Act, 2013.

\*\* Represents Membership/Chairmanship of the Audit Committee, Stakeholders Relationship Committee of other Companies.

# MD - Managing Director, WTD - Whole Time Director

Name	Name of the listed entities in which the concerned Director is a Director	Category of Directorship
Rashmi K. Otavani (Independent) DIN : 06976600	Shree Ram Proteins Limited United Polyfab Gujarat Limited	Independent Director Independent Director

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 March 31, 2022, 5 (Five) meetings of the Board of Directors were held on the following dates :-

05.06.21, 07.08.21, 13.11.21, 18.12.21 and 11.02.2022.

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

Skills / Expertise / Competencies of the Board of Directors

The list of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board.

1.	Business operation and management	2.	Global market awareness
3.	Government and Government/ industrial policy	4.	Indian Corporate Laws and Compliance
5.	Project Management	6.	Quality Management
7.	Board and Governance	8.	Strategic planning
9.	Finance, Accounting, Auditing	10.	Risk management
11.	Stakeholder Engagement	12.	Technical skills
13.	Research and Development	14.	Safety management
15.	Human Resources Management and Labour Relations/ Labour Laws	16.	Market Awareness of the Product (Domestic as well as International)
17.	Business Ethics as well as Corporate Ethics		

The current composition of the Board meets the requirements of skills, expertise and competencies as identified above.

Name of Board Members and Designation	Shri. Bhagwandas K. Patel	Shri. Ramesh B. Patel	Shri. Dixit B. Patel	Shri. Jagdish S. Shah	Shri. Shankarlal B. Mundra	Shri. Rashmi K. Otavani
	MD	WTD	WTD	ID	ID	ID
Business operation and management	√	√	√	√	√	√
Global market awareness	√	√	√	√	-	-
Government and Government/ industrial policy	√	√	√	√	√	-
Indian Corporate Laws and Compliance	-	-	-	√	-	√
Project Management	√	√	√	-	-	-
Quality Management	√	√	√	-	-	-
Board and Governance	√	√	√	√	√	√
Strategic planning	√	√	√	-	-	-
Finance, Accounting, Auditing	√	√	√	-	√	-
Risk management	√	√	√	-	-	-
Stakeholder Engagement	√	-	-	-	√	√
Technical skills	√	√	√	-	-	-
Research and Development	√	√	√	-	-	-
Safety management	√	√	√	-	-	-
Human Resources Management and Labour Relations/ Labour Laws	√	√	√	-	-	-
Market Awareness of the Product (Domestic as well as International)	√	√	√	-	-	-
Business Ethics as well as Corporate Ethics	√	√	√	√	√	√

### 3. Audit Committee

The Audit Committee comprised of 3 members viz : Shri Jagdish S. Shah, Shri Shankarlal B. Mundra and Shri Bhagwandas K. Patel. Shri Jagdish S. Shah, chairs the meetings of the Committee. The terms of reference of the Audit Committee are as set out in Regulation 18 of the Listing Regulations, Section 177 of the Companies Act and with any other applicable laws.

Terms of reference of the Audit Committee

Terms of reference of the Audit Committee include approving and implementing the audit procedures, reviewing financial reporting systems, internal control systems and control procedures and ensuring compliance with the regulatory guidelines and also include those specified under the Regulation 18 of SEBI (LODR) Regulations, 2015 as well as under Section 177 of the Companies Act, 2013.

With the introduction of SEBI Notification No. SEBI/LAD-NRO/GN/2021/22 dated 5th May, 2021 amending SEBI (LODR) Regulations, 2015 which will be effective from different dates in phase manner, the role of the Audit Committee has been amended by addition of one new role of Audit Committee i.e. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders. Accordingly, the Company has revised the role of Audit Committee in the meeting of Board of Directors held on 5th June, 2021. Besides, other than role of the Audit Committee, there is no change in other matters including Terms of Reference, the matters which is mandatorily reviewed by the Audit Committee, constitution, etc.

During the financial year 2021-2022, the Committee met four times on 05.06.21, 07.08.21, 13.11.21 and 11.02.2022. All the Committee members were present in all meetings.

Shri Jagdishbhai S. Shah, Chairman of Audit Committee, attended the last Annual General Meeting held on 30th September, 2021.

### 4. Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprised of 3 members viz : Shri Shankarlal B. Mundra, Ms. Rashmi K. Otavani and Shri Bhagwandas K. Patel. Shri Shankarlal B. Mundra, chairs the meetings of the Committee. The composition of the Stakeholder Relationship Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

During the financial year 2021-2022, the Committee met Four times on 05.06.21, 07.08.21, 13.11.21 and 11.02.2022 at registered office of the Company. All the Committee members attended all the meetings.

During the financial year, 0 complaints were received. As of March 31, 2022, NIL complaints were pending.

Shri Shankarlal B. Mundra, Chairman of Stakeholders Relationship Committee, attended the last Annual General Meeting held on 30th September, 2021.

### 5. Nomination and Remuneration Committee (NRC)

The role of the Nomination and Remuneration Committee is governed by its Charter and its composition is in

compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
5. To recommend / review remuneration of the Managing Director(s) and Whole Time Director(s) based on their performance and defined assessment criteria.
6. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
7. To perform such other functions as may be necessary or appropriate for the performance of its duties.
8. To recommend / review remuneration of the Senior Management to the Board.

The Nomination and remuneration committee has 3 Independent Directors as members viz : Shri Shankarlal B. Mundra, Shri Jagdish S. Shah and Ms. Rashmi K. Otavani.

Two meetings were held during the year 2021-2022 on 05.06.2021 and 18.12.2021 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 Directors, Directors and other employees. [www.dynemic.com/shareholder-information.php](http://www.dynemic.com/shareholder-information.php)

Shri Shankarlal B. Mundra, Chairman of Nomination and remuneration Committee, attended the last Annual General Meeting held on 30th September, 2021.

#### Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the Board has carried out an evaluation of its own performance and the Directors individually. A process of evaluation was followed by the Board for its own performance and that of its Committees and individual Directors. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as guidance/ support to management outside Board/ Committee meetings, degree of fulfillment of key responsibilities, effectiveness of meetings etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The Directors expressed their satisfaction with the evaluation process.

#### REMUNERATION POLICY

The Company's philosophy for remuneration of Directors, Key Managerial Personnel and all other employees is based on the commitment of fostering a culture of leadership with trust. The Company has adopted a Policy for remuneration of Directors, Key Managerial Personnel and other employees, which is aligned to this philosophy. The key factors considered in formulating the Policy are as under :

- a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors to run the Company successfully;
- b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The Company does not have any Employee Stock Option Scheme.

#### Remuneration of Directors

(i) Independent Directors ('ID') are paid sitting fees for attending the Meetings of the Board as recommended by the NRC and approved by the Board.

(ii) Managing Director ('MD')/ Executive Directors ('ED')/ Key Managerial Personnel ('KMP')/ rest of the employees  
The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence, remuneration should be market competitive, driven by the role played by the individual, reflective of the size of the Company, complexity of the Sector / Industry / Company's Operations and the Company's capacity to pay, consistent with recognized best practices and aligned to regulatory requirements. Basic / Fixed Salary is provided to all employees to ensure that there is a steady income in line with their skills and experience. In addition, the Company provides employees with certain perquisites, allowances and benefits in accordance with terms of employment/contract. In addition to the Basic/ Fixed salary, benefits, perquisites and allowances as mentioned below, the Company provides to its MD, such remuneration by way of Commission calculated with reference to the net profits of the Company in the financial year, as may be determined by the Board, subject to the overall ceilings stipulated under Section 197 of the Act. The specific amount payable to the MD/ EDs would be based on performance as evaluated by the NRC and approved by the Board.

**Details of remuneration paid during the financial year 2021-2022 :**
**a) Independent Directors (Rs. In Lakhs)**

Sr. No.	Particulars of Remuneration	Name of Independent Director			Total Amount
		Jagdish Shah	Shankarlal Mundra	Rashmi Otavani	
1	Sitting Fees	0.40	0.40	0.40	1.20
	<b>Total</b>	<b>0.40</b>	<b>0.40</b>	<b>0.40</b>	<b>1.20</b>

**b) Managing Director and Whole Time Director (Rs. In Lakhs)**

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Shri Bhagwandas K. Patel	Shri Rameshbhai B. Patel	Shri Dixitbhai B. Patel	
1	Gross Salary	64.90	61.60	58.30	184.80
2	Bonus	6.36	5.95	5.53	17.84
3	Leave Pay	0	0	0	0
4	Commission	45.00	0	0	45.00
	<b>Total</b>	<b>116.26</b>	<b>67.55</b>	<b>63.83</b>	<b>247.64</b>

The services of the Managing Director and Executive Directors may be terminated by either party, giving the other party a six months' notice or the Company paying six months' salary in lieu thereof. There is no provision for payment of severance fees.

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

In the opinion of the Board, the Independent directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

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

**7. Corporate Social Responsibility Committee**

The composition of the CSR Committee is in alignment with provisions of Section 135 of the Companies Act, 2013. The Committee comprising of Shri Bhagwandas K Patel as Chairman and Shri Jagdish Shah and Ms Rashmi K. Otavani 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 ruled made there under, and the amount to be spent on CSR activity. During the year the Committee met twice on 05.06.21 and 11.02.2022 and all the members were present in all the meetings.

**8. Risk Management Committee:**

SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021 has amended the Regulation 21 of SEBI LODR Regulations making it compulsory to have Risk Management Committee for top 1000 listed companies.

Corporate Risk Evaluation and Management is an on going process within the Organisation. The Company has a welldefined Risk Management framework to identify, monitor and minimising/mitigating risks as also identifying business opportunities.

The Committee comprising of Shri Bhagwandas K Patel as Chairman and Shri Dixitbhai Patel and Shri Jagdishbhai Shah as other members. The brief terms of reference of the Committee is to formulate, monitor and review risk management policy and plan, inter alia, covering investment of surplus funds, management of foreign exchange risks, cyber security risks, data privacy risks and other risks associated to the Company.

During the year the Committee met twice on 13.11.21 and 11.02.2022 and all the members were present in all the meetings.

For all the Committees of Board Ms. Varsha Mehta acts as Secretary to the meetings.

**9. Familiarisation programmes for Board Members**

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Detailed presentations on the Company's business segments were made at the separate meeting of the Independent Directors held during the year. The details of such familiarization programmes for Independent Directors are posted on the website of the Company. [www.dynemic.com/shareholder-information.php](http://www.dynemic.com/shareholder-information.php)

**10. Meetings of Independent Directors**

During the year under review, all the Independent Directors met on March 24, 2022, inter alia, to discuss :

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
2. Evaluation of the performance of the M.D. of the Company, taking into account the views of the Executive and Independent Directors.
3. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

#### 11. General Body Meeting

##### 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
2020-21	Annual General Meeting 30th September, 2021 at 4.00 p.m.	Through Video Conferencing/other Audio-Visual Means ("OAVM").	No
2019-20	Annual General Meeting 24th December, 2020 at 4.00 p.m.	Through Video Conferencing/other Audio-Visual Means ("OAVM").	Yes
2018-19	Annual General Meeting 26th September, 2019 at 4.00 p.m.	Prasang Presidency R.C.T.I College Road, Opp. Unique City Homes, Ghatlodia, Ahmedabad – 380 061	Yes

During the year under review no resolution(s) were transacted through Postal Ballot.

#### 12. Disclosures :

- i. The Managing Director and the CFO of the Company have certified to the Board that the Financial Results of the Company for the year ended March 31, 2022 do not contain any false or misleading statements or figures and do not omit any material facts which may make the statements or figures contained therein misleading as required by Regulations 33 of SEBI Listing Regulations.
- 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, associates 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. 38, Notes to the accounts of this Annual Report.
- iv. The Company has adopted accounting treatments which are prescribed by the Indian Accounting Standards.
- v. The quarterly / half yearly financial statements are available on Company's, BSE's and NSE's website and being published in Financial Express and Indian Express.
- vi. CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS  
[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members of  
Dyemic Products Limited  
B-301, Satyamev Complex-1,  
Gandhinagar-Sarkhej Highway Road,  
Opp-New Gujarat High Court,  
Sola, Ahmedabad-380063

Dyemic Products Ltd (CIN-L24100GJ1990PLC013886) is having its registered office at B-301, Satyamev Complex-1, Gandhinagar-Sarkhej Highway Road, Opp-New Gujarat High Court, Sola, Ahmedabad-380063 (hereinafter referred to as 'the Company'). The equity shares of the Company are listed on BSE Limited (Script Code 532707) and National Stock Exchange of India Limited (Symbol : Dynpro Series : EQ).

1. We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of the company, produced before us by the Company for the purpose of issuing this Certificate in accordance with sub-regulation (3) of Regulation 34 read with Schedule V Para C Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. As on 31st March, 2022 the Board of Directors of the Company comprised of :

Sr. No.	Name of Director	DIN	DIN Status	Date of Appointment
1.	Rameshkumar Bhagwandas Patel	00037568	Approved	14/06/1990
2.	Jagdish Sevantilal Shah	00037826	Approved	07/06/2004
3.	Bhagawandas Kalidas Patel	00045845	Approved	14/06/1990
4.	Dixit Bhagwandas Patel	00045883	Approved	01/01/2008
5.	Shankarlal Baluram Mundra	00388204	Approved	29/09/2005
6.	Rashmi Kamlesh Otavani	06976600	Approved	14/02/2015

3. In our opinion and to the best of our information and according to the verifications (including DIN based search on MCA Portal [www.mca.gov.in](http://www.mca.gov.in)) and examinations of the disclosures / registers under Section 184, 189, 170, 164, 149 of the Companies Act, 2013 ('the Act'), and explanations furnished to us by the company and its officers, we hereby certify as under :
- None of the above named directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India (SEBI), the Ministry of Corporate Affairs - MCA or any such statutory authority for the Financial Year ending 31st March, 2022.
4. It is the responsibility of the Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act.
5. Ensuring the eligibility of the appointment / continuity of every director on the Board is the responsibility of the management of the company. Our responsibility is to express an opinion on these based on our verification.
6. This certificate is neither an assurance as the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.
7. This certificate is based on the information and records available up to this date and we have no responsibility to update this certificate for the events and circumstances occurring after the date of the certificate.

Place : Ahmedabad  
Date : 30/05/2022

For, Ashok P. Pathak & Co.  
Company Secretaries  
ICSI UCN : S1997GJ020700

CS Ashok P. Pathak\*  
Proprietor  
ACS No. : 9939  
COP No.: 2662  
Peer Review Certificate No. : 1519/2021  
ICSI UDIN : A009939D000423561

- vii. Disclosure of commodity price risks and commodity hedging activities : Not applicable
- ix. Payment to Statutory Auditors - During 2021-2022, Rs. 9.90 Lacs was paid by the Company and its subsidiary companies to the Statutory Auditors | entities in network firm / network entity of which the Statutory Auditor are a member.

### 13. Means of communication

- 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 SEBI (LODR) Regulations, 2015. The Company published its Notices / Financial Statements in Indian Express and The Financial Express.
- The Company has its official website namely [www.dynemic.com](http://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, NSE and updating in website as per Regulation 46 of the SEBI (LODR) Regulations, 2015.
- Management Discussion and Analysis Report, in compliance with the requirements of Regulation 34(2)(e) of the SEBI (LODR) Regulations, 2015, is annexed to the Boards' Report which forms part of the Annual Report being sent to all the members of the Company.
- The Company has not issued any ADR/GDR.
- The Company is not engaged into any commodity price risk. During the financial year 2021-22, the Company has managed the foreign exchange risk by hedging to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports. The details of

foreign currency exposure are disclosed in notes to Standalone Financial Statements.

- vi. Company has not got credit rating.
- vii. The Company does not have any Demat Suspense Account / Unclaimed Suspense Account.
- viii. During the year under review, none of the Independent Directors of the Company had resigned.
- ix. No presentations were made to any institutional investors or analysts during the financial year 2021-22.

### 13. General Shareholders' Information

i. **Date of Book Closure :-** N.A.

ii. **Financial Calendar 2022-2023 :-**  
**(tentative schedule)**

Financial year : April 1, 2022 to March 31, 2023.

Board meetings for approval of quarterly results

Quarter ended on June 30, 2022 : On or before August 14, 2022

Quarter ended on September 30, 2022 : On or before November 14, 2022

Quarter ended on December 31, 2022 : On or before February 14, 2023

Quarter ended on March 31, 2023 : On or before May 30, 2023 (Audited)

Annual General Meeting for the year 2022-23 : In accordance with Section 96 of Companies Act, 2013.

iii. **Listing of equity shares on Stock Exchanges :-**

The equity shares of the Company are listed at Bombay Stock Exchange Limited and National Stock Exchange Limited. The Company has paid the annual listing fees for the financial year 2022-23.

Bombay Stock Exchange Limited National Stock Exchange of India Ltd.,

Phiroze Jeejeebhoy Towers Exchange Plaza, C-1, Block G,

Dalal Street Bandra Kurla Complex, Bandra (E)

Mumbai- 400001 Mumbai - 400 051

iv. **Stock code :-** BSE: 532707NSE: DYNPRO  
ISIN :INE256H01015

v. **Dematerialization Information :-**

As on March 31, 2022, 98.92 % of the Company's total shares, i.e. 11206639 no. of shares were held in dematerialized form and 1.08 % i.e. 121810 shares were held in physical form.

vi. **Share Transfer System :-**

In terms of amended Regulation 40 of SEBI LODR Regulations w.e.f. April 1, 2019, transfer of securities in physical form shall not be processed unless the securities are held in the demat mode with a Depository Participant. Further, with effect from January 24, 2022, SEBI has made it mandatory for listed companies to issue securities in demat mode only while processing any investor service requests viz. issue of duplicate share certificates, exchange/sub-division/ splitting/consolidation of securities, transmission/transposition of securities. Vide its Circular dated January 25, 2022, SEBI has clarified that listed entities/RTAs shall now issue a Letter of Confirmation in lieu of the share certificate while processing any of the aforesaid investor service request.

The Company has appointed Bigshare Services Pvt. Ltd. as the Registrar of the Company. 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 Private Limited**

Office No S6-2, 6th floor Pinnacle Business Park,

Next to Ahura Centre, Mahakali Caves Road,

Andheri (East) Mumbai – 400093

Telephone: +91-22-62638200

E-mail : investor@bigshareonline.com

**vii. Share Market Price data :-**

The securities of the Company have been listed on BSE & NSE. The stock market price were as under :-

Month	BSE Sensex	Bombay Stock Exchange Limited		National Stock Exchange Limited	
		Monthly High	Monthly Low	Monthly High	Monthly Low
April'21	48782.36	537.15	432.00	537.70	438.60
May'21	51937.44	588.55	484.50	588.00	483.00
June'21	52482.71	540.00	440.00	552.00	455.00
July'21	52586.84	595.00	453.30	595.00	452.60
August'21	57552.39	624.00	481.05	623.90	480.15
September'21	59126.36	596.95	512.00	584.00	511.35
October'21	59306.93	770.25	559.00	769.80	562.05
November'21	57064.87	697.15	498.00	696.50	497.25
December'21	58253.82	675.75	530.00	675.00	540.00
January'22	58014.17	693.00	524.00	698.00	550.00
February'22	56247.28	593.30	502.95	593.65	505.30
March'22	58568.51	672.50	532.20	674.40	530.00

**viii. Distribution of Shareholding as on 31st March, 2022 (in Rupees)**

No. of Equity shares held	No. of share holders	% of shareholders	Share Amount (in Rs.)	% of holding
1 – 5000	16671	89.8367	16029950	14.1502
5001 – 10000	885	4.7691	6846110	6.0433
10001 – 20000	488	2.6297	7224450	6.3773
20001 – 30000	147	0.7922	3726200	3.2892
30001 – 40000	69	0.3718	2432630	2.1474
40001 – 50000	68	0.3664	3159260	2.7888
50001 – 100000	114	0.6143	7966350	7.0322
100001 & above	115	0.6197	65899540	58.1717
<b>TOTAL</b>			<b>113,284,490</b>	<b>100.0000</b>

Shareholding pattern of the Company as on 31st March, 2022

Category	No. of Shares	% of Shares
<b>A Promoter's Holding</b>		
1 Indian Promoters	3369739	29.75
2 Foreign Promoters	----	----
<b>Sub Total</b>	<b>3369739</b>	<b>29.75</b>
<b>B Public Shareholding</b>		
1 Institutions		
Financial Institution/Banks	0	0
Foreign Portfolio Investors	18389	0.16
2 Central Govt/State Govt / President of India	0	0.00
3 Non-Institutions		
Private Corporate Bodies	455325	4.02
Indian Public	6605982	58.31
NRIs / OCBs	369385	3.26
Trust	3285	0.03
Clearing Members	66388	0.59
IEPF	20166	0.18
HUF	419790	3.71
<b>Sub Total</b>	<b>7958710</b>	<b>70.26</b>
<b>GRAND TOTAL</b>	<b>11328449</b>	<b>100.0000</b>

**ix. Details of Shares held by Independent Directors as on 31st March, 2022**

Name of the Independent Director	Shares Held
Shri Jagdish S. Shah	Nil
Shri Shankarlal B. Mundra	600
Ms. Rashmi K. Otavani	Nil

- xi. The Company during the year transferred 781 number of shares to IEPF of shareholders who has not claimed dividend since 7 years as require under Rule 6(5) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

Due Date for transfer of Unclaimed and Unpaid Dividend and shares in respect of which dividend is unpaid or has not been claimed by the shareholders for seven consecutive years or more to the IEPF in respect of dividend declared by the Company

Dividend for Financial Year	Dividend Declaration Date	Proposed due date for transfer of Unclaimed and Unpaid Dividend amount and shares to the IEPF	Year wise amount of unpaid/unclaimed dividend lying in the unpaid account as on 31/03/2022
2015-16	15.03.2016	20.04.2023	144339.50
2016-17	25.09.2017	31.10.2024	155522.00
2017-18	21.09.2018	27.10.2025	150105.50
2018-19	26.09.2019	01.11.2026	115549.50
2019-20	14.02.2020	21.03.2027	110176.50

**x. 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.

Unit-3 : D/3/3/1, in Dahej-III Industrial Estate, Tal : Vagra, Dist : Bharuch, Gujarat

**2. Information pursuant to Regulation 53(f) of SEBI (LODR) Regulations, 2015 :-**

**Loans and Advances in the nature of loan to subsidiaries and associates :**

Name of the Company	Balance as at 31st March, 2022 NIL	Maximum outstanding during the year NIL
---------------------	--	---

**xi. 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. Gujarat High Court,  
S.G. Road, Ahmedabad - 380060.  
Tel. Nos. : 079-27663071/76  
Email : cs@dynemic.com

**xii. Dividend Distribution Policy :-**

The Board of Directors adopted the Dividend Distribution Policy pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), which requires the top 1,000 listed companies (by market capitalisation) to formulate the same. The Company's Dividend Distribution Policy may also be accessed at <http://www.dynemic.com/db/uploads/5m1256497733.pdf>

**xiii. Utilisation of funds raised through Rights Issue of equity shares :-**

The funds raised by the Company through Rights Issue, have been utilised towards General Purposes, as stated in the Letter of Offer.

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

Ahmedabad  
August 9, 2022

**Bhagwandas K. Patel**  
Managing Director

**Dixitbhai B. Patel**  
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, 2022.

For and on behalf of the Board of Directors

Ahmedabad  
August 9, 2022

Sd/-  
Bhagwandas K. Patel  
Managing Director

### Annexure - I

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

Scheme	Units	Cost Price	Hldg. Cost	Mkt. Price	Mkt. Value
India Reit Fund Scheme IV	1.81 (2.66)	1,00,000 (1,00,000)	1,80,693.00 (2,66,064.00)	1.81 (2.66)	1,80,693.00 (2,66,064.00)
<b>Total Portfolio Value</b>			<b>1,80,693.00 (2,66,064.00)</b>		<b>1,80,693.00 (2,66,064.00)</b>

The figures in the brackets relates to the previous year i.e. 2020-21.

## Independent Auditor's Certificate on Corporate Governance

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

- This certificate is issued in accordance with the terms of our engagement letter reference no. RKB/6730 dated 25th September 2018.
- We, ASIM RAVINDRA & ASSOCIATES, Chartered Accountants, the Statutory Auditors of DYNEMIC PRODUCTS LIMITED ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

#### Managements' Responsibility

- The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

#### Auditor's Responsibility

- Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
- We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
- We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

## Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31st March 2022.
9. We 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, **ASIM RAVINDRA & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
 FRN. 118775W

Place : Ahmedabad

Date: 30/05/2022

[RAVINDRA MEHTA]

PARTNER

M. No. 043051

## Annexure - F

### Business Responsibility Report (BRR)

The Directors presents the Business Responsibility Report (BRR) of the Company for the Financial Year ended on March 31, 2022, pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This BRR delineates the Company's endeavours to conduct business with responsibility and accountability towards all its stakeholders in keeping with the nine principles of the Government of India's 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business'. This BRR is in line with the format proposed by SEBI.

#### Section A: General Information about the Company

1. **Corporate Identity Number (CIN) of the Company:** L24100GJ1990PLC013866
2. **Name of the Company :** Dynemic Products Limited
3. **Registered address :** B-301, Satyamev Complex-1, Opposite Gujarat High Court, S.G. Road, Sola, Ahmedabad - 380060
4. **Website:** www.dynemic.com
5. **E-mail id:** cs@dynemic.com
6. **Financial Year reported :** 2021-22
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**

Group	Description
20113	Manufacture of Food Colors
20114	Manufacture of Lake Colors
20119	Manufacture of Dye Intermediates

8. **List three key products / services that the Company manufactures / provides (as in balance sheet):**  
 Synthetic food colours, their Lakes and Blends, Dye Intermediates.
9. **Total number of locations where business activity is undertaken by the Company:**
  - i. **Number of International Locations:** Nil
  - ii. **Number of Key National Locations:** 4 (including office)
10. **Markets served by the Company - National and International**

#### Section B: Financial Details of the Company as on March 31, 2022

1. **Paid up Capital (INR):** 1132.84 Lakhs
2. **Total Turnover (INR):** 25,192.62 Lakhs (Including other operating income)
3. **Total profit after taxes (INR):** 1,430.00 Lakhs
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):** Two percent
5. **List of activities in which expenditure in 4 above has been incurred:** Details have been furnished separately at Annexure B to the Board's Report (Annual Report on CSR activities).

#### Section C: Other Details

1. **Does the Company have any Subsidiary Company/ Companies?**  
 Yes, the Company has one subsidiary - Cerecon Bio Sciences Private Limited.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

No, BR initiative of the Company are limited to its own operations

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]:

No

#### Section D: BR Information

1. Details of Director/Directors responsible for BR

(a) Details of the Director / Directors responsible for implementation of the BR policy / policies:

- DIN: 00045845
- Name: Shri Bhagwandas K. Patel
- Designation: Managing Director

(b) Details of the BR head: Shri Bhagwandas Patel

Sr. No.	Particulars	Details
1.	DIN	00045845
2.	Name	Shri Bhagwandas K. Patel
3.	Designation	Managing Director
4.	Telephone Number	079-27663071 / 76
5.	E-mail id	info@dynemic.com

2. List of Principles:

**Principle 1:** Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

**Principle 2:** Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

**Principle 3:** Businesses should promote the well-being of all employees.

**Principle 4:** Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

**Principle 5:** Businesses should respect and promote human rights.

**Principle 6:** Businesses should respect, protect and make efforts to restore the environment.

**Principle 7:** Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

**Principle 8:** Businesses should support inclusive growth and equitable development.

**Principle 9:** Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(a) Details of compliance (Reply in Y/N)

Sr No	Questions	Business Ethics	Product Responsibility	Welfare of Employees	Stakeholder Engagement & CSR	Human Rights	Environment	Public Policy	CSR	Value to Customers
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy / policies for...	Y	Y	Y	Y	Y	Y	N	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y		Y		Y	Y		Y	Y
3	Does the policy conform to any national/international standards? If yes, specify? (50 words)	All the policies are in comparable with the best practices in the industry								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/ CEO/appropriate Board Director?	Y		Y		Y	Y		Y	Y
5	Does the company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y		Y		Y	Y		Y	Y

6	Indicate the link for the policy to be viewed online?	Y*		Y#		Y*	Y*		Y*	Y#
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y		Y		Y	Y		Y	Y
8	Does the company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y		Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	NA	Y	Y	Y	Y		Y	Y
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	N	Y	N	N	Y	N	Y	Y

\*Policies available on Company website

#Policies accessible only to employees

**(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why : (Tick upto 2 options)**

Sr No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (The Company does not carry-on any business that is engaged in influencing public and regulatory policy.)	-	-	-	-	-	-	√	-	-

### 3. Governance related to BR:

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company within 3 months, 3-6 months, Annually, More than 1 year.

BR head supported by the senior officials of the Company, review the implementation of the BR Policy on yearly basis. Corporate Social Responsibility Committee is entrusted to monitor the implementation of the BR Policy and same will be reviewed on a yearly basis.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company is publishing BRR on yearly basis. The said report is attached as Annexure F to the Board's Report. The same is available in Annual Report tab available on link <http://www.dynemic.com/db/uploads/5m1577625360.pdf>

### Section E: Principle-wise Performance

#### Principle 1: Business should conduct and govern themselves with ethics, transparency and accountability:

The Company has developed its governance structures, procedures and practices that ensure ethical conduct at all levels. Towards this end :

- The Code of Conduct for senior managers and directors is available.
- The Company discloses all information required by statutory laws.
- The corporate governance structures encompasses Audit, Nomination & Remuneration, Stakeholders' Relationship, Corporate Social Responsibility and Risk Management Committees.
- Risk councils under the Risk Management Committee oversees identification, assessment and mitigation of various risks associated with the business of the Company.

In order to lend focus to each of the nine Principles, the Company has already in place the necessary policies and processes. No Stakeholders' complaints received in the past financial year.

The Company has an effective Vigil Mechanism/Whistle Blower Policy in place to report to the management instances on unethical behaviour and any violation of the Company's code of conduct. The Company has not received any complaints during F.Y. 2021-22.

The Company has an Internal Complaints Committee (ICC) to redress complaints received regarding sexual harassment. No complaints were received by the ICC during the F.Y. 2021-22.

#### Principle 2: Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle:

The Company is engaged in the manufacturing of Synthetic food colours, their Lakes and Blends and Dye Intermediates

and is complying with the guidelines issued by Food Security and Standard Authority of India and other applicable regulations as amended from time to time.

The Company gives preference to local and small producers/providers of goods and services based near its manufacturing sites. Its managers regularly interact with such producers/providers of goods and services to improve their capacity and capability, particularly in the areas of manufacturing, quality and environment, health and safety standards.

The Company regularly reviews and improves upon the process of new technology development, deployment and commercialisation, incorporating social, ethical, and environmental considerations.

The Company has in-house facilities to recycle its waste and is continuously striving to minimise them. At present, it is recycling more than 10% of its waste by way of multiple effect Evaporator which recycles 80KL per day.

The Company has in-house facilities to recycle its waste and is continuously striving to optimise the process. Most of the manufacturing facilities of the Company are under Zero Liquid Discharge (ZLD). In addition to the in-house facilities, it also works with selected companies which are duly authorised by the State Pollution Control Board (SPCB) for using such waste as their inputs.

**Principle 3: Business should promote the wellbeing of all employees:**

The Company provides a workplace environment that is safe, hygienic, humane, and which upholds the dignity of the employees. The Company communicates this provision to their employees and train them on a regular basis. The Company takes cognizance of the work-life balance of its employees, especially that of women. It provides:

- Timely payment of salaries/wages to all workers and staff.
- Free transport facilities to our Dahej unit.
- Data cards and mobiles to specific employees based on nature of their work.
- Car scheme for managerial category.
- Loan facility which is availed often by permanent staff and workmen to meet specific requirements.
- Rotational weekly offs for our permanent and staff workmen.
- The Company provides 10 sick leaves, 12 casual leaves, and privilege leaves to permanent staff
- Women employees enjoy all provisions as per statutory requirement including maternity benefits.
- Permanent and Contract workers are paid as per law, and statutory requirements such as PF, ESIC, Bonus, and Leave Salary are met. In case of emergencies, appropriate medical support or financial help is provided.
- Sudarshan Ghanvati & Kadha given to members at the plants to boost immunity.
- Temperature monitoring by security of all incoming persons.
- Sanitisation of offices/Plants & Buses on daily basis.
- Continuous support to members & their families for hospitalisation & medicines requirement for treatment of COVID-19.

The Company provides and maintains equal opportunities at the time of recruitment as well as during the course of employment irrespective of caste, creed, gender, race, disability or sexual orientation. The Company takes care to ensure that there is no child labour, forced labour or any form of involuntary labour, paid or unpaid at any of its establishments.

As On March 31, 2022, the details of employees are :-

1. Permanent employees : 301
2. Total number of employees hired on temporary/contractual/casual Basis: 438
3. Number of permanent women employees: 9
4. Number of permanent employees with disabilities: 0
5. Employee association that is recognized by management: No

The Company has created systems and practices to ensure a harassment free workplace where employees feel safe and secure in discharging their responsibilities.

- The Company has installed CCTV cameras at all units, a central control room monitors all plants.
- The Company provides locker facilities to all workers where individuals can secure their personal belongings using their own lock.
- Safety and security of content is governed by the HR policy which is to be followed by employees and related stakeholders.

All our permanent employees and contractual workmen were given need based safety and skill up-gradation training in the last year.

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**Principle 4: Business should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized:**

The Company has mapped its internal and external stakeholders, which includes employees, suppliers, vendors, service providers, investors, Shareholders, etc. Through Annual General Meetings, factory visits, the shareholders get an opportunity to interact with the Directors and Senior Management Team. Through newspaper advertisement, the Company furnishes all the relevant information to all the stakeholders.

The Company thru CSR activities undertakes various initiatives pertaining to education and employment enhancing education in Patan, Gujarat and also undertake through its implementing agency.

**Principle 5: Business should respect and promote human rights:**

The BR Policy and other policies relating to the human rights cover the Company as well as other relevant stakeholders.

The Company ensures that all individuals impacted by the business have access to grievance mechanisms, and no such complaints were received in the period under review.

**Principle 6: Business should respect, protect and make efforts to restore the environment:**

The Company seeks to minimise the environmental impacts due to its manufacturing activities. The environment, health and safety policy extends to all units. The Company has strategies /initiatives for enhancing its own performance (over which it is able to exercise control) related to the issue concerning the environment. Company follows the guidelines issued by GPCB. The effluents/emissions/waste generated by the manufacturing facilities of the Company are within the permissible limits given by GPCB for 2021-22.

There were no pending show cause notices as on March 31, 2022.

**Principle 7: Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner:**

The Company is an active member of several Industry and Trade Bodies and regularly participates in industry events and dialogue leading to policy formulation by various regulatory bodies. The Company is a member of the Gujarat Chamber of Commerce and Industry, CHEMEXIL, FICCI, CII, Institute of Indian Foundry Men, Indian Institute of Materials Management.

**Principle 8: Business should support inclusive growth and equitable development:**

The Company has adopted the Corporate Social Responsibility (CSR) Policy and CSR committee of the Board guides policy implementation, monitoring and reporting. The initiatives are carried out through own Foundation named Dynemic Foundation, registered public charitable trust and also through implementing agencies. Please refer to the CSR Report annexed to the Board's Report

**Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner:**

The Company makes continuous efforts to understand its customer needs, business requirements and develops products that add value to its customers. The Company continuously researches on product quality, reduce costs for customers. Post sales services ensure that customers derive maximum benefit.

The Company promotes and advertises its products through direct marketing activities such as seminars, one-on-one meetings. The Company ensures that its representatives do not mislead or confuse the consumers or violate any of the principles in these Guidelines.

No complaints/consumer cases are pending as on the end of financial year.

## INDEPENDENT AUDITOR'S REPORT

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

### Report on the Standalone Indian Accounting Standards ( Ind As) Financial Statements

#### Opinion

We have audited the accompanying standalone Ind AS financial statements of DYNEMIC PRODUCTS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the standalone Ind AS financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2022.

These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
<b>Revenue from sale of products (As described in Note 2(b) of the standalone Ind AS financial statements)</b>	
Revenue is recognized when performance obligations are satisfied by transferring promised goods to customers. Goods are considered transferred when the customer obtains 'control' of the promised goods. Control is the ability to direct the use of and obtain, substantially all the benefits from the goods. There is a risk of revenue not being recorded in the correct accounting period on account of the inability to establish with certainty, the point of time when control passes.	Principal audit procedures performed include: (1) Assessed the appropriateness of the relevant accounting policy. (2) Evaluated the design and implementation of internal controls over management's assertion with respect to 'cut – off', to establish that control of promised goods has passed to customers. (3) Tested the operating effectiveness of controls over revenue recognition with a focus on those related to the timing of revenue recognition.

	(4) Performed testing on a sample of sales to confirm that 'cut - off' has been properly applied, in particular, the sales made before the year end
<b>Pending litigations (As described in Note 34 of the standalone Ind AS financial statements)</b>	
As of March 31, 2022, the Company has disclosed contingent liabilities of Rs. 115.76 lacs relating to tax and legal claims. Taxation, arbitration and litigation exposures have been identified as a key audit matter due to the uncertainties and timescales involved for the resolution of these claims. Accordingly, there is judgement required by management in assessing the exposure of each case and thus a risk that such cases may not be adequately provided for or disclosed in the standalone Ind AS financial statements.	Following procedures have been performed to address this key audit matter: 1. Gained an understanding of the process of identification of claims, litigations, arbitrations and contingent liabilities, and evaluated the design and tested the operating effectiveness of key controls. 2. Discussed and analysed material legal cases with the Company's legal department. 3. Analysed the responses obtained from the Company's legal advisors who conduct the court cases, tax and administrative proceedings, in which their status and possible expected manner of proceeding were described. 4. Evaluated management's assumptions and estimates relating to the recognition of the provisions for disputes and disclosures of contingent liabilities in the standalone Ind AS financial statements. 5. Assessed the adequacy of the disclosures with regard to facts and circumstances of the legal and litigation matters.

#### Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors' Report including Annexures to Directors' Report, Business Responsibility Report and Corporate Governance, but does not include the standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Management for the standalone Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibilities for the Audit of the standalone Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes

our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also :

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

- (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
  - (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 34 to the standalone Ind AS financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- 3 With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act: In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For, **ASIM RAVINDRA & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
FRN. 118775W

[ **RAVINDRA MEHTA** ]  
PARTNER  
M. No. 043051

Place : Ahmedabad  
Date : 30/05/2022

# ANNEXURE A TO

## TO THE INDEPENDENT AUDITORS' REPORT

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

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.  
The Company has maintained proper records showing full particulars of intangible assets.
- (b) As per the information and explanation given to us, these Property, Plant and Equipment have been physically verified by the management at reasonable intervals; and no material discrepancies were noticed on such verification.
- (c) As per the information and explanation given to us, all the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
- (d) As per the information and explanation given to us, the company has not revalued any of its PPE (including Right of Use assets) or intangible assets or both during the year.
- (e) As per the information and explanation given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) (a) As per the information and explanation given to us, physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate; discrepancies of 10% or more in the aggregate for each class of inventory were not noticed.
- (b) As per the information and explanation given to us, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions, and on the basis of security of current assets; and the quarterly returns or statements filed by the company with such banks or financial institutions, the following is the difference between the quarterly statements given to the bank and the books of account of the Company. **(Rs. Lakhs)**

Quarters	1		2		3		4	
	Debtors	Stocks	Debtors	Stocks	Debtors	Stocks	Debtors	Stocks
As per the Statement given to Bank	4323.22	3323.06	3560.04	3603.09	3748.07	4785.52	4702.21	5191.69
As per Books of Accounts	4326.24	3323.05	3735.77	3603.09	3829.62	4785.52	4702.21	5191.69
Difference	(3.03)	0.01	(175.73)	(0.00)	(81.55)	0.00	0.00	0.00

- (iii) (a) As per the information and explanation given to us, during the year the company has NOT made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- (b) As the company has not made any investments, provided guarantees, or given security during the year, there is no question of the terms and conditions being prejudicial to the company's interest.  
As per the information and explanation given to us, during the year the company has NOT granted any loans or advances in nature of loans, the Clauses (c), (d), (e), and (f) are not applicable.
- (iv) In our opinion and according to the information and explanation given to us, the company has complied with the provisions of Section 185 and 186 of the Companies Act 2013, in respect of the loans, investments, security and guarantees.
- (v) In our opinion and according to the information and explanation given to us, the company has complied with the provisions of Section 73 to 76 or any relevant provisions of the Act and its Rules, and also the directives of Reserve Bank of India with regard to acceptance of deposits.
- (vi) According to the information and explanation given to us, the maintenance of cost records has been specified by the Central Government under sub section (1) of section 148 of the Companies Act 2013, and we have broadly reviewed the accounts and records maintained by the company as prescribed by the Government for the maintenance of the cost records under section 148 (1) 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. The company has obtained the Cost Audit Report from the Cost Accountants.
- (vii) (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 information and explanation given to us, the dues of Excise Duty and Income tax, which have not been deposited on account of any dispute and the forum where the dispute is pending are as under :-

Sr. no	Name of the Statute	Nature of Dues	Rs. Lakhs	Period to which matter relates	Forum where dispute is pending
1	Income Tax Act 1961	Income Tax	12.92	AY 2012-13	Appeal pending with CIT (Appeals)- NFAC
2	Income Tax Act 1961	Income Tax	35.13	AY 2017-18	Appeal pending with CIT (Appeals)- NFAC

- (viii) According to the information and explanation given to us, the company has no such transaction, which are not recorded in the books or which are surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961 (43 of 1961).
- (ix) (a) Based on the information and explanation given to us by the management, the company has not defaulted in repayment of dues to financial institutions and banks.
- (b) Based on the information and explanation given to us by the management, the company is not declared wilful defaulter by any bank or financial institution or any other lender.
- (c) 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.
- (d) Based on the information and explanation given to us by the management, the funds raised on short term basis have not been utilised for long term purposes.
- (e) Based on the information and explanation given to us by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures,
- (f) Based on the information and explanation given to us by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (xi) (a) 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.
- (b) According to the information and explanation given to us, no report under sub-section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government
- (c) Based on the information and explanation given to us by the management, no whistle-blower complaints is received during the year by the company.
- (xii) The company is not Nidhi Company and so the clause (a), (b) and (c) are not applicable.
- (xiii) According to the information and explanation given to us and to the best of our knowledge and belief, all the transactions with the related parties are in compliance with Section 177 and 188 of Companies Act 2013, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) (a) According to the information and explanation given to us, the company has an internal audit system commensurate with the size and nature of its business;
- (b) The reports of the Internal Auditors for the period under audit were considered by us.
- (xv) According to the information and explanation given to us and to the best of our knowledge and belief, the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanation given to us and to the best of our knowledge and belief, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1943. and accordingly, clauses (b), (c) and (d) are not applicable
- (xvii) The company has not incurred cash losses in the financial year and in the immediately preceding financial year,
- (xviii) There has not been any resignation of the statutory auditors during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- (xx) (a) According to the information and explanation given to us, the company has spent the full amount in compliance with Section 135 of the Companies Act 2013, and so the transfer of unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act, does not arise, and so, clause (b) is not applicable.
- (xxi) There have not been any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.,

For, **ASIM RAVINDRA & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
FRN. 118775W

[ **RAVINDRA MEHTA** ]  
PARTNER  
M. No. 043051

Place : Ahmedabad  
Date : 30/05/2022

**ANNEXURE "B"****TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 11(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Dynemic Products Limited ("the Company") as of 31st March, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS financial statements.

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**OPINION**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, **ASIM RAVINDRA & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
FRN. 118775W

[ **RAVINDRA MEHTA** ]  
PARTNER  
M. No. 043051

Place : Ahmedabad  
Date : 30/05/2022

**STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2022**

(Rs. In Lakhs)

Particulars	Note	As at 31st March, 2022	As at 31st March, 2021
<b>ASSETS :</b>			
<b>NON-CURRENT ASSETS :</b>			
Property, Plant & Equipments & Intangibile Assets			
Property, Plant & Equipments	4.1	27158.25	3414.44
Capital Work in Progress	4.2	0.00	19430.18
Intangible Assets	5	0.19	0.19
<b>Financial Assets:</b>			
Investments	6	133.03	133.88
Trade Receivables	7	0.00	16.17
Loans	10	2.06	4.00
Other Financial Assets	11	593.78	383.26
<b>Other Non Current Assets</b>	13	331.76	398.42
<b>TOTAL NON CURRENT ASSETS</b>		<b>28219.07</b>	<b>23780.55</b>
<b>CURRENT ASSETS:</b>			
Inventories	12	5205.00	3616.21
<b>Financial Assets:-</b>			
Investments	6	0.00	0.00
Trade Receivables	7	4702.21	4135.49
Cash and cash equivalents	8	21.14	70.64
Other Bank Balances	9	245.63	8.20
Loans	10	1.31	3.03
Other Financial Assets	11	901.55	352.01
<b>Other Current Assets</b>	13	2071.29	3054.88
<b>TOTAL CURRENT ASSETS</b>		<b>13148.13</b>	<b>11240.46</b>
<b>TOTAL -ASSETS</b>		<b>41367.19</b>	<b>35021.01</b>
<b>EQUITIES AND LIABILITIES:</b>			
<b>EQUITY</b>			
Equity Share Capital	14.1	1132.84	1132.84
Other Equity	14.2	15830.67	14417.11
<b>TOTAL EQUITY</b>		<b>16963.52</b>	<b>15549.96</b>
<b>LIABILITIES</b>			
<b>NON CURRENT LIABILITIES</b>			
<b>Financial Liabilities</b>			
Borrowings	15	9671.69	9662.15
Trade Payables	16	230.00	0.00
Other Financial Liabilities	17	0.22	0.21
Deferred Tax Liabilities(Net)	21	1187.31	384.39
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>11089.23</b>	<b>10046.75</b>
<b>CURRENT LIABILITIES</b>			
<b>Financial Liabilities</b>			
Borrowings	15	7701.32	5619.93
Trade Payables	16	4875.69	2392.39
Other Financial Liabilities	17	510.17	249.41
Provisions	18	42.59	26.21
Current Tax Liabilities	19	98.21	1000.27
Other Current Liabilities	20	86.47	136.10
<b>TOTAL CURRENT LIABILITIES</b>		<b>13314.45</b>	<b>9424.30</b>
<b>TOTAL LIABILITIES</b>		<b>24403.67</b>	<b>19471.05</b>
<b>TOTAL - EQUITIES AND LIABILITIES</b>		<b>41367.19</b>	<b>35021.01</b>

The accompanying Notes form an integral part of the Standalone Balance Sheet.

This is the Standalone Balance Sheet referred to in our report of even date.

As per our Report of even date

For : ASIM RAVINDRA &amp; ASSOCIATES

CHARTERED ACCOUNTANTS.

FRN. 118775W

For : DYNEMIC PRODUCTS LIMITED

 (B. K. Patel)  
 Managing Director

 (D. B. Patel)  
 Director

 [RAVINDRA MEHTA]  
 PARTNER  
 M. No. 043051

 (R. B. Patel)  
 Director

 Place : Ahmedabad  
 Date : 30/05/2022

 (Varsha Mehta)  
 Company Secretary

 (Amisha Patel)  
 Chief Financial Officer

## STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31-3-2022

(Rs. In Lakhs)

Particulars	Note	31/03/2022		31/03/2021	
		Rupees	Rupees	Rupees	Rupees
REVENUE FROM OPERATIONS	22		25192.62		20558.56
OTHER INCOME	23		27.84		55.61
<b>TOTAL INCOME Rs.</b>			<b>25220.45</b>		<b>20614.17</b>
<b>EXPENSES :</b>					
Cost of Materials Consumed	24		13140.78		9930.91
Purchases of Stock-in-Trade	25		1390.76		1073.08
Changes in Inventories	26		-1372.37		215.30
Employee Benefits Expenses	27		1310.10		1071.44
Finance Costs	28		844.69		227.58
Depreciation & Amortisations	29		1126.99		343.63
<b>Other Exps:-</b>	30				
Other Manufacturing Exps.	30.1	5461.49		3246.57	
Repairs & Maintenance	30.2	289.04		236.29	
Administrative, Selling & Other Exps.	30.3	700.80	6451.33	440.94	3923.80
<b>TOTAL EXPENSES Rs.</b>			<b>22892.27</b>		<b>16785.75</b>
<b>Profit before Taxation</b>			2328.18		3828.42
Income Tax Expense	31				
Current Tax			94.81		998.13
Deferred Tax			802.92		-20.92
Add/ (Less):- Taxation of earlier years (Refunds/Paid)			0.00		2.35
<b>Net Profit for the Year</b>			<b>1430.45</b>		<b>2848.86</b>
<b>Other Comprehensive Income</b>					
Items that will not be Reclassified to Profit or Loss	36		-13.49		-8.46
Remeasurements on Post-employment Defined Benefit Plans					
Income Tax on Above	31		-3.40		-2.13
<b>Total Other Comprehensive Income, Net of Tax</b>			<b>-16.88</b>		<b>-10.59</b>
<b>Total Comprehensive Income for the Year</b>			<b>1413.56</b>		<b>2838.26</b>
Earnings per Equity Share (Nominal Value Rs. 10/- per Share)	32				
Basic			12.48		25.05
Diluted			12.48		25.05

The accompanying Notes form an integral part of the Standalone Statement of Profit & Loss.  
This is the Standalone Statement of Profit & Loss referred to in our report of even date.  
As per our Report of even date

**For : ASIM RAVINDRA & ASSOCIATES**  
**CHARTERED ACCOUNTANTS.**  
FRN. 118775W

**[RAVINDRA MEHTA]**  
**PARTNER**  
M. No. 043051

Place : Ahmedabad  
Date : 30/05/2022

**For : DYNEMIC PRODUCTS LIMITED**

**(B. K. Patel)**  
Managing Director

**(D. B. Patel)**  
Director

**(R. B. Patel)**  
Director

**(Varsha Mehta)**  
Company Secretary

**(Amisha Patel)**  
Chief Financial Officer

## STANDALONE STATEMENT OF CHANGES IN EQUITY for the year ended 31st March, 2022

(Rs. In Lakhs)

### A. Equity Share Capital

Particulars	As At 31st March 2022	As At 31st March 2021
Balance at the beginning of the current reporting period	1132.84	1132.84
Changes in Equity Share Capital due to prior period errors	0.00	0.00
Restated balance at the beginning of the current reporting period	0.00	0.00
Changes in equity share capital during the current year	0.00	0.00
Balance at the end of the current reporting period	1132.84	1132.84

### B. Other Equity -Reserves & Surplus- Refer Note No 14.2

Particulars	Reserves and Surplus			
	Share Premium	General Reserve	Retained Earnings	Total
<b>As at 1st April, 2020</b>	<b>1036.80</b>	<b>502.18</b>	<b>10039.87</b>	<b>10735.54</b>
Changes in accounting policy/prior period errors	0.00	0.00	0.00	0.00
Restated balance at the beginning of the previous reporting period	0.00	0.00	0.00	0.00
Profit for the Year			2848.86	2848.86
Other Comprehensive Income (Net of Tax) -Remeasurements on Post employment Defined Benefit Plans			-10.59	-10.59
<b>Total Comprehensive Income for the Year</b>	<b>1036.80</b>	<b>502.18</b>	<b>12878.13</b>	<b>14417.11</b>
Dividends				
Any other change (to be specified)			0.00	0.00
<b>As at 31st March, 2021</b>	<b>1036.80</b>	<b>502.18</b>	<b>12878.13</b>	<b>14417.11</b>
Changes in accounting policy/prior period errors	0.00	0.00	0.00	0.00
Restated balance at the beginning of the previous reporting period	0.00	0.00	0.00	0.00
Profit for the Year			1430.45	1430.45
Other Comprehensive Income (Net of Tax) -Remeasurements on Post employment Defined Benefit Plans			-16.88	-16.88
<b>Total Comprehensive Income for the Year</b>	<b>1036.80</b>	<b>502.18</b>	<b>14291.69</b>	<b>15830.67</b>
Dividends				
Transfer to retained earnings			0.00	0.00
Any other change (to be specified)			0.00	0.00
<b>As at 31st March., 2022</b>	<b>1036.80</b>	<b>502.18</b>	<b>14291.69</b>	<b>15830.67</b>

Note:- The following heads of the table Other Equity are at present not applicable to the company and so not shown above:-

- Share application money pending allotment
- Equity component of compound financial instruments
- Capital Reserve
- Debt instruments through Other Comprehensive Income
- Effective portion of Cash Flow Hedges
- Revaluation Surplus
- Exchange differences on translating the financial statements of a foreign operation
- Other items of Other Comprehensive Income (specify nature)
- Money received against share warrants

The accompanying Notes form an integral part of the Standalone Statement of Changes in Equity.

This is the Standalone Statement of Changes in Equity referred to in our report of even date.

### For : DYNEMIC PRODUCTS LIMITED

For : ASIM RAVINDRA & ASSOCIATES  
CHARTERED ACCOUNTANTS.  
FRN. 118775W

(B. K. Patel)  
Managing Director

(D. B. Patel)  
Director

[RAVINDRA MEHTA]  
PARTNER  
M. No. 043051

(R. B. Patel)  
Director

Place : Ahmedabad  
Date : 30/05/2022

(Varsha Mehta)  
Company Secretary

(Amisha Patel)  
Chief Financial Officer

**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31/03/2022**
**(Rs. In Lakhs)**

Particulars	Year Ended 31/03/2022	Year Ended 31/03/2021
<b>A. Cash Flows from Operating Activities</b>		
<b>Profit before Tax</b>	<b>2328.18</b>	<b>3828.42</b>
Adjustments for:		
Depreciation and Amortisation Expense	1126.99	343.63
Finance Costs	844.69	227.58
Bad Debts/Advances/ Creditors Written Off	0.00	0.24
Provision for Doubtful Debts	0.00	0.00
Interest Income Classified as Investing Cash Flows	(12.23)	(45.67)
Net Gain on Investments Carried at Fair Value through Profit or Loss	0.00	0.00
Fair Value Gains on Derivatives Not Designated as Hedges (Unrealised)	0.00	0.00
Liabilities No Longer Required Written Back	0.00	0.00
Provision for Doubtful Debts Written Back	0.00	0.00
Allowance Made/(Reversed) for Expected Credit Losses on Trade Receivables	0.00	0.00
(Gain)/Loss on Disposal of Property, Plant and Equipment (Net)	18.07	2.14
Write Downs of Inventories to Net Realisable Value	0.00	0.00
Foreign Exchange Differences (Net)	(255.18)	(109.74)
<b>Operating Profit before Changes in Operating assets and Liabilities</b>	<b>4050.52</b>	<b>4246.60</b>
<b>Changes in Operating Assets and Liabilities</b>		
Increase/(Decrease) in Trade Payables	2713.31	1632.35
Increase/(Decrease) in Other Financial Liabilities	262.22	240.58
Increase/(Decrease) in Provisions	16.38	3.79
Increase/(Decrease) in Other Current Liabilities	(63.12)	13.17
(Increase)/Decrease in Inventories	(1588.79)	24.55
(Increase)/Decrease in Trade Receivables	(550.55)	(962.38)
(Increase)/Decrease in Loans	3.65	232.69
(Increase)/Decrease in Other Financial Assets	(898.22)	(583.98)
(Increase)/Decrease in Other Non-current Assets	66.65	(94.07)
(Increase)/Decrease in Other Current Assets	377.92	1078.31
<b>Cash Generated from Operations</b>	<b>339.45</b>	<b>1585.02</b>
Income Taxes Paid	(419.29)	(1027.30)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>3970.69</b>	<b>4804.31</b>
<b>B. Cash Flows from Investing Activities</b>		
Payments for Acquisition of Property, Plant and Equipment/Intangible Assets	(5433.02)	(12522.21)
Proceeds on Disposal of Property, Plant and Equipment	11.37	17.04
Payments for Purchase of Investments	0.00	0.00
Proceeds from Sale/Redemption of Investments	0.00	1.62
Interest Received	12.23	45.67
Proceeds from Maturity of Deposits with Banks	0.00	3740.10
Payments for Placing of Deposits with Banks	(89.70)	(1159.42)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(5499.12)</b>	<b>(9877.18)</b>
<b>C. Cash Flows from Financing Activities:</b>		
Dividend Paid	0.00	0.00
Dividend Distribution Tax Paid	0.00	0.00
Finance Costs Paid	(844.69)	(227.58)
Proceeds from Long-term Borrowings	1042.74	2859.50
Short-term Borrowings - Receipts/(Payments)	1025.69	2305.38
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>1223.74</b>	<b>4937.30</b>
<b>D. Exchange Differences on Translation of Foreign Currency</b>	<b>255.18</b>	<b>109.74</b>
<b>Cash and Cash Equivalents</b>		
<b>Net Cash (Outflow)/ Inflow</b>	<b>(49.51)</b>	<b>(25.82)</b>
<b>Cash and Cash Equivalents - Opening (Refer Note 8)</b>	<b>70.64</b>	<b>96.47</b>
<b>Cash and Cash Equivalents - Closing (Refer Note 8)</b>	<b>21.14</b>	<b>70.64</b>

The above Standalone Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'. The accompanying Notes form an integral part of the Standalone Cash Flow Statement. This is the Standalone Cash Flow Statement referred to in our report of even date.

**For : ASIM RAVINDRA & ASSOCIATES**  
**CHARTERED ACCOUNTANTS.**  
 FRN. 118775W

**For : DYNEMIC PRODUCTS LIMITED**  
**(B. K. Patel)**  
 Managing Director

**(D. B. Patel)**  
 Director

**[RAVINDRA MEHTA]**  
**PARTNER**  
 M. No. 043051

**(R. B. Patel)**  
 Director

Place : Ahmedabad  
 Date : 30/05/2022

**(Varsha Mehta)**  
 Company Secretary

**(Amisha Patel)**  
 Chief Financial Officer

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**Notes to Standalone Financial Statements for the year ended 31st March, 2022**

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**1. Company Background**

Dynemic Products Limited (the 'Company') is a public limited company, incorporated and domiciled in India. The equity shares of the Company are listed on the National Stock Exchange of India Limited and the BSE Limited in India. The registered office of the Company is located at B-301, Satyamev-I, Opp. Gujarat High Court, S G Road, Sola, Ahmedabad-380060, Gujarat, India. The Company is mainly engaged in the business of manufacturing and selling of Dyes & Dye Intermediates as single operational segment. The standalone Financial statements were approved and authorised for issue in accordance with the resolution of the Company's Board of Directors on 30th May, 2022.

**2. Significant Accounting Policies**

This Note provides a list of the significant accounting policies adopted in the preparation of the standalone Financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. These standalone financial statements are the separate financial statements of the Company.

**(a) Basis of Preparation****(i) Compliance with Ind AS**

The standalone financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015] as amended from time to time and other provisions of the Act.

**(ii) Basis of Measurement**

The standalone Financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) that is measured at fair value.
- Defined benefit plans - plan assets measured at fair value.

**(iii) Current versus Non Current Classification**

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

- a) expected to be realised or intended to be sold or consumed in the normal operating cycle,
- b) held primarily for the purpose of trading,
- c) expected to be realised within twelve months after the reporting period, or
- d) cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- a) it is expected to be settled in the normal operating cycle,
- b) it is held primarily for the purpose of trading,
- c) it is due to be settled within twelve months after the reporting period, or
- d) there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current.

**(iv) Rounding of Amounts**

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest Rupee in lacs as per the requirement of Schedule III, unless otherwise stated.

**(b) Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty & exclusive of GST and net of returns, trade discounts, rebates, value added taxes and

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**Notes to Standalone Financial Statements for the year ended 31st March, 2022**

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amounts collected on behalf of third parties. The inter divisional transfer between Unit-1 & Unit-2 are deducted from respective sales & purchases. It has no impact on profit or loss.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

**Sale of Products :-** Revenue from sale of products is recognised when the significant risks and rewards of ownership of the products have passed to the buyer as per the terms of contract. Sales is net of inter branch transfers. It has no impact on profit or loss.

**Sale of Services:-** Revenue from services rendered is recognised as the services are rendered and is booked based on agreements/ arrangements with the concerned parties.

**Other Operating Revenues**

Export entitlements (arising out of Duty Drawback, Merchandise Export from India and Focus Market Schemes) are recognised when the right to receive credit as per the terms of the schemes is established in respect of the exports made by the Company and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds. There is no Royalty Income.

**(c) Construction Contracts :-** There is no Construction contract entered into by the company during the period under consideration.

**(d) Property, Plant and Equipment:-**

Freehold/ GIDC Lease hold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

***Depreciation Method, Estimated Useful Lives And Residual Values***

Depreciation is calculated on a pro-rata basis using the straight-line method to allocate their cost, net of their estimated residual values, over their estimated useful lives in accordance with Schedule II to the Act. Each component of an item of property, plant and equipment with a cost that is significant in relation to the cost of that item is depreciated separately if its useful life differs from the other components of the item.

Estimated useful lives of the assets are taken as per Schedule II of the Companies Act 2013, which is broadly defined as under:-

Buildings - 3 to 60 years

Plant and Equipments - 5 to 40 years

Furniture and Fixtures - 10 years

Vehicles - 8 to 10 years

Office Equipments - 3 to 6 years

Leasehold land is from GIDC and has not been amortised, as the lease cost has been fully paid. The useful lives, residual values and the method of depreciation of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss within 'Other Income'/'Other Expenses'. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as 'Capital Advances' under other non-current assets and the cost of property, plant and equipment not ready to use are disclosed under 'Capital Work-in-progress'.

**(e) Intangible Assets**

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**Notes to Standalone Financial Statements for the year ended 31st March, 2022**

Intangible assets (Computer Software) has a finite useful life and are stated at cost less accumulated amortisation and accumulated impairment losses, if any.

*Computer Software*

Software for internal use, which is primarily acquired from third-party vendors is capitalised. Subsequent costs associated with maintaining such software are recognised as expense as incurred. Cost of software includes license fees and cost of implementation/system integration services, where applicable.

*Amortisation Method and Period*

Computer software are amortised on a pro-rata basis using the straight-line method over their estimated useful life of 5 years, from the date they are available for use. Amortisation method and useful lives are reviewed periodically at each Financial year end.

**(f) Impairment of Non Financial assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash generating units).

**(g) Leases**

*As A Lessee*

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. This is not applicable to GIDC Lease, as there is no periodic payments are made for uses of leased asset, which is GIDC Land.

**(h) Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost of inventories comprises cost of purchases and all other costs incurred in bringing the inventories to their present location and condition. Cost of work-in-progress and finished goods comprises direct materials, direct labor and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on approximation average basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**(i) Investments in Subsidiaries**

Investments in subsidiaries are carried at cost less provision for impairment, if any. Investments in subsidiaries are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of investments exceeds its recoverable amount.

**(j) Investments (Other than Investments in Subsidiaries) and Other Financial Assets**

**(i) Classification**

The Company classifies its financial assets in the following measurement categories:-

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. Though the Company do not have any debt instruments, but for investments in debt instruments, this will depend on the business model in which the investment is held. For investments in

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**Notes to Standalone Financial Statements for the year ended 31st March, 2022**

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equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

**(ii) Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

*Debt Instruments*

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised Costs**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired.

- **Fair Value through other comprehensive income (FVOCI):**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in the profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in 'Other Income'.

**Fair value through Profit & Loss A/c**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the Statement of Profit and Loss within 'Other Income' in the period in which it arises.

**Equity Instruments**

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'Other Income' in the Statement of Profit and Loss.

**(iii) a. Impairment of Financial Assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets which are not fair valued through profit or loss. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 40(A) details how the Company determines whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**b. Impairment of financial assets (other than at fair value)**

The Company assesses at each date of balance sheet whether a financial asset or a group of Financial Assets is impaired.

Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information.

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**Notes to Standalone Financial Statements for the year ended 31st March, 2022**

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The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

**(iv) De-recognition of Financial Assets**

A financial asset is de-recognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**(v) Income Recognition***Interest Income*

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

*Dividend*

Dividend is recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

**(vi) Fair Value of Financial Instruments**

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

**(k) Derivative Instruments- Not applicable as there are no Derivative Instruments.****(l) Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**(m) Trade Receivables**

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

**(n) Cash and Cash Equivalents**

For the purpose of presentation in the Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities

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**Notes to Standalone Financial Statements for the year ended 31st March, 2022**

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of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(o) Trade Payables**

Trade Payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**(p) Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

**(q) Financial Guarantee Contracts**

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 and the amount initially recognised less cumulative amortisation, where appropriate.

**(r) Borrowing Costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

**(s) Foreign Currency Transactions and Translation****(i) Functional and Presentation Currency**

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The standalone financial statements are presented in Indian Rupee (Rs.), which is the Company's functional and presentation currency.

**(ii) Transactions and Balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. At the year-end, monetary assets and liabilities denominated in foreign currencies are restated at the year - end exchange rates. The exchange differences arising from settlement of foreign currency transactions and from the year-end restatement are recognised in profit and loss.

Exchange differences arising on reporting of long-term foreign currency monetary items recognised up to 31st March, 2018 (i) relating to acquisition of depreciable capital assets is adjusted to the carrying amount of such assets (to be depreciated over the balance life of the related asset) and (ii) in other cases accumulated in a 'Foreign Currency Monetary Item Translation Difference Account' (to be amortised over the balance period of the related long-term monetary asset/liability). All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within 'Other Income'/'Other Expenses'.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates

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**Notes to Standalone Financial Statements for the year ended 31st March, 2022**

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at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

**(t) Employee benefits**

**(i) Short Term Employee Benefits**

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as 'Employee Benefits Payable' within 'Other Current Liabilities' in the Balance Sheet.

**(ii) Post Employment Benefits**

*Defined Benefit Plans*

The liability or asset recognised in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee Benefits Expense' in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. These are included in 'Retained Earnings' in the Statement of Changes in Equity.

*Defined Contribution Plans*

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the period in which the employee has rendered the service.

**(iii) Other Long term Employee Benefits**

The liabilities for leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured annually by actuaries as the present value of expected future benefits in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented under 'Provisions' (Current) in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

**(u) Income Tax**

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax credits and to unused tax losses.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also

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**Notes to Standalone Financial Statements for the year ended 31st March, 2022**

not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences, tax credits and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax are recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, if any. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**(v) Provisions and Contingencies**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

**(w) Dividend**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

**(x) Earnings per Share****(i) Basic Earnings per Share**

Basic earnings per share is calculated by dividing: -

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

**(ii) Diluted Earnings per Share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:-

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

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**Notes to Standalone Financial Statements for the year ended 31st March, 2022**

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**(y) Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Managing Director of the Company. Presently Company has been working in single segment- Dyes & Dyes Intermediates.

**3 Critical Estimates and Judgments**

The preparation of standalone Financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these standalone Financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

This Note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the standalone Financial statements.

**The areas involving critical estimates or judgements are:**

**Employee Benefits ( Estimation of Defined Benefit Obligation) ( Note 2(t) and 36**

Post-employment benefits represent obligations that will be settled in future and require assumptions to estimate benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of benefit costs over the employees' approximate service period, based on the terms of the plans and the investment and funding decisions made. The accounting requires the Company to make assumptions regarding variables such as discount rate and salary growth rate. Changes in these key assumptions can have a significant impact on the defined benefit obligations.

**Estimation of Expected Useful Life of Property, Plant and Equipment ( Note 2(d) and 4.1)**

Management reviews its estimate of useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.

**Contingencies (Note 2(v) and 34)**

Legal proceedings covering a range of matters are pending against the Company. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcome. The cases and claims against the Company often raise factual and legal issues that are subject to uncertainties and complexities, including the facts and circumstances of each particular case/ claim, the jurisdiction and the differences in applicable law. The Company consults with legal counsel and other experts on matters related to specific litigations where considered necessary. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.

**Valuation of Deferred Tax assets (Note 2(u) and 31)**

Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for Financial reporting purposes and their respective tax bases that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred tax benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimising measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

**Fair Value Measurements (Note 2(j) and 39)**

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**Notes to Standalone Financial Statements for the year ended 31st March, 2022**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques, including the discounted cash flow model, which involve various judgments and assumptions.

**Recent Indian Accounting Standard (Ind AS) pronouncements which are not yet effective**

On 23 March 2022, the Ministry of Corporate Affairs ("MCA") through notifications, amended the existing Ind AS. The same shall come into force from annual reporting period beginning on or after April 1 2022. Key Amendments relating to the same where financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

-Ind AS 16 Property, Plant and Equipment - For items produced during testing/trial phase, clarification added that revenue generated out of the same shall not be recognised in the Standalone Statement of Profit and Loss and considered as part of cost of PPE.

-Ind AS 37 Provisions, Contingent Liabilities & Contingent Assets - Guidance on what constitutes cost of fulfilling contracts (to determine whether the contract is onerous or not) is included.

-Ind AS 41 Agriculture- This aligns the fair value measurement in Ind AS 41 with the requirements of Ind AS 113 Fair Value Measurement to use internally consistent Cash Flows and discount rates and enables preparers to determine whether to use pre-tax or post-tax Cash Flows and discount rates for the most appropriate fair value measurement.

-Ind AS 101 - First time Adoption of Ind AS - Measurement of Foreign Currency Translation Difference in case of subsidiary/associate/ JV's date of transition to Ind AS is subsequent to that of Parent - FCTR in the books of subsidiary/associate/ JV can be measured based on Consolidated Financial Statements.

-Ind AS 103 - Business Combination - Reference to revised Conceptual Framework. For contingent liabilities / levies, clarification is added on how to apply the principles for recognition of contingent liabilities from Ind AS 37. Recognition of contingent assets is not allowed.

- Ind AS 109 Financial Instruments - The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognise a financial liability.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

#### Notes to Standalone Financial Statements for the year ended 31st March, 2022

#### 4 Property, Plant and Equipment

##### 4.1 Reconciliation of Gross and Net Carrying Amount of Each Class of Assets

Particulars	Leasehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Other Assets	Rs. In Lakhs
<b>Year ended 31st March, 2021</b>								
<b>Gross Carrying Amount</b>								
Opening Balance	156.52	1,919.49	4,183.40	91.35	102.25	44.95	-	6,497.95
Additions	0.01	-	198.01	-	-	4.88	-	202.90
Disposals	-	-	74.77	-	0.33	4.40	-	79.51
<b>Closing Balance</b>	<b>156.53</b>	<b>1,919.49</b>	<b>4,306.64</b>	<b>91.35</b>	<b>101.92</b>	<b>45.42</b>	<b>-</b>	<b>6,621.34</b>
<b>Accumulated Depreciation</b>								
Opening Balance	-	587.11	2,181.08	81.40	40.35	33.64	-	2,923.59
For the Year	-	56.35	268.24	1.51	12.60	4.94	-	343.63
On Disposals	-	-	55.63	-	0.33	4.36	-	60.32
<b>Closing Balance</b>	<b>-</b>	<b>643.46</b>	<b>2,393.69</b>	<b>82.91</b>	<b>52.62</b>	<b>34.22</b>	<b>-</b>	<b>3,206.90</b>
<b>Net Carrying Amount</b>	<b>156.53</b>	<b>1,276.03</b>	<b>1,912.95</b>	<b>8.44</b>	<b>49.30</b>	<b>11.20</b>	<b>-</b>	<b>3,414.44</b>
<b>Year ended 31st March, 2022</b>								
<b>Gross Carrying Amount</b>								
Opening Balance	156.53	1,919.49	4,306.64	91.35	101.92	45.42	-	6,621.34
Additions	1,182.45	8,604.23	14,967.82	100.51	16.22	29.01	-	24,900.24
Disposals	-	-	67.75	-	-	-	-	67.75
<b>Closing Balance</b>	<b>1,338.98</b>	<b>10,523.72</b>	<b>19,206.70</b>	<b>191.86</b>	<b>118.13</b>	<b>74.43</b>	<b>-</b>	<b>31,453.83</b>
<b>Accumulated Depreciation</b>								
Opening Balance	-	643.46	2,393.69	82.91	52.62	34.22	-	3,206.90
For the Year	-	223.76	877.40	5.10	13.01	7.71	-	1,126.99
On Disposals	-	-	38.31	-	-	-	-	38.31
<b>Closing Balance</b>	<b>-</b>	<b>867.23</b>	<b>3,232.78</b>	<b>88.01</b>	<b>65.63</b>	<b>41.93</b>	<b>-</b>	<b>4,295.58</b>
<b>Net Carrying Amount</b>	<b>1,338.98</b>	<b>9,656.49</b>	<b>15,973.93</b>	<b>103.85</b>	<b>52.50</b>	<b>32.50</b>	<b>-</b>	<b>27,158.25</b>

##### 4.2 Capital Work-in-Progress

	Rs. In Lakhs
Carrying Amount at the Beginning of the Year	19,430.18
Additions During the Year @	6,185.64
Capitalised During the Year	25,615.82
<b>Carrying Amount at the End of the Year</b>	<b>0.00</b>

@ Includes costs incurred in the course of construction of an item of Property, Plant and Equipment:

##### 4.3 CWIP aging schedule

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress			NIL		
Projects temporarily suspended			NIL		

## Notes to Standalone Financial Statements for the year ended 31st March, 2022

### 4.4 CWIP completion schedule

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects 1			NIL		

Title deeds of Immovable Properties not held in name of the Company

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company
PPE			NIL			

**Note:-** The capital work in progress includes the expenses incurred for the Plant at Unit 3 at Dahej GIDC, regarding the direct purchase of assets for the said plant and the other incidental preoperative expenditures directly related to the implementation of the said plant including the net interest on borrowings for the said plant. The preoperative expenditures will be capitalised in proportion to the value of assets on completion of the Plant and the start of the commercial production.

- 4.5** The Company has taken borrowings from banks which carry charge over certain property, plant and equipment ( Refer Note 42 for details).
- 4.6** Contractual obligations - Refer Note 35(a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- 4.7** Aggregate amount of depreciation has been included under 'Depreciation and Amortisation Expense' in the Statement of Profit and Loss (Refer Note 29).
- 4.8** Title deeds of immovable properties set out in Note 4.1 above, where applicable, are in the name of the Company.

<b>5</b>	<b>Intangible Assets</b>	
	<b>Year ended 31st March, 2020</b>	
	<b>Gross Carrying Amount</b>	
	Opening Balance	26.47
	Additions	0.00
	Disposals	0.00
	<b>Closing Balance</b>	<b>26.47</b>
	Accumulated Depreciation	
	Opening Balance	26.28
	For the Year	0.00
	On Disposals	0.00
	<b>Closing Balance</b>	<b>26.28</b>
	<b>Net Carrying Amount</b>	<b>0.19</b>
	<b>Year ended 31st March, 2021</b>	
	<b>Gross Carrying Amount</b>	
	Opening Balance	26.47
	Additions	0.00
	Disposals	0.00
	<b>Closing Balance</b>	<b>26.47</b>
	Accumulated Depreciation	
	Opening Balance	26.28
	For the Year	0.00
	On Disposals	0.00
	<b>Closing Balance</b>	<b>26.28</b>
	<b>Net Carrying Amount</b>	<b>0.19</b>

- 5.1** The amortisation has been included under 'Depreciation and Amortisation Expense' in the Statement of Profit and Loss (Refer Note 29).

**Notes to Standalone Financial Statements for the year ended 31st March, 2022**
**Rs. In Lakhs**

6	Investments	Face Value	Number	As At 31st March 2022	As At 31st March 2021
	<b>Unquoted:</b>				
	<b>Non-current Investments</b>				
	<b>Investments in Equity Instruments</b>				
	<b>In Subsidiary Companies</b>				
	*Cerecon Bio Sciences Private Limited (Formerly known as Dynamic Overseas (India) Pvt Ltd)	100	20600	20.60	20.60
	<b>In Other Associates Body Corporates</b>				
	*Dynemic Holdings Pvt.Ltd.	10	1010000	101.00	101.00
	<b>In Other Body Corporates</b>				
	* Enviro Technology Ltd. Shares	10	15000	1.50	1.50
	* Bharuch Enviro Infrastructure Ltd.	10	1750	0.18	0.18
	* Bharuch Eco-Aqua Infra.Ltd	10	78450	7.85	7.85
	* Ank.Res. &.Analy.Inf.Ltd.	10	1000	0.10	0.10
	<b>Investments in Mutual Funds</b>				
	IndiaReit Fund Scheme IV			1.81	2.66
	<b>TOTAL</b>			<b>133.03</b>	<b>133.88</b>
	<b>Current Investments</b>		0.00	0.00	0.00

6.1 Refer Note 39 for information about fair value measurements and Note 40 for credit risk and market risk on investments.

7	Trade Receivables	As At 31st March 2022	As At 31st March 2021
	Unsecured Considered Good		
	(a) Trade Receivables considered good - Secured;		
	(b) Trade Receivables considered good - Unsecured;	0.00	16.17
	(c) Trade Receivables which have significant increase in Credit Risk		
	d) Trade Receivables - credit impaired		
	Less: Allowance for Expected Credit Losses		
	<b>TOTAL</b>	<b>0.00</b>	<b>16.17</b>
	<b>Current</b>		
	Unsecured Considered Good		
	(a) Trade Receivables considered good - Secured;	0.00	0.00
	(b) Trade Receivables considered good - Unsecured;	4702.21	4135.49
	(c) Trade Receivables which have significant increase in Credit Risk	0.00	0.00
	d) Trade Receivables - credit impaired	0.00	0.00
	Less: Allowance for Expected Credit Losses	0.00	0.00
	<b>TOTAL</b>	<b>4702.21</b>	<b>4135.49</b>

7.1 Refer Note 42 for receivables secured against borrowings and Note 40 for information about credit risk and market risk on receivables.

## Notes to Standalone Financial Statements for the year ended 31st March, 2022

### 7.2 Trade Receivables ageing schedule (the previous year figures are in brackets)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	4663.80 (4135.49)	38.42 0.00	0.00 (16.17)	0.00	0.00	4702.21 (4151.66)
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Undisputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables– considered good	0.00	0.00	0.00	0.00	0.00	0.00
(v) Disputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(vi) Disputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>4663.80</b> <b>(4135.49)</b>	<b>38.42</b> <b>0.00</b>	<b>0.00</b> <b>(16.17)</b>	<b>0.00</b> <b>0.00</b>	<b>0.00</b> <b>0.00</b>	<b>4702.21</b> <b>(4151.66)</b>

# similar information shall be given where no due date of payment is specified in that case disclosure shall be from the date of the transaction. Unbilled dues shall be disclosed separately”;

Particulars	As At 31st March 2022	As At 31st March 2021
Total Dues with Due Dates of Payments as per above table 7.2	4702	4152
Outstanding Debtors where still the payment has not become Due	0	0
Outstanding Debtors still unbilled	0	0
<b>Total Trade Receivables as shown in above Note 7</b>	<b>4702</b>	<b>4152</b>

Note:- The Trade Receivables outstading/ payables for more than 1 year have been classified and shown as Non Current asset. The figures in brackets are for the previous year.

<b>8</b>	<b>Cash and Cash Equivalents</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	Balances with Banks	17.93	65.91
	Cheques, Drafts on Hand	0.00	0.00
	Cash on Hand (Includes Foreign Currency Rs. 76403(PY 78746))	3.21	4.73
	<b>TOTAL</b>	<b>21.14</b>	<b>70.64</b>

8.1 There are no repatriation restrictions with regard to Cash and Cash Equivalents as at the end of the current reporting period and prior periods.

<b>9</b>	<b>Other Bank Balances</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	Unpaid Dividend Accounts @	6.76	8.20
	Fixed Deposit Accounts (with original maturity of more than three months but less than twelve months) (Lodged with Government Authority/Others)	192.68	0.00
	Accrued Interest on Fixed Deposits	46.19	0.00
	<b>TOTAL</b>	<b>245.63</b>	<b>8.20</b>

@ Earmarked for Payment of Unclaimed Dividend

**Notes to Standalone Financial Statements for the year ended 31st March, 2022**
**Rs. In Lakhs**

<b>10</b>	<b>Loans</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	<b>Non-current</b>				
	Unsecured, Considered Good :				
	Loans to Employees*			2.06	4.00
	(a)Loans Receivables considered good - Secured;	0.00	0.00		
	(b)Loans Receivables considered good - Unsecured;	2.06	4.00		
	(c)Loans Receivables which have significant increase in Credit Risk; and	0.00	0.00		
	(d)Loans Receivables - credit impaired	0.00	0.00		
		<b>2.06</b>	<b>4.00</b>	<b>2.06</b>	<b>4.00</b>
	<b>Current</b>				
	Unsecured, Considered Good :				
	Loans to Employees*			1.31	3.03
	(a)Loans Receivables considered good - Secured;	0.00	0.00		
	(b)Loans Receivables considered good - Unsecured;	1.31	3.03		
	(c)Loans Receivables which have significant increase in Credit Risk; and	0.00	0.00		
	(d)Loans Receivables - credit impaired	0.00	0.00		
		<b>1.31</b>	<b>3.03</b>	<b>1.31</b>	<b>3.03</b>
<b>11</b>	<b>Other Financial Assets</b>			<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	<b>Non-current</b>				
	Unsecured, Considered Good :				
	Security Deposits			576.12	227.44
	Fixed Deposits with Banks** (with Maturity of more than Twelve Months) (Lodged with Government Authority/Others)			17.03	120.02
	Accrued Interest on Fixed Deposits**			0.62	35.80
				<b>593.78</b>	<b>383.26</b>
	<b>Current</b>				
	Unsecured, Considered Good :				
	Security Deposits			888.69	348.73
	Interest Accrued on Electricity Deposits			12.85	3.29
	<b>TOTAL</b>			<b>901.55</b>	<b>352.01</b>
	*Financial Assets carried at Fair Value through Profit and Loss			0.00	0.00
	**Financial Assets carried at Amortised Cost			1495.32	735.28
<b>12</b>	<b>Inventories</b>			<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	-At Lower of Cost and Net Realisable Value				
	Raw Materials .....			1367.12	1158.94
	Packing Material.....			19.57	24.59
	ETP stock .....			2.77	0.04
	Fuel- Non Coking stock .....			10.54	0.00
	Trading Materials.....			23.97	13.11
	Work in progress.....			424.63	306.96
	Finished Goods ...			3338.26	2107.40
	Finished Goods ( Captive)			18.15	5.17
	<b>TOTAL</b>			<b>5205.00</b>	<b>3616.21</b>

## Notes to Standalone Financial Statements for the year ended 31st March, 2022

### 12.1 Refer Note 42 for Information on Inventories Pledged as Security

13 Other Assets	As At 31st March 2022	As At 31st March 2021
<b>Non-current</b>		
Unsecured, Considered Good :		
Capital Advances	234.63	384.63
Balances with Government Authorities @	3.80	3.80
Prepaid/Advance for Expenses	1.99	1.99
Advance to Suppliers/Service Providers (other than capital)	0.00	0.00
IT Refund Receivables (AY 12-13, 1314 & 2021)	91.34	7.99
<b>TOTAL</b>	<b>331.76</b>	<b>398.42</b>
<b>Current</b>		
Unsecured, Considered Good :		
Export Entitlements Receivable	263.39	44.20
Balances with Government Authorities @	1,072.07	1,686.10
Advance to Suppliers/Service Providers (other than capital)	0.00	0.00
Capital Advances	195.77	174.84
Prepaid/Advance for Expenses	95.95	41.43
IT Refund Receivables (AY 21-22)	24.82	83.35
Advance Income Tax Paid (Included TDS & TCS)	419.29	1,024.95
<b>TOTAL</b>	<b>2,071.29</b>	<b>3,054.88</b>

@ Balances with Government Authorities primarily include amounts realisable from the GST, and customs authorities of India and the unutilised GST input credits on purchases. These are generally realised within one year or regularly utilised to offset the GST liability on goods manufactured by the Company.

14.1 Equity Share Capital	As At 31st March 2022	As At 31st March 2021
<b>Authorised Share Capital</b>		
[13000000 Equity Share of Rs. 10/- each] @	1,300.00	1,300.00
<b>Issued, Subscribed and paid up :</b>		
[11328449 Equity Shares of Rs. 10/- each fullypaid up @	1,132.84	1,132.84
	<b>1,132.84</b>	<b>1,132.84</b>

@ There were no changes in number of shares during the years ended 31st March, 2022 and 31st March, 2021

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

(b) Details of shares held by the promoter at the end of the year:-

Shares held by promoters at the end of the year	As At 31st March 2022			As At 31st March 2021		
	Nos of Shares	% of Total Shares	% Change During the Year	Nos of Shares	% of Total Shares	% Change During the Year
BHAGWANDAS K PATEL	68500	0.60	0.00	68500	0.60	0.00
PATEL DASHRATHBHAI PRAHLADBHAI	0	0.00	(0.23)	26420	0.23	(3.31)
RAJULABEN J PATEL	25975	0.23	0.00	25475	0.22	(0.01)
DASHRATHBHAI PRAHLADBHAI PATEL	0	0.00	(4.59)	520400	4.59	(1.54)
BHAGWANDAS KALIDAS PATEL	1207182	10.66	0.00	1207182	10.66	0.00

**Notes to Standalone Financial Statements for the year ended 31st March, 2022**

JAYANTILAL K PATEL	14785	0.13	(0.10)	25785	0.23	(0.01)
RAMESHKUMAR BHAGWANDAS PATEL	679993	6.00	0.00	679993	6.00	0.00
KIRTIKUMAR BHAGWANDAS PATEL	115960	1.02	0.00	115960	1.02	0.00
VIMALABEN BHAGAWANDAS PATEL	318800	2.81	0.27	288300	2.54	0.00
MUKESHBHAI B PATEL	114581	1.01	0.00	114581	1.01	0.00
VISHNUBHAI BHAGWANBHAI PATEL	85401	0.75	0.00	85401	0.75	0.00
DIXIT BHAGWANDAS PATEL	169225	1.49	0.00	169225	1.49	0.00
DALCHHIBEN BHAGWANBHAI PATEL	41100	0.36	0.00	41100	0.36	0.00
KAMINIBEN VISHNUBHAI PATEL	49074	0.43	0.00	49074	0.43	0.00
MAHENDRABHAI KALIDAS PATEL	0	0.00	(0.11)	13000	0.11	(0.13)
CHETNABEN M PATEL	132000	1.17	0.00	132000	1.17	0.00
MITTAL DIXIT PATEL	32000	0.28	0.00	32000	0.28	0.00
PALAK D PATEL		0.00	(0.36)	40500	0.36	(0.51)
LILABEN DASHARATHBHAI PATEL		0.00	(0.92)	104730	0.92	0.00
KANTILAL KALIDAS PATEL	55150	0.49	0.00	55150	0.49	0.00
HANSABEN RAMESHBHAI PATEL	29544	0.26	0.00	29544	0.26	0.10
BHAGVATIBEN KIRTIBHAI PATEL	43465	0.38	0.00	43465	0.38	0.00
SACHIN R PATEL	19084	0.17	0.00	19084	0.17	0.00
DIXIT BHAGWANDAS PATEL HUF	11600	0.10	0.00	11600	0.10	0.00
SHOBHANABEN MAHENDRABHAI PATEL	0	0.00	0.00	0	0.00	(0.23)
DYNEMIC HOLDINGS PRIVATE LIMITED	156320	1.38	0.00	156320	1.38	0.00
<b>Total</b>	<b>3369739</b>	<b>29.75</b>	<b>(6.05)</b>	<b>4054789</b>	<b>35.79</b>	<b>(5.64)</b>

Rs. In Lakhs

<b>14.2 Other Equity</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
Reserves and Surplus		
Securities Premium Account	1036.80	1036.80
General Reserve [Refer (i) below]	502.18	502.18
Retained Earnings [Refer (ii) below]	14291.69	12878.13
	<b>15830.67</b>	<b>14417.11</b>
<b>(i) General Reserve - Movement during the year</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
Opening Balance	502.18	502.18
Transfer from Retained Earnings	0.00	0.00
<b>Closing Balance</b>	<b>502.18</b>	<b>502.18</b>
<b>(ii) Retained Earnings - Movement during the year</b>		
Opening Balance	12878.13	10039.87
Profit for the Year	1430.45	2848.86
Items of Other Comprehensive Income recognised directly in Retained Earnings		
Remeasurements on Post-employment Defined Benefit Plans, Net of Tax	-16.88	-10.59
Transfer to General Reserve	0.00	0.00
<b>Closing Balance</b>	<b>14291.69</b>	<b>12878.13</b>

**Nature and purpose of each Reserve**
**Securities Premium Account**

Securities Premium Account is used to record premium received on issue of shares. This reserve may be utilised in accordance with the provisions of Section 52 of the Act.

**General Reserve**

Under the erstwhile Indian Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatory transfer a specified percentage of the net profit to general reserve has

## Notes to Standalone Financial Statements for the year ended 31st March, 2022

been withdrawn though the Company may transfer such percentage of its profits for the financial year as it may consider appropriate. Declaration of dividend out of such reserve shall not be made except in accordance with rules prescribed in this behalf under the Act.

15	Borrowings	As At 31st March 2022	As At 31st March 2021
	<b>Non-current</b>		
	<b>Secured</b>		
	<b>* ICICI Bank Ltd.- Car Loans</b>	0.00	4.31
	(Secured against the specific cars)		
	Defaults:- NIL		
	Terms of Repayment - Three Loans		
	Principal Amount- Rs. 20.00 & 15.00 & 20.00 LACS		
	Date of start of repayments- 15/01/2017 & 10/05/2017 & 28/09/2018		
	Nos of Installments- 36 monthly installments		
	Due Date of Last Installment- 15/12/2019 & 10/04/2020 & 01/10/2021		
	Rate of Interest- 9.10% p.a. & 8.34% p.a. & 8.68% p.a.		
	Less: Current Maturities of Long-term Debt	0.00	4.31
	(Refer Note 17)		
	<b>* HDFC Bank Ltd.- Car Loans</b>	12.63	0.00
	(Secured against the specific cars)		
	Defaults:- NIL		
	Terms of Repayment - 60 Monthly instalments		
	Principal Amount- Rs. 14.00		
	Date of start of repayments- 05/09/2021		
	Nos of Installments- 36 monthly installments		
	Due Date of Last Installment- 05/08/2026		
	Rate of Interest- 13.06%		
	<b>Less: Current Maturities of Long-term Debt (Refer Note 17)</b>	2.50	0.00
	<b>Net Non Current Amount</b>	10.13	0.00
	<b>* Citi Bank N.A.-- Term Loan FCTL-1</b>	2945.69	3762.04
	Defaults:- NIL		
	Terms of Repayment - 20 Quarterly Intallments after 12 months moratorium		
	Principal Amount- Total Amt.USD 5674526.54 equivalent of INR 4000.00 LACS		
	Principal Amount-1- USD 2870264.06 equivalent of INR 2000.00 LACS		
	Date of start of repayments- 29/08/2020		
	Nos of Installments- 20 Quarterly installments		
	Due Date of Last Installment- 29/05/2025		
	Rate of Interest- 3M USD L + 2.20%		
	Terms of Repayment - 20 Quarterly Intallments after 12 months moratorium		
	Principal Amount-2- USD 2804262.48 equivalent of INR 2000.00 LACS		
	Date of start of repayments- 31/03/2021		
	Nos of Installments- 20 Quarterly installments		
	Due Date of Last Installment- 31/12/2025		
	Rate of Interest- 3M USD L + 2.20%		
	<b>Less: Current Maturities of Long-term Debt</b>	800.00	800.00
	(Refer Note 17)		
	<b>* Citi Bank N.A.-- Term Loan FCTL-2</b>	2027.87	1960.11
	Defaults:- NIL		
	Terms of Repayment - 16 Quarterly Intallments after 12 months moratorium		
	Principal Amount- USD 2732240.44 equivalent of INR 2000.00 LACS		
	Date of start of repayments- 30/06/2022		
	Nos of Installments- 16 Quarterly installments		
	Due Date of Last Installment- 30/03/2026		
	Rate of Interest- 3M USD L + 2.05%		

**Notes to Standalone Financial Statements for the year ended 31st March, 2022**

<b>Less: Current Maturities of Long-term Debt (Refer Note 17)</b>	500.00	0.00
<b>Net Non Current Amount</b>	3673.56	4922.15
<b>* HDFC Bank-- Term Loan</b>	3200.00	4000.00
Defaults:- NIL		
Terms of Repayment - 20 Quarterly Intallments after 12 months moratorium		
Principal Amount- INR 4000.00 LACS		
Date of start of repayments- 01/07/2021		
Nos of Installments- 20 Quarterly installments		
Due Date of Last Installment- 17/03/2026		
Rate of Interest- MCLR + 0.85% or 7.45% p.a.		
<b>Less: Current Maturities of Long-term Debt (Refer Note 17)</b>	800.00	600.00
<b>* HDFC Bank Ltd (GECL) Loan-Term Loan-INR)</b>	1340.00	1340.00
Defaults:- NIL		
Terms of Repayment - 48 Monthly Intallments after 12 months moratorium		
Principal Amount- INR 1340.00 LACS		
Date of start of repayments- 01/04/2022		
Nos of Installments- 48 Monthly installments		
Due Date of Last Installment- 27/02/2026		
Rate of Interest- MCLR + 0.60% or 7.80% p.a.		
<b>Less: Current Maturities of Long-term Debt (Refer Note 17)</b>	335.00	0.00
<b>* HDFC Bank Ltd (GECL) Loan-Term Loan-INR)</b>	2583.00	0.00
Defaults:- NIL		
Terms of Repayment - 48 Monthly Intallments after 12 months moratorium		
Principal Amount- INR 2583.00 LACS		
Date of start of repayments- 01/04/2023		
Nos of Installments- 48 Monthly installments		
Due Date of Last Installment- 01/03/2027		
Rate of Interest- MCLR + 1.00% or 7.20% p.a.		
<b>Less: Current Maturities of Long-term Debt (Refer Note 17)</b>	0.00	0.00
<b>Net Non Current Amount</b>	5988.00	4740.00
<b>TOTAL NON CURRENT AMOUNT--SECURED</b>	<b>9671.69</b>	<b>9662.15</b>
<b>Unsecured</b>		
<b>FROM OTHER PARTIES:- UNSECURED</b>		
Fixed Deposits from Share holders	0.00	0.00
<b>TOTAL NON CURRENT AMOUNT--UNSECURED</b>	<b>0.00</b>	<b>0.00</b>
<b>TOTAL NON CURRENT AMOUNT</b>	<b>9671.69</b>	<b>9662.15</b>
<b>Current Secured</b>		
Loans Repayable on Demand from Banks*		
Bill Discounting Facilities- PCFC		
* Citi Bank N.A.	2038.69	978.67
* HDFC BANK	471.18	0.00
Cash Credit/Export Credit Facilities		
* Citi Bank N.A.	260.03	226.10
* Citibank NA (WCDL A/C)	0.00	1000.00
* Axis Bank Ltd.	799.81	736.51
* HDFC Bank Ltd (C/C A/C)	321.61	274.34
* HDFC BankLtd. (WCDL A/C)	1350.00	1000.00
<b>Loans Repayable on Demand from Banks Total</b>	<b>5241.32</b>	<b>4215.63</b>
Current Maturities of Long-term Debt		
<b>* ICICI Bank Ltd.- Car Loans</b>	0.00	4.31

**Notes to Standalone Financial Statements for the year ended 31st March, 2022**
**(Rs. In Lakhs)**

* HDFC Bank Ltd.- Car Loans	2.50	0.00
* Citi Bank N.A.-- Term Loan FCTL-1	800.00	800.00
* Citi Bank N.A.-- Term Loan FCTL-2	500.00	0.00
* HDFC Bank-- Term Loan	800.00	600.00
* HDFC Bank Ltd (GECL) Loan-Term Loan-INR)	335.00	0.00
* HDFC Bank Ltd (GECL) Loan-Term Loan-INR)	0.00	0.00
Current Maturities of Long-term Debt Total	2437.50	1404.31
<b>Unsecured</b>		
Loan from Directors	22.50	0.00
<b>TOTAL CURRENT AMOUNT</b>	<b>7701.32</b>	<b>5619.93</b>

**\*Secured -**

- By a first pari passu charge by way of hypothecation of the Company's entire current assets (for Company's Unit-1 Unit-2 situated at GIDC Ankleshwar), namely, stocks of raw materials, semi-finished and finished goods and articles stores and spares not relating to plant and machinery (consumable stores and spares), Bills receivable and Book debts and all other movable of the Company both present and future but excluding such movables as may be permitted by the said Banks from time to time ;
- By pari passu charge of CitiBank N.A., Axis Bank & HDFC Bank on the Company's immovable & movable fixed assets (for Company's Unit-1 & Unit-2 situated at GIDC, Ankleshwar & Registered Office situated at Ahmedabad ) including movable plant and machinery, machinery spares, tools and accessories, electrical and other equipments etc, (save and except the current assets which are already hypothecated/to be hypothecated in favour of the said Banks as and by way of first charge) lying and/or stored and/or situated at the Company's different units, godowns/factories and/or premises or in the possession of any third party or in course of transit or delivery and also all documents of title, negotiable instruments, policies of insurance and other documents and instruments relating thereto subject and/or sub-servient to the first and/or the prior charge holders for securing their respective Term Loans and/or facilities.
- By pari passu charge of CitiBank N.A. & HDFC Bank on the Company's immovable & movable fixed assets (for Company's Unit-3 situated at GIDC, Dahej including movable plant and machinery, machinery spares, tools and accessories, electrical and other equipments etc, (save and except the current assets which are already hypothecated/to be hypothecated in favour of the said Banks as and by way of first charge) lying and/or stored and/or situated at the Company's different units, godowns/factories and/or premises or in the possession of any third party or in course of transit or delivery and also all documents of title, negotiable instruments, policies of insurance and other documents and instruments relating thereto subject and/or sub-servient to the first and/or the prior charge holders for securing their respective Term Loans and/or facilities.
- By personal guarantee of directors Shri Bhagwandas K Patel, Shri Ramesh B Patel, & Shri Dixit B Patel.
- The company has entered into the swap with HDFC Bank Ltd on 31/08/2020 for the Term loan Of Rs. 40 Crore swapping this amount from INR to USD equivalent to USD 5431093.01 with same tenure or the period of loan to be repaid at Fixed Interest rate of 4.60% per annum on USD amount at the prevalent exchange rate and the repayment is to be made in USD 271554.65 quarterly intallments at the prevalent exchange rate. All other terms and conditions remain same.

**15.1** Refer Note 42 for details of carrying amount of assets pledged/ hypothecated as security for secured borrowings and Note 40 for information about liquidity risk and market risk on borrowings.

**Rs. In Lakhs**

<b>16</b>	<b>Trade Payables</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	<b>Non-current</b>		
	Trade Payables		
	Total Outstanding Dues of Micro Enterprises and Small Enterprises (Refer Note 33)	0.00	0.00
	Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	230.00	0.00
		<b>230.00</b>	<b>0.00</b>

**Notes to Standalone Financial Statements for the year ended 31st March, 2022**
**(Rs. In Lakhs)**

<b>Current</b>		
Trade Payables		
Total Outstanding Dues of Micro Enterprises and Small Enterprises (Refer Note 33)	1153.44	1443.23
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	3722.25	949.16
	<b>4875.69</b>	<b>2392.39</b>

16.1 Refer Note 40 for information about liquidity risk and market risk on trade payables.

16.2 Trade Payables ageing schedule

Particulars	Outstanding for following periods from due date of payment#				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	1153.44 (1443.23)	0.00 0.00	0.00 0.00	0.00 0.00	1153.44 (1443.23)
(ii) Others	4875.69 (833.78)	114.61 (78.37)	78.37 (37.02)	37.02 0.00	5105.69 (949.16)
(iii) Disputed dues – MSME	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00
(iv) Disputed dues - Others	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00
<b>Total 21-22</b>	6029.14	114.61	78.37	37.02	6259.14
<b>Total 20-21</b>	(2277.00)	(78.37)	(37.02)	0.00	(2392.39)

Note:- The Trade Payables outstanding/ payables for more than 1 year have been classified and shown as Non Current Liability. The figures in brackets are for the previous year.

Particulars		As At 31st March 2022	As At 31st March 2021
Total Dues with Due Dates of Payments as per above table 16.2		6259.14	2392.39
Outstanding Payables where still the payment has not become Due		0.00	0.00
Outstanding Payables still unbilled		0.00	0.00
<b>Total Trade Payables as shown in above Note 16</b>		<b>6259.14</b>	<b>2392.39</b>
<b>17 Other Financial Liabilities</b>		<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
<b>Non-current</b>			
Other Sundry Creditors Payable for Expenses		0.01	0.02
Security Deposits- Employee Bonds		0.21	0.19
<b>TOTAL</b>		<b>0.22</b>	<b>0.21</b>
<b>Current</b>			
Interest Accrued		0.00	0.00
Unpaid Dividends		6.76	8.20
Other Sundry Creditors Payable for Expenses		502.49	240.51
Security Deposits- Employee Bonds		0.93	0.70
<b>TOTAL</b>		<b>510.17</b>	<b>249.41</b>
<b>18 Provisions</b>		<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
<b>Current</b>			
Provisions for Employee Benefits (Refer Note 36)		42.59	26.21
<b>TOTAL</b>		<b>42.59</b>	<b>26.21</b>

**Notes to Standalone Financial Statements for the year ended 31st March, 2022**
**(Rs. In Lakhs)**

<b>19</b>	<b>Current Tax Liabilities</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	<b>A. Tax Expense Recognised in Profit or Loss</b>		
	<b>Current Tax</b>		
	Current Tax Liabilities	<b>94.81</b>	<b>998.13</b>
	<b>B. Tax on Other Comprehensive Income</b>		
	<b>Current Tax</b>		
	Remeasurements on Post-employment Defined Benefit Plans	3.40	2.13
	<b>TOTAL</b>	<b>98.21</b>	<b>1000.27</b>
<b>20</b>	<b>Other Current Liabilities</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	Dues Payable to Government Authorities @	54.01	92.23
	Employee Benefits Payable- Group Gratuity Payable	32.46	6.31
	Advances from Customers	0.00	37.56
	<b>TOTAL</b>	<b>86.47</b>	<b>136.10</b>
	@ Dues Payable to Government Authorities comprise GST, sales tax, excise duty, withholding taxes, payroll taxes, service tax, value added tax, entry tax and other taxes payable.		
<b>21</b>	<b>Deferred Tax Liabilities (Net)</b>		
	<b>Significant Movements Deferred Tax Assets and Liabilities during the year.</b>		
	<b>Deferred Tax Liabilities</b>	<b>As At 31st March 2021</b>	<b>Recognised in Profit &amp; Loss</b>
	Property, Plant and Equipment and Intangible Assets	384.39	802.92
	Financial Assets at Fair Value through Profit or Loss - Investments		
	<b>Total Deferred Tax Liabilities</b>	<b>384.39</b>	<b>802.92</b>
	<b>Deferred Tax Liabilities</b>	<b>As At 31st March, 2020</b>	<b>Recognised in Profit &amp; Loss</b>
	Property, Plant and Equipment and Intangible Assets	405.31	(20.92)
	Financial Assets at Fair Value through Profit or Loss - Investments		
	<b>Total Deferred Tax Liabilities</b>	<b>405.31</b>	<b>(20.92)</b>
<b>22</b>	<b>Revenue from Operations</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	<b>Sale of Products *</b>		
	Dyes & Intermediates	3362.33	3821.44
	Sythetic Food Colours	19754.26	15134.97
	Others	1147.90	1167.11
	<b>Net Product Sales</b>	<b>24264.49</b>	<b>20123.52</b>
	*(The above sales are net of (exclusive of) Inter Branch/ Unit Transfer)		
	<b>Other Operating Revenues</b>		
	Cash Discount Received	0.00	0.04
	Foreign Exchange Gain & Loss- Exports & Imports	255.18	109.74
	Export Incentive Income	599.97	231.65
	Rates & Quality Difference.	1.33	0.49
	Excise Refund Income	0.16	0.00
	VAT Refund	0.00	23.67
	Quantity Discount	44.15	45.53
	Scrap Sale Income	27.33	23.91
	<b>Total Other Operating Revenue</b>	<b>928.12</b>	<b>435.04</b>
	<b>Total Revenue from Operations</b>	<b>25192.62</b>	<b>20558.56</b>

**Notes to Standalone Financial Statements for the year ended 31st March, 2022**
**(Rs. In Lakhs)**

		<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
<b>23</b>	<b>Other Income</b>		
	Office Rent Income	0.12	0.12
	Interest On GEB & ETL Deposit	14.49	5.58
	Exhibition Exps Refund Income	0.00	2.94
	Interest on FD (Bank)	12.23	45.67
	Interest on Staff Loan	0.64	0.95
	Dividend Received	0.35	0.34
	<b>TOTAL</b>	<b>27.84</b>	<b>55.61</b>
<b>24</b>	<b>Cost of Materials Consumed</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	Opening Stock	1158.94	973.20
	Add. : Purchase during the year *	13348.95	10116.66
		<b>14507.89</b>	<b>11089.85</b>
	Less : Closing Stock	1367.12	1158.94
	<b>TOTAL</b>	<b>13140.78</b>	<b>9930.91</b>
	*(The above purchases are net of ( exclusive of) Inter Branch/ Unit transfers)		
<b>25</b>	<b>Purchases of Stock-in-trade</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	Raw Materials Chemical Items	1390.76	1073.08
		<b>1390.76</b>	<b>1073.08</b>
<b>26</b>	<b>Changes in Inventories</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	<b>OPENING INVENTORIES :</b>		
	Finished Goods	2107.40	2239.64
	Finished Goods (Captive)	5.17	10.10
	Trading Stocks	13.11	5.64
	Work-in-Progress	306.96	392.56
		<b>2432.64</b>	<b>2647.94</b>
	<b>CLOSING INVENTORIES :</b>		
	Finished Goods	3338.26	2107.40
	Trading Stocks	23.97	13.11
	Finished Goods (Captive)	18.15	5.17
	Work-in-Progress	424.63	306.96
		<b>3805.01</b>	<b>2432.64</b>
	<b>TOTAL</b>	<b>(1372.37)</b>	<b>215.30</b>
<b>27</b>	<b>Employee Benefit Expenses</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	Salary & Wages to Employees	742.78	541.56
	Salaries & Bonus to Directors	202.64	215.32
	Incentive Commission to Other Staff	13.22	11.89
	Commission to Managing Director	45.00	77.00
	Refer Note No. 27.1		
	Contribution to PF	49.98	37.39
	Contribution to ESI	7.50	0.00
	Other Salary & Wages Expense	3.78	1.98
	Leave Salary (Inc. Provisions -unpaid)	26.95	22.69
	Gratuity Insurance Premium (See Note 36)	12.66	13.98
	Bonus & other expenses	205.59	149.63
	<b>TOTAL</b>	<b>1310.10</b>	<b>1071.44</b>

**Notes to Standalone Financial Statements for the year ended 31st March, 2022**
**27.1 Calculation of Managerial Remunerations:-**

A Net profit available for calculation of commission payable to Managing Director:-

(As per Section 198 of The companies Act 2013)

(Rs. In Lakhs)

	As At 31st March 2022	As At 31st March 2021
<b>Particulars</b>		
1. Net profit before tax as per Profit & Loss A/c	2328.18	3828.42
Add:- 1. Loss on sale of Assets	18.07	2.14
2. Post Employment Benefits(OCI)	-13.49	-8.46
3. Commission to Managing Director	45.00	77.00
Net Profit available for calculation of Commission	2377.76	3899.10
2. 2% Commission payable to Managing Director	47.56	77.98
Actual Commission paid or payable as per the approval given by AGM dated. 24/12/2020	45.00	77.00
<b>B. Over all managerial Remuneration paid or payable during the year:-</b>		
<b>Particulars</b>		
1. Salaries and other benefits paid	202.64	216.83
2. Commission paid to Managing Director	45.00	77.00
<b>Total Rs.</b>	<b>247.64</b>	<b>293.83</b>
<b>C. The limit as per Section 197 of the Companies Act 2013, which is 11% of the Net profit</b>	256.60	420.43
<b>28 Finance Costs</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
Interest	763.17	182.52
Other Financial Charges	81.52	45.05
<b>TOTAL</b>	<b>844.69</b>	<b>227.58</b>
<b>29 Depreciation and Amortisation Expense</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
Depreciation on Property, Plant and Equipment (Refer Note 4.1)	1126.99	343.63
Amortisation of Intangible Assets (Refer Note 5)	0.00	0.00
<b>TOTAL</b>	<b>1126.99</b>	<b>343.63</b>
<b>30 Other Expenses</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
<b>30.1 Other Manufacturing Expenses</b>		
<b><u>PACKING MATERIAL CONSUMED</u></b>		
Op. Stock	24.59	19.59
Add: Purchases during the year	423.50	311.09
	448.09	330.69
Less : Closing stock	19.57	24.59
<b>Total Rs.</b>	<b>428.53</b>	<b>306.10</b>
<b><u>E.T.P MATERIAL CONSUMED</u></b>		
Op. Stock	0.04	0.03
Add: Purchases during the year	46.85	15.83
	46.89	15.86
Less : Closing stock	2.77	0.04
<b>Total Rs.</b>	<b>44.12</b>	<b>15.82</b>
<b><u>POWER &amp; FUEL CONSUMED</u></b>		
Electric Power & Burning	780.27	516.09
Fuel Purchased & Consumed	426.91	33.87
Gas Consumption Charges	1443.97	797.10
	<b>2651.16</b>	<b>1347.07</b>

**Notes to Standalone Financial Statements for the year ended 31st March, 2022**
**(Rs. In Lakhs)**

<b>OTHER MFGS. EXPENSES</b>			
Transportation		173.35	150.74
Conversion/Job Charges.		6.08	17.88
Factory Exp		106.23	79.33
Labour Charges		590.62	418.22
Forwarding & Handling Charges		833.74	299.62
Pallatisation Charges		4.48	3.64
Coal Compensation and Handling Charges		1.96	0.00
ETP Expense		466.92	487.04
Safety Exps.		10.17	10.37
Consumable Stores		144.16	110.74
		<b>2337.69</b>	<b>1577.58</b>
<b>TOTAL</b>		<b>5461.49</b>	<b>3246.57</b>
<b>30.2 Repairs and Maintenance Expenses</b>		<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
Electrical Parts & Maintenance		3.50	5.92
Lab. Equipment Parts & Repairing		1.12	0.82
Machinery Parts Repairs & Maintenance		118.37	48.86
Building Repairing		18.41	30.73
Computer Maintenance & Consumables		3.71	5.37
Furniture, Office Repairing & Maintenance		1.85	3.73
Vehicle Repairing Exp		4.97	2.31
Consumable Stores (Plant, MEE & Electricals)		137.10	138.54
<b>TOTAL</b>		<b>289.04</b>	<b>236.29</b>
<b>30.3 Administrative and Other Expenses</b>		<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
Consultancy, Legal & Professional Fees		65.21	47.04
Exhibition Exp.		0.25	0.00
Donation to Charitable Institutes		67.83	57.40
Insurance Premium		64.42	33.63
Petrol Exps		6.45	2.03
Sitting Fees to Directors		1.20	1.28
Selling Commission		46.56	52.90
Staff Welfare Exps.		71.56	59.85
Telephone Exps-Others		1.10	1.30
Travelling & Conveyance		1.82	1.53
Bad Debts		0.00	0.24
Angadia & Courier Exp		14.69	14.43
Audit Fees		9.50	8.00
Cost Audit Fees		0.90	0.90
FDA Approval Fees		78.69	26.32
Lab-Testing Exp		13.23	12.75
Misc Office Exp		1.65	1.37
Rates, Kasar & Quality Difference.		2.44	0.00
Office Electric Bill Exp.		3.05	2.76
Security Exp		55.13	20.33
Stationery & Printing Exp		14.25	12.49
Water Charges		37.10	15.21

**Notes to Standalone Financial Statements for the year ended 31st March, 2022**

	Sales Promotion Exps	4.50	4.48
	Regi. Certification, Renewal & Filing Fees	19.53	18.39
	Loss/Profits on sale/w/o of assets	18.07	2.14
	Loss on Sale of MEIS	0.00	2.03
	Other Administrative & Establishment Exps	101.66	42.14
	<b>TOTAL</b>	<b>700.80</b>	<b>440.94</b>
<b>30.4</b>	<b>Corporate Social Responsibility Expenditure:</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	(a) Gross amount required to be spent by the Company during the year	63.40	55.80
	(b) Expenditure towards Corporate Social Responsibility Activities comprises donations given to Brahmarshi Gyan Savrdhak Trust Rs. 64 lacs ( PYF Dynemic Foundation Rs. 56 Lacs)	64.00	56.00
<b>30.5</b>	<b>Payments to Auditors comprise -</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	(i) Statutory Auditors		
	As Auditor		
	As Audit Fee -Financial Statements	8.00	8.00
	For Service Tax/ GST	1.44	1.44
	(ii) Cost Auditors		
	As Fee	0.93	0.93
<b>31</b>	<b>Income Tax Expense</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	<b>A. Tax Expense recognised in Profit or Loss</b>		
	<b>Current Tax</b>		
	Current Tax on Profits for the Year	98.21	1000.27
	Adjustment for Current Tax of Earlier Years	0.00	2.35
		<b>98.21</b>	<b>1002.61</b>
	<b>Deferred Tax</b>		
	Origination and Reversal of Temporary Differences (Due to effect of Depreciation)	802.92	-20.92
	<b>Income Tax Expense</b>	<b>901.13</b>	<b>981.69</b>
	<b>B. Tax on Other Comprehensive Income</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	<b>Current Tax</b>		
	Remeasurements on Post-employment Defined Benefit Plans	3.39	2.13
<b>31.1</b>	<b>Numerical Reconciliation of Income Tax Expense to Prima Facie Tax Payable</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	Profit before Income Tax Expense	2328.18	3828.42
	Enacted Statutory Income Tax Rate in India applicable to the Company	25.168%	25.168%
	Computed Expected Income Tax Expense	585.96	963.54
	Adjustments:-		
	Amount debited to P & L A/c to the extent disallowable u/s 37	-487.75	36.73
	Deduction u/s 35 in excess of amount debited to P & L A/c	0.00	0.00
	Interest on Taxes	0.00	0.00
	Bank FDR Interest- Diff less credited to Profi Loss	0.00	0.00
	Adjustment for Current Tax of Earlier Years	0.00	2.35
		<b>98.21</b>	<b>1002.61</b>

**Notes to Standalone Financial Statements for the year ended 31st March, 2022**

32	<b>Earnings per Equity Share</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
<b>(A) Basic</b>			
(i) Number of Equity Shares at the Beginning of the Year		113.28	113.28
(ii) Number of Equity Shares at the End of the Year		113.28	113.28
(iii) Weighted Average Number of Equity Shares Outstanding during the Year		113.28	113.28
(iv) Face Value of Each Equity Share (Rs.)		10	10
(v) Profit after Tax Available for Equity Shareholders Profit for the Year		1413.56	2838.26
(vi) Basic Earnings per Equity Share (Rs.)[(v)/(iii)]		12.48	25.05
<b>(B) Diluted</b>			
(i) Dilutive Potential Equity Shares		0	0
(ii) Diluted Earnings per Equity Share (Rs.) [Same as (A)(vi) above]		12.48	25.05
33	<b>Information relating to Micro and Small Enterprises (MSEs)</b>		
<b>PARTICULARS</b>		<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
(i) 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	0
(ii) 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	0
(iii) Amount of interest accrued and remaining unpaid at the year end of the accounting year.		0	0
34	<b>Contingencies -</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
A ) Claims against the Company not acknowledged as debts: Taxes, duties and other demands (under appeal/dispute)			
(i) Rebate claims submitted by us rejected by Excise Dept. and the revision appeal is pending with Joint Secretary, Ministry of Finance, New Delhi		0.00	16.06
(ii) The aggregate amount involved in the various Show Cause Notices issued by Office of the Superintendent of Central Excise & Customs, Range-II, Division-II, Ankleshwar regarding the Cenvat Credit availed by the Company on some services is not admissible to them and such wrongful availment and utilization of Cenvat Credit liable to be reversed. The Company has filed replies to the said Show Cause Notices		67.71	0.00
(iii) Deemed Dividend U/s 2(22)(e) of Income Tax Act 1961, for AY 2012-13, appeal is pendnig with CIT Appeals-I		12.92	12.92
(iv) Penalty u/s 270A of Income Tax Act 1961, for AY 2017-18, appeal is pendnig with CIT Appeals-I		35.13	35.13
35	<b>Commitments</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		0.71	271.62
(b) Guarantees - Bank Guarantees/ Letter of Credits		317.40	130.52

## Notes to Standalone Financial Statements for the year ended 31st March, 2022

### 36 Employee Benefits :-

#### (I) Post Employment Defined Benefits Plans :

##### (A) Gratuity (Funded)

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. As per the plan, the Gratuity Fund Trusts, administered and managed by the Trustees and funded primarily with Life Insurance Corporation of India (LIC), make payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. The Trustees are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and rules in the best interests of the plan participants. Each year an Asset-Liability matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles.

Investment and contribution policies are integrated within this study. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as set out in Note 2(t)(ii) above, based upon which, the Company makes contributions to the Employees' Gratuity Funds.

The following table sets forth the particulars in respect of the Gratuity Plan (Funded) of the Company:

(Rs. In Lakhs)

	As At 31st March 2022	As At 31st March 2021
<b>(a) Reconciliation of Opening and Closing Balances of the Present Value of Defined Benefit Obligations:-</b>		
Present Value of Obligation at the beginning of the year	194.86	167.89
Current Service Cost	12.22	11.89
Past Service Cost	0.00	0.00
Interest Cost	13.50	11.45
Remeasurements Losses		
Actuarial (Gains)/Losses on Obligations -		
Due to Change in Demographic Assumptions	(0.04)	0.00
Actuarial Losses arising from Changes in Financial Assumptions	(8.40)	(2.10)
Actuarial Losses arising from Changes in Experience Adjustments	20.69	10.90
Benefits Paid	(11.05)	(5.16)
Present Value of Obligation at the end of the year	221.78	194.86
<b>(b) Reconciliation of the Opening and Closing Balances of the Fair Value of Plan Assets:</b>		
Fair Value of Plan Assets at the beginning of the year	188.55	137.18
Interest Income	13.07	9.36
Remeasurements Gains		
Actuarial Losses arising from Changes in Experience Adjustments		
Return on Plan Assets (excluding amount included in Net Interest Cost)	(1.24)	0.33
Contributions by Employer	0.00	46.86
Benefits Paid	(11.05)	(5.16)
Fair Value of Plan Assets at the end of the year	189.33	188.55
<b>(c) Reconciliation of the Present Value of the defined benefits Obligation and the Fair Value of Plan Assets:</b>		
Present Value of Obligation at the end of the year	221.78	194.86
Fair Value of Plan Assets at the end of the year	189.33	188.55
Liabilities Recognised in the Balance Sheet	32.46	6.31
<b>(d) Actual Return on Plan Assets</b>	11.83	9.69
<b>(e) Expense recognised in the Other Comprehensive Income:</b>		
Remeasurements Losses (Net)	(16.88)	(10.59)

**Notes to Standalone Financial Statements for the year ended 31st March, 2022**

<b>(f) Expense Recognisable in Profit or Loss :</b>		
Current Service Cost	12.22	11.89
Net Interest Cost	0.44	2.09
Past Service Cost	0.00	0.00
<b>Total @</b>	<b>12.66</b>	<b>13.98</b>
<b>(f) Expense Recognised in Profit or Loss :</b>	<b>12.66</b>	<b>13.98</b>
@ Recognised under 'Contribution to Provident and Other Funds' in Note 27.		
<b>(g) Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period</b>		
Actuarial (Gains)/Losses on Obligation For the Period	12.25	8.80
Return on Plan Assets, Excluding Interest Income	1.24	(0.33)
Change in Asset Ceiling	0.00	0.00
Net (Income)/Expense For the Period Recognized in OCI	13.49	8.46
Net (Income)/Expense For the Period Recognized in OCI I Profit Loss Ac	13.49	8.46
<b>(h) Balance Sheet Reconciliation</b>		
<b>Opening Net Liability</b>	<b>6.31</b>	<b>30.72</b>
<b>Expenses Recognized in Statement of Profit or Loss</b>	<b>12.66</b>	<b>13.98</b>
<b>Expenses Recognized in OCI</b>	<b>13.49</b>	<b>8.46</b>
Net Liability/(Asset) Transfer In	0.00	0.00
Net (Liability)/Asset Transfer Out	0.00	0.00
(Benefit Paid Directly by the Employer)	0.00	0.00
(Employer's Contribution)	0.00	(46.86)
Net Liability/(Asset) Recognized in the Balance Sheet	32.46	6.31
<b>(i) Category of Plan Assets:</b>		
Funded with LIC	100%	100%
Insurance fund	189.33	188.55
Cash and Cash Equivalents	0.00	0.00
<b>(j) Maturity profile of Defined Benefits Obligations:</b>		
1st Following Year	31.19	21.56
2nd Following Year	5.24	4.57
3rd Following Year	24.54	9.68
4th Following Year	6.05	23.25
5th Following Year	6.65	5.31
Sum of Years 6 To 10	99.10	74.98
Sum of Years 11 and above	365.45	322.14
<b>(k) Principal Actuarial Assumptions:</b>		
Discount Rate	6.93%	6.82%
Salary Growth Rate	7.00%	7.00%

Assumptions regarding future mortality experience are based on mortality tables of 'Indian Assured Lives Mortality (2006-2008)' published by the Institute of Actuaries of India.

The estimate of future salary increases takes into account inflation, seniority, promotion and other relevant factors, such as demand and supply in the employment market.

## Notes to Standalone Financial Statements for the year ended 31st March, 2022

### (II) Post Employment Defined Contributions Plans :

#### (A) Provident Fund

Certain categories of employees of the Company receive benefits from a provident fund, a defined contribution plan. Both the employee and employer make monthly contributions to a government administered fund at specified percentage of the covered employee's qualifying salary. The Company has no further obligations under the plan beyond its monthly contributions. During the year, an amount of Rs. 49.98 LACS (Previous Year- Rs. 37.39 LACS) has been recognised as expenditure towards above defined contribution plans of the Company.

#### (III) Leave Obligations

The Company provides for accumulation of leave by certain categories of its employees. These employees can carry forward a portion of the unutilised leave balances and utilise it in future periods or receive cash (only in case of earned leave) in lieu thereof as per the Company's policy. The Company records a provision for leave obligations in the period in which the employee renders the services that increases this entitlement.

The total provision recorded by the Company towards this obligation was Rs. 42.59 LACS, and Rs. 26.21 LACS at 31st March, 2022, and 31st March, 2021 respectively. The amount of the provision is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations.

However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

#### (IV) Risk Exposure

Through its defined benefit plans, the Company is exposed to some risks, the most significant of which are detailed below:

##### Discount Rate Risk

The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase the ultimate cost of providing the above benefit thereby increasing the value of the liability.

##### Salary Growth Risks

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

##### Demographic Risk

In the valuation of the liability, certain demographic (mortality and attrition rates) assumptions are made. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the benefit cost.

### 37 Segment Information

#### A. Description of Segments and Principal Activities

The Company's Managing Director examines the Company's performance on the basis of its business and has identified single reportable segments:---- Dyes & Intermediates

### 38 Related Party Disclosures:

#### A] List of parties where control exist

##### (i) Subsidiary Company

\* Cerecon Bio Sciences Private Limited (Formerly known as Dynamic Overseas (India) Pvt.Ltd.)

#### B] Other related parties with whom transactions have taken place during the year

\* Ratnamani Bio Chemicals & Pharma Pvt Ltd

##### (ii) Associates :-

\* Dynamic Holdings Pvt Ltd

##### (iii) Key management personnel :-

Mr. B.K.Patel	Managing Director
Mr. Rameshbhai B.Patel	Wholetime Director
Mr.Dixit B.Patel	Wholetime Director
Mrs. Varsha Mehta	Company Secretary
Mrs. Amisha Patel	Chief Financial Officer

## Notes to Standalone Financial Statements for the year ended 31st March, 2022

C] Transactions with related parties :-

(Rs. In Lakhs)

Nature of Transaction	Key Managerial Personnel & their Relatives Rs.		Subsidiary Companies Amt.Rs.		Associates Amt.Rs.	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
<b>Fixed Deposits taken</b>						
Taken during the period	222.50	0.00	0.00	0.00	0.00	0.00
Repaid during the period	200.00	0.00	0.00	0.00	0.00	0.00
Closing Balance	22.50	0.00	0.00	0.00	0.00	0.00
<b>Loans &amp; Advances</b>						
Given during the period	0.00	0.00	0.00	0.00	0.00	0.00
Settled during the period	0.00	0.00	0.00	0.00	0.00	0.00
Closing Balance	0.00	0.00	0.00	0.00	0.00	0.00
<b>Investments</b>						
Given during the period	0.00	0.00	0.00	0.00	0.00	0.00
Settled during the period	0.00	0.00	0.00	0.00	0.00	0.00
Closing Balance	0.00	0.00	20.60	20.60	101.00	101.00
<b>Other Payments to KMP &amp; Related Parties</b>						
Salaries etc to Directors & Related Parties (KMP)	296.28	329.00	0.00	0.00	0.00	0.00
Interest to Directors & Related Parties (KMP)	11.31	0.00	0.00	0.00	0.00	0.00
Sitting Fees to Directors	1.20	1.28	0.00	0.00	0.00	0.00
Commission to related parties	13.14	9.20	0.00	0.00	0.00	0.00
Amount Expended on be half of	11.87	5.86	0.00	0.00	0.00	0.00
Rent Income	0.00	0.00	0.00	0.00	0.12	0.12
Dividend Paid	0.00	0.00	0.00	0.00	0.00	0.00
Purchases	0.00	0.00	47.65	0.00	0.00	0.00

(iv) Terms and conditions of transactions with related parties

Transactions relating to dividend were on the same terms and conditions that applied to other shareholders.

The sales to and purchases from related parties are made in the ordinary course of business. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash/cheque. No provisions are held against receivables from related parties. There are no loans outstanding with related parties.

### 39 Fair Value Measurements

(i) Financial Instruments by Category	Note No.	31st March 2022	31st March 2021
		Carrying Amount/ Fair Value	Carrying Amount/ Fair Value
<b>Financial Assets</b>			
<b>Assets Carried at Fair Value through Profit or Loss</b>			
<b>Investments</b>			
Equity Instruments		0.00	0.00
Mutual Funds		0.00	0.00
Other Financial Assets		0.00	0.00
<b>Assets Carried at Amortised Cost</b>			
<b>Investments</b>			
Equity Instruments		131.22	131.22
Mutual Funds		1.81	2.66

## Notes to Standalone Financial Statements for the year ended 31st March, 2022

Trade Receivables		4702.21	4151.66
Cash and Cash Equivalents		21.14	70.64
Other Bank Balances		245.63	8.20
Loans		3.37	7.03
Other Financial Assets		1495.32	735.28
<b>Total Financial Assets</b>		<b>6600.70</b>	<b>5106.69</b>
<b>Financial Liabilities</b>			
<b>Liabilities Carried at Amortised Cost</b>			
Borrowings (including current maturities and interest accrued)		7701.32	5619.93
Trade Payables		5105.69	2392.39
Other Financial Liabilities		510.40	249.62
<b>Total Financial Liabilities</b>		<b>13317.41</b>	<b>8261.94</b>

### (ii) Fair Values

The fair values of financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended 31st March, 2022. The following methods and assumptions were used to estimate the fair values:

(a) In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors. Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.

(b) The fair value of foreign exchange forward contracts is determined using forward exchange rates at the Balance Sheet date.

(c) The management assessed that fair values, of trade receivables, cash and cash equivalents, other bank balances, other financial assets (current), investments in commercial papers, trade payables, borrowings (current) and other financial liabilities (current), approximate to their carrying amounts largely due to the short-term maturities of these instruments. Further, management also assessed the carrying amount of certain loans and long-term borrowings at floating interest rates which are a reasonable approximation of their fair values and the difference between the carrying amounts and fair values is not expected to be significant.

(d) The fair value of remaining financial instruments is determined on discounted cash flow analysis using a current lending/discount rate, as considered appropriate.

For financial assets carried at fair value, the carrying amounts are equal to their fair values.

### (iii) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the standalone financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows below.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds. The mutual funds are valued using the closing Net Asset Value.

**Level 2:** This is the case for unlisted equity securities included in level 2.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There are no transfers between level 1 and level 2 fair value measurements during the year ended 31st March, 2022 and 31st March, 2021.

## Notes to Standalone Financial Statements for the year ended 31st March, 2022

Rs. In Lakhs

	31st March 2022		31st March 2021	
	Level 1	Level 2	Level 1	Level 2
(a) Recognised and Measured at Fair Value - Recurring Measurements				
Financial Assets				
Investments				
Mutual Funds - Growth plan		1.81		2.66
Unquoted Equity Investments		-		-
(b) Amortised Cost for which Fair Values are Disclosed				
Financial Assets				
Investments				
Unquoted Equity Investments		131.22		131.22

### Fair Value Measurement using significant unobservable inputs (Level 2)

Fair valuation of unquoted equity investments is based on valuation done by an external valuer using discounted cash flow method. A change in significant unobservable inputs used in such valuation (mainly earnings growth rate and risk adjusted discount rate) is not expected to have a material impact on the fair values of such assets as disclosed above. \*Amounts are below the rounding-off norm adopted by the Company

## 40 Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk and market risk. In order to safeguard against any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered as per Company's policy to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments. The Company's senior management oversees the management of above risks. The senior executives working to manage the financial risks are accountable to the Audit Committee and the Board of Directors. This process provides assurance to the Company's senior management that the Company's financial risks-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and the Company's risk appetite.

This Note explains the sources of risk which the entity is exposed to and how the entity manages the risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

### (A) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company is exposed to credit risk from its operating activities (primarily Trade Receivables) and from its investing activities (primarily Deposits with Banks and Investments in Mutual Funds).

#### Trade Receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. Customer credit risk is managed by each business unit subject to the Company's policy and procedures which involve credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit assurance. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience with customers.

The Company's exposure to customers is diversified and no single customer contributes to more than 10% of total revenues.

#### Other Financial Assets

Credit risk from balances with banks, term deposits, loans, investments and derivative instruments is managed

## Notes to Standalone Financial Statements for the year ended 31st March, 2022

by Company's finance department. Investments of surplus funds are made only with approved counterparties who meet the minimum threshold requirements. The Company monitors ratings, credit spreads and financial strength of its counterparties. The Company's maximum exposure to credit risk for the components of the Balance Sheet as of 31st March, 2021, and 31st March, 2020 is the carrying amounts as disclosed in Note 39 except for the financial guarantees. The Company's maximum exposure to financial guarantees is given in Note 40(B)(ii).

### Financial Assets that are Neither Past Due Nor Impaired

None of the Company's cash equivalents with banks, loans and investments were past due or impaired as at 31st March, 2022, and 31st March, 2021. Of the total trade receivables, Rs. 4702.21 LACS as at 31st March, 2022, and Rs. 4135.49 LACS as at 31st March, 2021 consisted of customer balances that were neither past due nor impaired.

### Financial Assets that are Past Due but Not Impaired

The Company's credit period for customers generally ranges from 0 - 180 days. The ageing of trade receivables that are past due but not impaired (net of provisions/allowances) is given below:

Period (in days)	Rs. In Lakhs	
	31st March 2022	31st March 2021
01-090	4663.80	4135.49
91-180	0.00	0.00
More than 180	38.42	16.17

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'past due' in the above tables are those that have not been settled within the terms and conditions that have been agreed with that customer. Other than trade receivables, the Company has no significant class of financial assets that is past due but not impaired.

### (B) Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and maintains adequate sources of financing.

#### (i) Financing Arrangements

The Company had access to the following undrawn borrowing facilities (excluding non-fund based facilities) at the end of the reporting period:

	31st March 2022	31st March 2021
<b>Floating Rate</b>		
Expiring within one year (working capital facilities)	8.68	384.37

The working capital facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the above facilities may be drawn at any time within one year.

#### (ii) Maturities of Financial Liabilities

The table below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual Maturities of Financial Liabilities	Rs. In Lakhs		
	Within 1 year	Between 1 and 3 year	Total
<b>31st March, 2022</b>			
Borrowings	7701.32	9671.69	17373.01
Trade Payables	4875.69	230.00	5105.69
Other Financial Liabilities @	510.17	0.22	510.40
Financial Guarantee Contracts*			
<b>Total</b>	<b>13087.18</b>	<b>9901.92</b>	<b>22989.10</b>

**Notes to Standalone Financial Statements for the year ended 31st March, 2022**
**(Rs. In Lakhs)**

<b>31st March, 2021</b>			
Borrowings	5619.93	9662.15	15282.08
Trade Payables	2392.39	0.00	2392.39
Other Financial Liabilities @	249.41	0.21	249.62
Financial Guarantee Contracts*			
<b>Total</b>	<b>8261.73</b>	<b>9662.36</b>	<b>17924.09</b>

**(C) Market Risk**
**(i) Foreign Currency Risk**

Foreign currency risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company transacts business in local currency and in foreign currencies (primarily US Dollars and Euro). The Company has obtained foreign currency loans and has foreign currency trade receivables, trade payables and other financial assets/liabilities and is therefore exposed to foreign currency risk. The Company strives to achieve asset-liability offset of foreign currency exposures and only the net position is hedged where considered necessary. The Company manages its foreign currency risk by hedging appropriate percentage of its foreign currency exposure per established risk management policy.

The Company uses forward exchange contracts to hedge the effects of movements in foreign exchange rates on foreign currency denominated assets and liabilities.

**(a) Foreign Currency Risk Exposure:**

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

**Rs. In Lakhs**

	<b>31st March 2022</b>			<b>31st March 2021</b>		
	<b>USD</b>	<b>EURO</b>	<b>POUND</b>	<b>USD</b>	<b>EURO</b>	<b>POUND</b>
<b>Financial Assets</b>						
Trade Receivables	3516.76	114.13	0.00	2694.95	119.48	0.00
Bank Balance in EEFC Account	1.18			5.31		
Other Financial Assets						
Derivative Assets						
Foreign Exchange Forward Contracts						
<b>Net Exposure to Foreign Currency Risk (Assets)</b>	<b>3517.94</b>	<b>114.13</b>	<b>0.00</b>	<b>2748.01</b>	<b>119.48</b>	<b>0.00</b>
<b>Financial Liabilities</b>						
Borrowings (including Current maturities)	10683.43	0.00	0.00	10700.82	0.00	0.00
Trade Payables	640.68	0.00	0.00	568.19	156.62	0.00
Other Financial Liabilities						
Derivative Assets						
Foreign Exchange Forward Contracts						
<b>Net Exposure to Foreign Currency Risk (Liabilities)</b>	<b>11324.11</b>	<b>0.00</b>	<b>0.00</b>	<b>11269.01</b>	<b>156.62</b>	<b>0.00</b>
<b>Net Exposure to Foreign Currency Risk (Assets -Liabilities)</b>	<b>-7806.17</b>	<b>114.13</b>	<b>0.00</b>	<b>-8521.00</b>	<b>-37.14</b>	<b>0.00</b>

**(b) Sensitivity**

The sensitivity of profit or loss to changes in the foreign exchange rates arises mainly from foreign currency denominated financial instruments.

	<b>Impact on Profit before tax</b>	
	<b>31st March 2022</b>	<b>31st March 2021</b>
USD Sensitivity INR/USD -Increase by 7%*	(546.43)	(596.47)

**Notes to Standalone Financial Statements for the year ended 31st March, 2022**
**(Rs. In Lakhs)**

INR/USD -Decrease by 7%*	546.43	596.47
Euro Sensitivity		
INR/EUR-Increase by 7%*	7.99	(2.60)
INR/EUR-Decrease by 7%*	(7.99)	2.60

\* Holding all other variables constant

**(ii) Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of changes in market interest rates relates primarily to the Company's debt interest obligation. Further the Company engages in financing activities at market linked rates, any changes in the interest rate environment may impact future rates of borrowings. To manage this, the Company may enter into interest rate swaps. The management also maintains a portfolio mix of floating and fixed rate debt.

The Company's fixed rate borrowings and investments in term deposits with bank are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

**(a) Interest Rate Risk Exposure**

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

	<b>Rs. In Lakhs</b>	
	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
Variable Rate Borrowings	5241.32	4215.63
Fixed Rate Borrowings	12109.19	11066.45
<b>Total Borrowings</b>	<b>17350.51</b>	<b>15282.08</b>

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding:

	<b>Weighted average interest rate (%)</b>	<b>Balance</b>	<b>% of Total Loans</b>
<b>31st March 2022</b>			
Cash Credit/Packing Credit Facilities	2.58%	5241.32	30.21
<b>31st March 2021</b>			
Cash Credit/Packing Credit Facilities	3.04%	4215.63	27.59

An analysis by maturities is provided in Note 44(B)(ii) above. The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings.

**(b) Sensitivity**

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

	<b>Impact on Profit before tax</b>	
	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
Interest Rates - Increase by 100 basis points (100 bps) *	52.41	42.80
Interest Rates - Decrease by 100 basis points (100 bps) *	52.41	41.51

\* Holding all other variables constant

**(iii) Securities Price Risk**

Securities price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded prices.

The Company invests its surplus funds in various debt instruments. These comprise of mainly liquid schemes of mutual funds, short term debt funds & income funds (duration investments) and fixed deposits.

To manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio.

Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments.

**(a) Securities Price Risk Exposure**

The Company's exposure to securities price risk arises from investments in mutual funds held by the Company and classified in the Balance Sheet as fair value through profit or loss

## Notes to Standalone Financial Statements for the year ended 31st March, 2022

### (iv) Commodity Price Risk

Exposure to market risk with respect to commodity prices primarily arises from the Company's sales of dyes and intermediates, including the raw material components for such products. Cost of raw materials forms the largest portion of the Company's cost of sales. Market forces generally determine prices for the goods sold by the Company. These prices may be influenced by factors such as supply and demand, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sales of goods.

Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. The Company has not entered into any derivative contracts to hedge exposure to fluctuations in commodity prices.

## 41 Capital Management

### (a) Risk Management

The Company's objectives when managing capital are to

- \* safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- \* maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital on the basis of the net debt to equity ratio. Net debt are long-term and short-term debts as reduced by cash and cash equivalents. The Company is not subject to any externally imposed capital requirements.

The following table summarises the capital of the Company:

	Rs. In Lakhs	
	As At 31st March 2022	As At 31st March 2021
Total Borrowings	17350.51	15282.08
Less: Cash and cash equivalents	266.76	78.85
Net Debt	17083.74	15203.23
<b>Equity</b>	<b>16963.52</b>	<b>15549.96</b>
Total Capital (Equity+ Net Debt)	34047.26	30753.19
<b>Net Debt to Equity ratio</b>	<b>50%</b>	<b>49%</b>

No changes were made to the objectives, policies or processes for managing capital during the years ended 31st March, 2022 and 31st March, 2021.

### (b) Dividends on Equity Shares

	As At 31st March 2022	As At 31st March 2021
<b>Dividend Declared and Paid during the year</b>	NIL	NIL
<b>Proposed Dividend Not Recognised at the End of the Reporting Period</b>	NIL	NIL

## 42 Assets Pledged/ Hypothecated as Security

	As At 31st March 2022	As At 31st March 2021
<b>Current</b>		
First Charge		
Financial Assets		
Trade Receivables under Bill Discounting (Refer below)	2038.69	978.67
Other Trade Receivables	-2038.69	-978.67
Non-financial Assets		
Inventories	5205.00	3616.21
<b>Sub-total</b>	<b>5205.00</b>	<b>3616.21</b>

**Notes to Standalone Financial Statements for the year ended 31st March, 2022**
**(Rs. In Lakhs)**

<b>Non-current</b>		
First Charge/Second Charge		
ASSETS UNDER CONSTRUCTION	0.00	7110.88
Leasehold Land	1338.98	156.53
Buildings	9656.49	1276.03
Plant and Equipments	15973.93	1912.95
Furniture and Fixtures	103.85	8.44
Office Equipments	32.50	11.20
Vehicles	52.50	49.30
<b>Sub-total</b>	<b>27158.25</b>	<b>10525.32</b>
<b>Total</b>	<b>32363.25</b>	<b>14141.53</b>

**Trade Receivables under Bill Discounting**

The carrying amount of trade receivables include receivables which are subject to bill discounting arrangement. Under this arrangement, the Company has discounted the relevant receivables in exchange of cash and is prevented from selling or pledging the receivables. However, the Company has retained late payment and credit risk. The Company therefore continues to recognise such receivables in their entirety in its balance sheet. The amount payable under the bill discounting arrangement is presented as secured borrowings (Refer Note 15).

**43 Relationship with Struck off Companies, if any.**

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the Struck off company, if any,
NIL	Investments in securities	NIL	NIL
NIL	Receivables	NIL	NIL
NIL	Payables	NIL	NIL
NIL	Other outstanding balances	NIL	NIL

**44 Registration of charges or satisfaction with Registrar of Companies (ROC)**

Where any charges or satisfaction yet to be registered with ROC beyond the statutory period, details and reasons thereof shall be disclosed.

**45 Ratios Analysis:-**

Name of Ratio	Numerator	Denominator	31st March 2022	31st March 2021	% changes over previous year	Reasons for more than 25% changes
<b>(a) Current Ratio,</b>	Current assets	Current Liabilities	0.99	1.19	17.20%	NA
<b>(b) Debt-Equity Ratio</b>	Total Debt	Total Equity	1.44	1.25	-14.89%	NA
<b>(c) Debt Service Coverage Ratio,</b>	PAT+Depr. +Int on TL	Int on TL +Repayment of TL	1.04	2.23	53.32%	See Note#
<b>(d) Return on Equity Ratio,</b>	PAT	Total Equity	8.43%	18.32%	53.97%	See Note#
<b>(e) Inventory turnover ratio,</b>	Total Inventory	Total Revenue from Operation	0.21	0.18	-17.46%	NA
<b>(f) Trade Receivables turnover ratio,</b>	Trade Receivables	Total Revenue from Operation	0.19	0.20	7.57%	NA
<b>(g) Trade payables turnover ratio,</b>	Trade Payables	Total Purchases	0.34	0.21	-61.59%	See Note#
<b>(h) Net capital turnover ratio,</b>	Total Revenue from Operation	Total Equity	1.49	1.32	-12.33%	NA
<b>(i) Net profit ratio,</b>	Net Profit (PAT)	Total Revenue from Operation	8.43%	18.32%	53.97%	See Note#
<b>(j) Return on Capital employed,</b>	Net Profit (PAT)	Total Equity +Long Term Borrowings	5.37%	11.30%	52.47%	See Note#
<b>(k) Return on investment.</b>	Net Profit (PAT)	Total Capital Employed	3.46%	8.13%	57.49%	See Note#

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**Notes to Standalone Financial Statements for the year ended 31st March, 2022**

**Note:-#** During the current year FY 2021-22, the company has started the production at Unit -3 at Dahej and has transferred capital working progress amounting to Rs. 25615.82 lacs to the respective assets and has claimed the depreciation thereon and has also started the charging of the interest and other production and administrative expenses to the Profit Loss a/c, effective from July 21 for some assets and from October 21 for some assets and due to this there is losses at Unit 3 at Dahej amounting to Rs. 1826.38 lacs and this has major impact on all these ratios.

**46** The figure of the Previous year has been re grouped or rearranged to make them comparable with current period.

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**For : ASIM RAVINDRA & ASSOCIATES**  
**CHARTERED ACCOUNTANTS.**  
FRN. 118775W

**[RAVINDRA MEHTA]**  
**PARTNER**  
M. No. 043051

Place : Ahmedabad  
Date : 30/05/2022

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**For : DYNEMIC PRODUCTS LIMITED**

**(B. K. Patel)**  
Managing Director

**(D. B. Patel)**  
Director

**(R. B. Patel)**  
Director

**(Varsha Mehta)**  
Company Secretary

**(Amisha Patel)**  
Chief Financial Officer

## INDEPENDENT AUDITOR'S REPORT

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

### Report on the Audit of the consolidated Ind AS financial statements

#### Opinion

We have audited the accompanying consolidated Ind AS financial statements of DYNEMIC PRODUCTS LIMITED ("the Holding Company"), and its subsidiary Cerecon Bio Sciences Private Limited (Formerly known as Dynamic Overseas (India) Pvt Ltd) and its associate Dynemic Holdings Pvt Ltd (collectively referred to as "The Group"), comprising of the consolidated Balance Sheet as at March 31, 2022, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as Consolidated Ind AS Financial Statements).

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiary and associate, referred to in the Other Matters section below, aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its consolidated profit including other comprehensive income, its consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the consolidated Ind AS financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2022.

These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
<b>Revenue from sale of products (As described in Note 2(b) of the consolidated Ind AS financial statements)</b>	
Revenue is recognized when performance obligations are satisfied by transferring promised goods to customers. Goods are considered transferred when the customer obtains 'control' of the promised goods. Control is the ability to direct the use of and obtain, substantially all the benefits from the goods. There is a risk of revenue not being recorded in the correct accounting period on account of the inability to establish with certainty, the point of time when control passes.	Principal audit procedures performed include: (1) Assessed the appropriateness of the relevant accounting policy. (2) Evaluated the design and implementation of internal controls over management's assertion with respect to 'cut - off', to establish that control of promised goods has passed to customers. (3) Tested the operating effectiveness of controls over revenue recognition with a focus on those related to the timing of revenue recognition. (4) Performed testing on a sample of sales to confirm that 'cut - off' has been properly applied, in particular, the sales made before the year end

Pending litigations (As described in Note 34 of the consolidated Ind AS financial statements)	
<p>As of March 31, 2022, the Company has disclosed contingent liabilities of Rs. 115.76 crores relating to tax and legal claims.</p> <p>Taxation, arbitration and litigation exposures have been identified as a key audit matter due to the uncertainties and timescales involved for the resolution of these claims.</p> <p>Accordingly, there is judgement required by management in assessing the exposure of each case and thus a risk that such cases may not be adequately provided for or disclosed in the standalone Ind AS financial statements.</p>	<p>Following procedures have been performed to address this key audit matter:</p> <ol style="list-style-type: none"> <li>1. Gained an understanding of the process of identification of claims, litigations, arbitrations and contingent liabilities, and evaluated the design and tested the operating effectiveness of key controls.</li> <li>2. Discussed and analysed material legal cases with the Company's legal department.</li> <li>3. Analysed the responses obtained from the Company's legal advisors who conduct the court cases, tax and administrative proceedings, in which of proceeding were described.</li> <li>4. Evaluated management's assumptions and estimates relating to the recognition of the provisions for disputes and disclosures of contingent liabilities in the standalone Ind AS financial statements.</li> <li>5. Assessed the adequacy of the disclosures with regard to facts and circumstances of the legal and litigation matters.</li> </ol>

#### Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors' Report including Annexures to Directors' Report, Business Responsibility Report and Corporate Governance, but does not include the consolidated financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Management for the consolidated Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibilities for the Audit of the consolidated Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also :

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matters**

We did not audit the financial statements / consolidated financial statements of subsidiary Cerecon Bio Sciences Private Limited (Formerly known as Dynamic Overseas (India) Private Limited), whose financial statements / consolidated financial statements reflect total assets of Rs. 9546303/- as at March 31, 2022, total revenues of Rs. 4936477/- and net cash flows of Rs. 458946/- for the year then ended, as the case may be, on that date and financial statements of associate Dynamic Holdings Private Limited in which the share of net profit/(loss) of the Group is Rs. (25481/-). These financial statements / consolidated financial statements have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

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

As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiary and associate referred to in the Other Matters above, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive

income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company, and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary and associate, none of the directors of the Group companies and its associate, is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these consolidated Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i The consolidated Ind As financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, – Refer Note 34 to the consolidated Ind As financial statements.
  - ii The Group, its subsidiary and its associate entity did not have any material foreseeable losses on long-term contracts. The Group did not have derivative contract as at 31st March 2022.
  - iii There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and in case of its subsidiary company and associate company incorporated in India, it is not applicable at present.

- 3 With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act: In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For, **ASIM RAVINDRA & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
FRN. 118775W

[ **RAVINDRA MEHTA** ]  
PARTNER  
M. No. 043051

Place : Ahmedabad  
Date : 30/05/2022

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**ANNEXURE "A"****TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 11(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March, 2022, we have audited the internal financial controls over financial reporting of Dynamic Products Limited (hereinafter referred to as "the Holding Company") and its subsidiary company and its associate company which are companies incorporated in India, as of that date.

**MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The respective Board of Directors of the Holding company, its subsidiary company and its associate company which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Holding Company, its subsidiary and associate's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's, its subsidiary company's, and its associate company's incorporated in India, internal financial controls system over financial reporting. of the Parent and its subsidiary company and associate, which are companies incorporated in India.

**MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated Ind As financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated Ind AS financial statements.

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future

periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **OPINION**

In our opinion to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary company, and its associate company which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

#### **OTHER MATTERS**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary company, which is a company incorporated in India, is based on the corresponding report of the auditors of such company incorporated in India. Our opinion is not qualified in respect of this matter.

For, **ASIM RAVINDRA & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
FRN. 118775W

**[ RAVINDRA MEHTA ]**  
PARTNER  
M. No. 043051

Place : Ahmedabad  
Date : 30/05/2022

# CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2022

(Rs. In Lakhs)

Particulars	Note	As at 31st March, 2022	As at 31st March, 2021
<b>ASSETS :</b>			
<b>NON-CURRENT ASSETS :</b>			
Property, Plant & Equipments & Intangible Assets			
Property, Plant & Equipments	4.1	27161.85	3418.13
Capital Work in Progress	4.2	0.00	19430.18
Goodwil		29.11	29.11
Intangible Assets	5	0.19	0.19
Investments accounted for using equity method	6	88.70	88.96
<b>Financial Assets:</b>			
Investments	6	11.43	12.28
Trade Receivables	7	0.00	16.17
Loans	10	2.06	4.00
Other Financial Assets	11	668.81	463.35
<b>Other Non Current Assets</b>	<b>13</b>	<b>331.76</b>	<b>398.42</b>
<b>TOTAL NON CURRENT ASSETS</b>		<b>28293.92</b>	<b>23860.79</b>
<b>CURRENT ASSETS:</b>			
Inventories	12	5205.00	3616.21
<b>Financial Assets:-</b>			
Investments	6	0.00	0.00
Trade Receivables	7	4702.21	4135.49
Cash and cash equivalents	8	36.76	81.67
Other Bank Balances	9	245.63	8.20
Loans	10	1.31	3.03
Other Financial Assets	11	901.55	352.01
Other Current Assets	13	2072.50	3056.26
<b>TOTAL CURRENT ASSETS</b>		<b>13164.96</b>	<b>11252.87</b>
<b>TOTAL -ASSETS</b>		<b>41458.88</b>	<b>35113.66</b>
<b>EQUITIES AND LAIBILITIES:</b>			
<b>EQUITY</b>			
Equity Share Capital	14.1	1132.84	1132.84
Other Equity	14.2	15914.96	14502.07
<b>EQUITY ATTRIBUTABLE TO OWNERS</b>		<b>17047.80</b>	<b>15634.92</b>
Non Controlling Interest		6.72	6.73
<b>TOTAL EQUITY</b>		<b>17054.52</b>	<b>15641.65</b>
<b>LAIBILITIES</b>			
<b>NON CURRENT LIABILITIES</b>			
<b>Financial Liabilities</b>			
Borrowings	15	9671.69	9662.15
Trade Payables	16	230.00	0.00
Other Financial Liabilities	17	0.22	0.21
Deferred Tax Liabilities(Net)	21	1187.98	385.06
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>11089.90</b>	<b>10047.41</b>
<b>CURRENT LIABILITIES</b>			
<b>Financial Liabilities</b>			
Borrowings	15	7701.32	5619.93
Trade Payables	16	4875.69	2392.39
Other Financial Liabilities	17	510.18	249.41
Provisions	18	42.59	26.21
Current Tax Liabilities	19	98.21	1000.57
Other Current Liabilities	20	86.47	136.10
<b>TOTAL CURRENT LIABILITIES</b>		<b>13314.45</b>	<b>9424.60</b>
<b>TOTAL LIABILITIES</b>		<b>24404.35</b>	<b>19472.02</b>
<b>TOTAL - EQUITIES AND LIABILITIES</b>		<b>41458.88</b>	<b>35113.66</b>

The accompanying Notes form an integral part of the Consolidated Balance Sheet.

This is the Consolidated Balance Sheet referred to in our report of even date.

As per our Report of even date

For : ASIM RAVINDRA & ASSOCIATES

CHARTERED ACCOUNTANTS.

FRN. 118775W

For : DYNEMIC PRODUCTS LIMITED

(B. K. Patel)  
Managing Director

(D. B. Patel)  
Director

[RAVINDRA MEHTA]

PARTNER

M. No. 043051

(R. B. Patel)  
Director

Place : Ahmedabad

Date : 30/05/2022

(Varsha Mehta)  
Company Secretary

(Amisha Patel)  
Chief Financial Officer

## CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31-3-2022 (Rs. In Lakhs)

Particulars	Note	31/03/2022		31/03/2021	
		Rupees	Rupees	Rupees	Rupees
REVENUE FROM OPERATIONS	22		25192.62		20558.56
OTHER INCOME	23		29.55		61.05
<b>TOTAL INCOME Rs.</b>			<b>25222.17</b>		<b>20619.61</b>
<b>EXPENSES:</b>					
Cost of Materials Consumed	24		13140.78		9930.91
Purchases of Stock-in-Trade	25		1389.95		1073.08
Changes in Inventories	26		(1372.37)		215.30
Employee Benefits Expenses	27		1310.75		1072.09
Finance Costs	28		844.70		227.77
Depreciation & Amortisations	29		1127.08		343.72
<b>Other Exps:-</b>	30				
Other Manufacturing Exps.	30.1	5461.49		3246.57	
Repairs & Maintenance	30.2	289.04		236.29	
Administrative, Selling & Other Exps.	30.3	703.01	6453.54	444.30	3927.16
<b>TOTAL EXPENSES Rs.</b>			<b>22894.42</b>		<b>16790.04</b>
<b>Profit before share of net profits of investment accounted for using equity and Tax</b>			2327.74		3829.57
Share of net profit/(loss) of Associates and joint ventures accounted for using the equity method			(0.25)		(0.15)
<b>Profit before Tax</b>			<b>2327.49</b>		<b>3829.42</b>
Income Tax Expense	31				
Current Tax			94.81		998.44
Deferred Tax			802.93		(20.83)
Add/ (Less):- Taxation of earlier years (Refunds/Paid)			0.00		2.40
<b>Net Profit for the Year</b>			<b>1429.75</b>		<b>2849.41</b>
<b>Other Comprehensive Income</b>					
Items that will not be Reclassified to Profit or Loss	36		(13.49)		(8.46)
Remeasurements on Post-employment Defined Benefit Plans					
Income Tax on Above	31		(3.40)		(2.13)
<b>Total Other Comprehensive Income, Net of Tax</b>			<b>(16.88)</b>		<b>(10.59)</b>
<b>Total Comprehensive Income for the Year</b>			<b>1412.86</b>		<b>2838.82</b>
<b>Profit attributable to:</b>					
Owners of the Company			1429.76		2849.40
Non controlling Interest			(0.01)		0.01
			<b>1429.75</b>		<b>2849.41</b>
<b>Other Comprehensive Income attributable to:</b>					
Owners			(16.88)		(10.59)
Non controlling Interest			0.00		0.00
			<b>(16.88)</b>		<b>(10.59)</b>
<b>Total Comprehensive Income attributable to:</b>					
Owners			1412.87		2838.80
Non controlling Interest			(0.01)		0.01
			<b>1412.86</b>		<b>2838.82</b>
<b>Earnings per Equity Share (Nominal Value Rs. 10/- per Share)</b>	32				
Basic			12.47		25.06
Diluted			12.47		25.06

The accompanying Notes form an integral part of the Consolidated Statement of Profit & Loss.

This is the Consolidated Statement of Profit & Loss referred to in our report of even date.

As per our Report of even date

**For : ASIM RAVINDRA & ASSOCIATES**

**CHARTERED ACCOUNTANTS.**

FRN. 118775W

**[RAVINDRA MEHTA]**

**PARTNER**

M. No. 043051

Place : Ahmedabad

Date : 30/05/2022

**For : DYNEMIC PRODUCTS LIMITED**

**(B. K. Patel)**  
Managing Director

**(D. B. Patel)**  
Director

**(R. B. Patel)**  
Director

**(Varsha Mehta)**  
Company Secretary

**(Amisha Patel)**  
Chief Financial Officer

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31st March, 2022

(Rs. In Lakhs)

## A. Equity Share Capital

Particulars	As At 31st March 2022	As At 31st March 2021
Balance at the beginning of the current reporting period	1132.84	1132.84
Changes in Equity Share Capital due to prior period errors	0.00	0.00
Restated balance at the beginning of the current reporting period	0.00	0.00
Changes in equity share capital during the current year	0.00	0.00
Balance at the end of the current reporting period	1132.84	1132.84

## B. Other Equity -Reserves & Surplus- Refer Note No 14.2

Particulars	Reserves and Surplus			
	Share Premium	General Reserve	Retained Earnings	Total
<b>As at 1st April, 2020</b>	<b>1037</b>	<b>502</b>	<b>10124</b>	<b>11663</b>
Changes in accounting policy/prior period errors	0.00	0.00	0.00	0.00
Restated balance at the beginning of the previous reporting period	0.00	0.00	0.00	0.00
Profit for the Year	0.00	0.00	2849	2849
Other Comprehensive Income (Net of Tax) -Remeasurements on Post employment Defined Benefit Plans			(11)	(11)
<b>Total Comprehensive Income for the Year</b>	<b>1037</b>	<b>502</b>	<b>12963</b>	<b>14502</b>
Dividends				
Any other change (to be specified)			0.00	0.00
<b>As at 31st March, 2021</b>	<b>1037</b>	<b>502</b>	<b>12963</b>	<b>14502</b>
Changes in accounting policy/prior period errors	0.00	0.00	0.00	0.00
Restated balance at the beginning of the previous reporting period	0.00	0.00	0.00	0.00
Profit for the Year	0.00	0.00	1430	1430
Other Comprehensive Income (Net of Tax) -Remeasurements on Post employment Defined Benefit Plans			(17)	(17)
<b>Total Comprehensive Income for the Year</b>	<b>1037</b>	<b>502</b>	<b>14376</b>	<b>15915</b>
Dividends				
Transfer to retained earnings			0.00	0.00
Any other change (to be specified)			0.00	0.00
<b>As at 31st March., 2022</b>	<b>1037</b>	<b>502</b>	<b>14376</b>	<b>15915</b>

Note:- The following heads of the table Other Equity are at present not applicable to the company and so not shown above:-

- Share application money pending allotment
- Equity component of compound financial instruments
- Capital Reserve
- Debt instruments through Other Comprehensive Income
- Effective portion of Cash Flow Hedges
- Revaluation Surplus
- Exchange differences on translating the financial statements of a foreign operation
- Other items of Other Comprehensive Income (specify nature)
- Money received against share warrants

The accompanying Notes form an integral part of the Consolidated Statement of Changes in Equity.

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

### For : DYNEMIC PRODUCTS LIMITED

For : ASIM RAVINDRA & ASSOCIATES  
CHARTERED ACCOUNTANTS.  
FRN. 118775W

(B. K. Patel)  
Managing Director

(D. B. Patel)  
Director

[RAVINDRA MEHTA]  
PARTNER  
M. No. 043051

(R. B. Patel)  
Director

Place : Ahmedabad  
Date : 30/05/2022

(Varsha Mehta)  
Company Secretary

(Amisha Patel)  
Chief Financial Officer

## CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2022 (Rs. In Lakhs)

Particulars	Year Ended 31/03/2022	Year Ended 31/03/2021
<b>A. Cash Flows from Operating Activities</b>		
<b>Profit before Tax</b>	<b>2327.49</b>	<b>3829.42</b>
Adjustments for:		
Share of net (profit)/loss of Associates	0.25	0.15
Depreciation and Amortisation Expense	1127.08	343.72
Finance Costs	844.70	227.77
Bad Debts/Advances Written Off	0.00	0.24
Provision for Doubtful Debts	0.00	0.00
Interest Income Classified as Investing Cash Flows	(13.94)	(51.10)
Net Gain on Investments Carried at Fair Value through Profit or Loss	0.00	0.00
Fair Value Gains on Derivatives Not Designated as Hedges (Unrealised)	0.00	0.00
Liabilities No Longer Required Written Back	0.00	0.00
Provision for Doubtful Debts Written Back	0.00	0.00
Allowance Made/(Reversed) for Expected Credit Losses on Trade Receivables	0.00	0.00
(Gain)/Loss on Disposal of Property, Plant and Equipment (Net)	18.07	2.14
Write Downs of Inventories to Net Realisable Value	0.00	0.00
Foreign Exchange Differences (Net)	(255.18)	(109.74)
<b>Operating Profit before Changes in Operating assets and Liabilities</b>	<b>4048.48</b>	<b>4242.60</b>
<b>Changes in Operating Assets and Liabilities</b>		
Increase/(Decrease) in Trade Payables	2713.31	1632.35
Increase/(Decrease) in Other Financial Liabilities	262.23	240.58
Increase/(Decrease) in Provisions	16.38	3.79
Increase/(Decrease) in Other Current Liabilities	(63.12)	13.17
(Increase)/Decrease in Inventories	(1588.79)	24.55
(Increase)/Decrease in Trade Receivables	(550.55)	(962.38)
(Increase)/Decrease in Loans	3.65	232.69
(Increase)/Decrease in Other Financial Assets	(898.16)	(569.43)
(Increase)/Decrease in Other Non-current Assets	66.65	(94.07)
(Increase)/Decrease in Other Current Assets	377.90	1078.12
<b>Cash Generated from Operations</b>	<b>339.49</b>	<b>1599.38</b>
Income Taxes Paid	(419.38)	(1027.50)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>3968.59</b>	<b>4814.48</b>
<b>B. Cash Flows from Investing Activities</b>		
Payments for Acquisition of Property, Plant and Equipment/Intangible Assets	(5433.02)	(12522.21)
Proceeds on Disposal of Property, Plant and Equipment	11.37	17.04
Payments for Purchase of Investments	0.00	0.00
Proceeds from Sale/Redemption of Investments	0.00	1.62
Interest Received	13.94	51.10
Proceeds from Maturity of Deposits with Banks	80.00	3809.86
Payments for Placing of Deposits with Banks	(164.70)	(1239.42)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(5492.41)</b>	<b>(9882.00)</b>
<b>C. Cash Flows from Financing Activities:</b>		
Dividend Paid	0.00	0.00
Dividend Distribution Tax Paid	0.00	0.00
Finance Costs Paid	(844.70)	(227.77)
Proceeds from Long-term Borrowings	1042.74	2859.50
Short-term Borrowings - Receipts/(Payments)	1025.69	2305.38
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>1223.73</b>	<b>4937.10</b>
<b>D. Exchange Differences on Translation of Foreign Currency</b>	<b>255.18</b>	<b>109.74</b>
<b>Cash and Cash Equivalents</b>		
<b>Net Cash (Outflow)/ Inflow</b>	<b>(44.92)</b>	<b>(20.67)</b>
<b>Cash and Cash Equivalents - Opening (Refer Note 8)</b>	<b>81.67</b>	<b>102.34</b>
<b>Cash and Cash Equivalents - Closing (Refer Note 8)</b>	<b>36.76</b>	<b>81.67</b>

The above Consolidated Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'. The accompanying Notes form an integral part of the Consolidated Cash Flow Statement. This is the Consolidated Cash Flow Statement referred to in our report of even date.

For : ASIM RAVINDRA & ASSOCIATES  
 CHARTERED ACCOUNTANTS.  
 FRN. 118775W

(B. K. Patel)  
 Managing Director

For : DYNEMIC PRODUCTS LIMITED

(D. B. Patel)  
 Director

[RAVINDRA MEHTA]  
 PARTNER  
 M. No. 043051

(R. B. Patel)  
 Director

Place : Ahmedabad  
 Date : 30/05/2022

(Varsha Mehta)  
 Company Secretary

(Amisha Patel)  
 Chief Financial Officer

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**Notes to Consolidated Financial Statements for the year ended 31st March, 2022**

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**1. Group Background**

Dynemic Products Limited (the 'Parent Company') is a public limited company, incorporated and domiciled in India. The equity shares of the Company are listed on the National Stock Exchange of India Limited and the BSE Limited in India. The registered office of the Company is located at B-301, Satyamev-I, Opp. Gujarat High Court, S G Road, Sola, Ahmedabad-380060, Gujarat, India. The Parent Company and its subsidiary, Cerecon Bio Sciences Private Limited (Formerly known as Dynamic Overseas India Pvt Ltd) & its associates Dynemic Holdings Pvt Ltd, (collectively referred to as "the Group") is mainly engaged in the business of manufacturing and selling of Dyes & Dye Intermediates as single operational segment, and. The consolidated Financial statements were approved and authorised for issue in accordance with the resolution of the Company's Board of Directors on 30th May, 2022.

**2. Significant Accounting Policies**

This Note provides a list of the significant accounting policies adopted in the preparation of the consolidated Financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

**(a) Basis of Preparation****(i) Compliance with Ind AS**

The consolidated financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015] as amended from time to time and other provisions of the Act.

**(ii) Historical Cost Convention**

The consolidated Financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) that is measured at fair value.
- Defined benefit plans - plan assets measured at fair value.

**(iii) Current versus Non Current Classification**

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

- a) expected to be realised or intended to be sold or consumed in the normal operating cycle,
- b) held primarily for the purpose of trading,
- c) expected to be realised within twelve months after the reporting period, or
- d) cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- a) it is expected to be settled in the normal operating cycle,
- b) it is held primarily for the purpose of trading,
- c) it is due to be settled within twelve months after the reporting period, or
- d) there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current.

**(iv) Rounding of Amounts**

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest Rupee in lacs as per the requirement of Schedule III, unless otherwise stated.

**(b) Principal of Consolidation:-**

## Notes to Consolidated Financial Statements for the year ended 31st March, 2022

The consolidated financial statements relate to Dynemic Products Limited ('the Company') and its subsidiary company, and associate. The consolidated financial statements have been prepared on the following basis:

- (i) The financial statements of the Company and its subsidiary are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.
- (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.
- (iv) Investment in Associate has been accounted under the equity method as per Ind AS 28 - Investments in Associates and Joint Ventures.
- (v) The Company accounts for its share of post acquisition changes in net assets of associates, after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its Consolidated Profit and Loss Statement, to the extent such change is attributable to the associates' Profit and Loss Statement and through its reserves for the balance based on available information.
- (vi) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

### (c) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty & exclusive of GST and net of returns, trade discounts, rebates, value added taxes and amounts collected on behalf of third parties. The inter divisional transfer between Unit-1 & Unit-2 are deducted from respective sales & purchases. It has no impact on profit or loss.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

**Sale of Products :-** Revenue from sale of products is recognised when the significant risks and rewards of ownership of the products have passed to the buyer as per the terms of contract. Sales is net of inter branch transfers. It has no impact on profit or loss.

**Sale of Services:-** Revenue from services rendered is recognised as the services are rendered and is booked based on agreements/ arrangements with the concerned parties.

### Other Operating Revenues

Export entitlements (arising out of Duty Drawback, Merchandise Export from India and Focus Market Schemes) are recognised when the right to receive credit as per the terms of the schemes is established in respect of the exports made by the Group and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds. There is no Royalty Income.

**(d) Construction Contracts :-** There is no Construction contract entered into by the Group during the period under consideration.

### (e) Property, Plant and Equipment:-

Freehold/ GIDC Lease hold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

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**Notes to Consolidated Financial Statements for the year ended 31st March, 2022**

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

***Depreciation Method, Estimated Useful Lives And Residual Values***

Depreciation is calculated on a pro-rata basis using the straight-line method to allocate their cost, net of their estimated residual values, over their estimated useful lives in accordance with Schedule II to the Act. Each component of an item of property, plant and equipment with a cost that is significant in relation to the cost of that item is depreciated separately if its useful life differs from the other components of the item.

Estimated useful lives of the assets are taken as per Schedule II of the Companies Act 2013, which is broadly defined as under:-

Buildings - 3 to 60 years

Plant and Equipments - 5 to 40 years

Furniture and Fixtures - 10 years

Vehicles - 8 to 10 years

Office Equipments - 3 to 6 years

Leasehold land is from GIDC and has not been amortised, as the lease cost has been fully paid. The useful lives, residual values and the method of depreciation of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss within 'Other Income'/'Other Expenses'. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as 'Capital Advances' under other non-current assets and the cost of property, plant and equipment not ready to use are disclosed under 'Capital Work-in-progress'.

**(f) Intangible Assets**

Intangible assets (Computer Software) has a finite useful life and are stated at cost less accumulated amortisation and accumulated impairment losses, if any.

***Computer Software***

Software for internal use, which is primarily acquired from third-party vendors is capitalised. Subsequent costs associated with maintaining such software are recognised as expense as incurred. Cost of software includes license fees and cost of implementation/system integration services, where applicable.

***Amortisation Method and Period***

Computer software are amortised on a pro-rata basis using the straight-line method over their estimated useful life of 5 years, from the date they are available for use. Amortisation method and useful lives are reviewed periodically at each Financial year end.

**(g) Impairment of Non Financial assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash generating units).

**(h) Leases*****As A Lessee***

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. This is not applicable to GIDC Lease, as there is no periodic payments are made for uses of leased asset, which is GIDC Land.

**(i) Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost of inventories comprises cost of purchases and all other costs incurred in bringing the inventories to their present location and condition. Cost of work-in-progress and finished goods comprises direct materials, direct labor and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on approximation average basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**(j) Investments and Other Financial Assets****(i) Classification**

The Group classifies its financial assets in the following measurement categories:-

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. Though the Group do not have any debt instruments, but for investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

**(ii) Measurement**

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

*Debt Instruments*

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised Costs**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired.

- **Fair Value through other comprehensive income (FVOCI):**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in the profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in 'Other Income'.

**Fair value through Profit & Loss A/c**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the Statement of Profit and Loss within 'Other Income' in the period in which it arises.

*Equity Instruments*

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**Notes to Consolidated Financial Statements for the year ended 31st March, 2022**

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The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'Other Income' in the Statement of Profit and Loss.

**(iii) Impairment of Financial Assets**

The Group assesses on a forward looking basis the expected credit losses associated with its assets which are not fair valued through profit or loss. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 40(A) details how the Group determines whether there has been a significant increase in credit risk. For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109, 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**(iv) De-recognition of Financial Assets**

A financial asset is de-recognised only when

- the Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**(v) Income Recognition***Interest Income*

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

*Dividend*

Dividend is recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

**(vi) Fair Value of Financial Instruments**

In determining the fair value of financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

**(k) Derivative Instruments- Not applicable as there are no Derivative Instruments.****(l) Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

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**Notes to Consolidated Financial Statements for the year ended 31st March, 2022**

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**(m) Trade Receivables**

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

**(n) Cash and Cash Equivalents**

For the purpose of presentation in the Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(o) Trade Payables**

Trade Payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**(p) Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

**(q) Borrowing Costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

**(r) Foreign Currency Transactions and Translation****(i) Functional and Presentation Currency**

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The consolidated financial statements are presented in Indian Rupee (Rs.), which is the Group's functional and presentation currency.

**(ii) Transactions and Balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. At the year-end, monetary assets and liabilities denominated in foreign currencies are restated at the year - end exchange rates. The exchange differences arising from settlement of foreign currency transactions and from the year-end restatement are recognised in profit and loss.

Exchange differences arising on reporting of long-term foreign currency monetary items recognised up to 31st March, 2018 (i) relating to acquisition of depreciable capital assets is adjusted to the carrying amount of such assets (to be depreciated over the balance life of the related asset) and (ii) in other cases accumulated in a 'Foreign Currency Monetary Item Translation Difference Account' (to be amortised over the balance period of the related long-term

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**Notes to Consolidated Financial Statements for the year ended 31st March, 2022**

monetary asset/liability). All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within 'Other Income'/'Other Expenses'.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

**(s) Employee benefits**

**(i) Short Term Employee Benefits**

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as 'Employee Benefits Payable' within 'Other Current Liabilities' in the Balance Sheet.

**(ii) Post Employment Benefits**

*Defined Benefit Plans*

The liability or asset recognised in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee Benefits Expense' in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. These are included in 'Retained Earnings' in the Statement of Changes in Equity.

*Defined Contribution Plans*

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the period in which the employee has rendered the service.

**(iii) Other Long term Employee Benefits**

The liabilities for leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured annually by actuaries as the present value of expected future benefits in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented under 'Provisions' (Current) in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

**(t) Income Tax**

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax credits and to unused tax losses.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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**Notes to Consolidated Financial Statements for the year ended 31st March, 2022**

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Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences, tax credits and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax are recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, if any. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**(u) Provisions and Contingencies**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

**(v) Dividend**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed at the end of the reporting period.

**(w) Earnings per Share**

**(i) Basic Earnings per Share**

Basic earnings per share is calculated by dividing: -

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year

**(ii) Diluted Earnings per Share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:-

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

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**Notes to Consolidated Financial Statements for the year ended 31st March, 2022**

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· the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**(x) Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Managing Director of the Group. Presently Group has been working in single segment- Dyes & Dyes Intermediates.

**3 Critical Estimates and Judgments**

The preparation of consolidated Financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these consolidated Financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

This Note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the consolidated Financial statements.

**The areas involving critical estimates or judgements are:**

**Employee Benefits ( Estimation of Defined Benefit Obligation)**

Post-employment benefits represent obligations that will be settled in future and require assumptions to estimate benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of benefit costs over the employees' approximate service period, based on the terms of the plans and the investment and funding decisions made. The accounting requires the Group to make assumptions regarding variables such as discount rate and salary growth rate. Changes in these key assumptions can have a significant impact on the defined benefit obligations.

**Impairment of Trade Receivables**

Impairment of trade receivables is primarily estimated based on prior experience with and the past due status of receivables, based on factors that include ability to pay and payment history. The assumptions and estimates applied for determining the provision for impairment are reviewed periodically.

**Estimation of Expected Useful Life of Property, Plant and Equipment**

Management reviews its estimate of useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.

**Contingencies**

Legal proceedings covering a range of matters are pending against the Group. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcome. The cases and claims against the Group often raise factual and legal issues that are subject to uncertainties and complexities, including the facts and circumstances of each particular case/ claim, the jurisdiction and the differences in applicable law. The Group consults with legal counsel and other experts on matters related to specific litigations where considered necessary. The Group accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.

**Accounting for Construction Contract Under Percentage of Completion-Not applicable as there is no construction contracts, however the policy is as under:-**

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**Notes to Consolidated Financial Statements for the year ended 31st March, 2022**

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The percentage of completion method is used to account for construction contracts. This method requires estimates of the final revenue and costs of the contract, as well as measurement of progress achieved to date as a proportion of the total work to be performed. The main uncertainty when assessing contract revenue is related to recoverable amounts from variation orders and claims payments which are recognised when, based on management's judgment, it is probable that they will result in revenue and are reliably measurable. This assessment is adjusted upon management's evaluation of liquidated damages to be imposed by customers typically relating to contractual delivery terms. Cost to complete depends on productivity factors and the cost of inputs, weather conditions, performance of subcontractors, etc. Experience, reduces but does not eliminate the risk that estimates may change significantly.

**Valuation of Deferred Tax assets**

Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for Financial reporting purposes and their respective tax bases that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred tax benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimising measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

**Fair Value Measurements**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques, including the discounted cash flow model, which involve various judgments and assumptions.

**Impairment of Investments in Subsidiaries**

Determining whether the investments in subsidiaries are impaired requires an estimate of the value in use of investments. In considering the value in use, the management anticipates the future commodity prices, capacity utilisation of plant, operating margins, discount rates and other factors of the underlying businesses/operations of the subsidiaries.

**Recent Indian Accounting Standard (Ind AS) pronouncements which are not yet effective**

On 23 March 2022, the Ministry of Corporate Affairs ("MCA") through notifications, amended the existing Ind AS. The same shall come into force from annual reporting period beginning on or after April 1 2022. Key Amendments relating to the same where financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

-Ind AS 16 Property, Plant and Equipment - For items produced during testing/trial phase, clarification added that revenue generated out of the same shall not be recognised in the Standalone Statement of Profit and Loss and considered as part of cost of PPE.

-Ind AS 37 Provisions, Contingent Liabilities & Contingent Assets - Guidance on what constitutes cost of fulfilling contracts (to determine whether the contract is onerous or not) is included.

-Ind AS 41 Agriculture- This aligns the fair value measurement in Ind AS 41 with the requirements of Ind AS 113 Fair Value Measurement to use internally consistent Cash Flows and discount rates and enables preparers to determine whether to use pre-tax or post-tax Cash Flows and discount rates for the most appropriate fair value measurement.

-Ind AS 101 - First time Adoption of Ind AS - Measurement of Foreign Currency Translation Difference in case of subsidiary/associate/ JV's date of transition to Ind AS is subsequent to that of Parent - FCTR in the books of subsidiary/associate/ JV can be measured based on Consolidated Financial Statements.

-Ind AS 103 - Business Combination - Reference to revised Conceptual Framework. For contingent liabilities / levies, clarification is added on how to apply the principles for recognition of contingent liabilities from Ind AS 37. Recognition of contingent assets is not allowed.

- Ind AS 109 Financial Instruments - The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognise a financial liability.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

## Notes to Consolidated Financial Statements for the year ended 31st March, 2022

### Group Information

The consolidated financial statements comprise the financial statements of the Parent Company and its wholly owned subsidiary company and its associates as detailed below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held by the Group and the proportion of ownership interests held equals the voting rights held by the Group.

Name of Entity	Place of Business/ Country of Incorporation	Principal Business interest held by the group		Proportion of ownership Activity
		2021-22	2020-21	
1) *Cerecon Bio Sciences Private Limited (Formerly known as Dynamic Overseas (India) Pvt Ltd)	India	98.09%	98.09%	Trading of Dyes Intermediates, & other chemicals Now changed to manufacturing and trading of Medical equipments, bulk drugs, and other Pharmaceutical items and its allied products.
2) Dynamic Holdings Private Limited	India	49.22%	49.22%	Investments in shares & securities

Rs. In Lakhs

Name of Entity	Net Assets, i.e Total Assets minus total Liabilities		Share in Profit & Loss A/c		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Parent <b>Dynamic Products Limited</b>	17047.80	15634.92	1429.76	2849.40	(16.88)	(10.59)	1412.87	2838.80
Subsidiary Subsidiary 1)*Cerecon Bio Sciences Private Limited (Formerly known as Dynamic Overseas (India) Pvt Ltd) (Share of Parent)	92.98	93.45	(0.44)	0.74	0.00	0.00	(0.44)	0.74
Associates Dynamic Holdings Pvt Ltd (Share of Parent)	88.70	88.96	(0.25)	(0.15)	0.00	0.00	(0.25)	(0.15)

**Note:-** The associate Dynamic Holding Pvt Ltd has invested Rs. 7280494/- (PYF Rs. 7280494/-) in the 156320 nos (PYF 156320 nos) of shares of the company i.e Dynamic Products Ltd, hence, out of the net worth of Rs. 18074350/- (PYF Rs. 18103305/-) attributable to the shareholding of the company, Rs. 7280494/- (PYF Rs. 7280494/-) is invested in the shares of the company.

#### Notes to Standalone Financial Statements for the year ended 31st March, 2022

#### 4 Property, Plant and Equipment

##### 4.1 Reconciliation of Gross and Net Carrying Amount of Each Class of Assets

Particulars	Leasehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Other Assets	Total
<b>Year ended 31st March, 2021</b>								
Gross Carrying Amount								
Opening Balance	156.52	1925.60	4183.40	91.35	102.25	44.95	0.00	6504.06
Additions	0.01	0.00	198.01	0.00	0.00	4.88		202.90
Disposals	0.00	0.00	74.77	0.00	0.33	4.40		79.51
<b>Closing Balance</b>	<b>156.53</b>	<b>1925.60</b>	<b>4306.64</b>	<b>91.35</b>	<b>101.92</b>	<b>45.42</b>	<b>0.00</b>	<b>6627.45</b>
Accumulated Depreciation								
Opening Balance	0.00	589.45	2181.08	81.40	40.35	33.64	0.00	2925.93
For the Year	0.00	56.43	268.24	1.51	12.60	4.94		343.72
On Disposals	0.00	0.00	55.63	0.00	0.33	4.36		60.32
<b>Closing Balance</b>	<b>0.00</b>	<b>645.89</b>	<b>2393.69</b>	<b>82.91</b>	<b>52.62</b>	<b>34.22</b>	<b>0.00</b>	<b>3209.32</b>
<b>Net Carrying Amount</b>	<b>156.53</b>	<b>1279.71</b>	<b>1912.95</b>	<b>8.44</b>	<b>49.30</b>	<b>11.20</b>	<b>0.00</b>	<b>3418.13</b>
<b>Year ended 31st March, 2022</b>								
Gross Carrying Amount								
Opening Balance	156.53	1925.60	4306.64	91.35	101.92	45.42	0.00	6627.46
Additions	1182.45	8604.23	14967.82	100.51	16.22	29.01		24900.24
Disposals	0.00	0.00	67.75	0.00	0.00	0.00		67.75
<b>Closing Balance</b>	<b>1338.98</b>	<b>10529.83</b>	<b>19206.70</b>	<b>191.86</b>	<b>118.13</b>	<b>74.43</b>	<b>0.00</b>	<b>31459.94</b>
Accumulated Depreciation								
Opening Balance	0.00	645.89	2393.69	82.91	52.62	34.22	0.00	3209.32
For the Year	0.00	223.85	877.40	5.10	13.01	7.71		1127.08
On Disposals	0.00	0.00	38.31	0.00	0.00	0.00		38.31
<b>Closing Balance</b>	<b>0.00</b>	<b>869.73</b>	<b>3232.78</b>	<b>88.01</b>	<b>65.63</b>	<b>41.93</b>	<b>0.00</b>	<b>4298.09</b>
<b>Net Carrying Amount</b>	<b>1338.98</b>	<b>9660.10</b>	<b>15973.93</b>	<b>103.85</b>	<b>52.50</b>	<b>32.50</b>	<b>0.00</b>	<b>27161.85</b>

##### 4.2 Capital Work-in-Progress

	Rs. In Lakhs
Carrying Amount at the Beginning of the Year	19,430.18
Additions During the Year @	6,185.64
Capitalised During the Year	25,615.82
Carrying Amount at the End of the Year	0.00
@ Includes costs incurred in the course of construction of an item of Property, Plant and Equipment:	

##### 4.3 CWIP aging schedule

Particulars	Amount in CWIP for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress			NIL	
Projects temporarily suspended			NIL	
				Total

## Notes to Consolidated Financial Statements for the year ended 31st March, 2022

### 4.4 CWIP completion schedule

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects 1			NIL		

Title deeds of Immovable Properties not held in name of the Company

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company
PPE			NIL			

**Note:-** The capital work in progress includes the expenses incurred for the Plant at Unit 3 at Dahej GIDC, regarding the direct purchase of assets for the said plant and the other incidental preoperative expenditures directly related to the implementation of the said plant including the net interest on borrowings for the said plant. The preoperative expenditures will be capitalised in proportion to the value of assets on completion of the Plant and the start of the commercial production.

- 4.5** The Company has taken borrowings from banks which carry charge over certain property, plant and equipment ( Refer Note 42 for details).
- 4.6** Contractual obligations - Refer Note 35(a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- 4.7** Aggregate amount of depreciation has been included under 'Depreciation and Amortisation Expense' in the Statement of Profit and Loss (Refer Note 29).
- 4.8** Title deeds of immovable properties set out in Note 4.1 above, where applicable, are in the name of the Company.

5	Intangible Assets	Good will	Computer
	Year ended 31st March, 2020	On consolidation	Software
	<b>Gross Carrying Amount</b>		
	Deemed Cost as at 1st April, 2020 (Refer Note 4.3)	29.11	26.47
	Additions	0.00	0.00
	Disposals	0.00	0.00
	Closing Balance	29.11	26.47
	Accumulated Depreciation		
	As at 1st April 2019	0.00	26.28
	For the Year	0.00	0.00
	On Disposals	0.00	0.00
	<b>Closing Balance</b>	0.00	26.28
	<b>Net Carrying Amount</b>	29.11	0.19
	<b>Year ended 31st March, 2021</b>		
	Gross Carrying Amount		
	Opening Balance	29.11	26.47
	Additions	0.00	0.00
	Disposals	0.00	0.00
	<b>Closing Balance</b>	29.11	26.47
	Accumulated Depreciation		
	Opening Balance	0.00	26.28
	For the Year	0.00	0.00
	On Disposals	0.00	0.00
	<b>Closing Balance</b>	0.00	26.28
	<b>Net Carrying Amount</b>	29.11	0.19

- 5.1** The amortisation has been included under 'Depreciation and Amortisation Expense' in the Statement of Profit and Loss (Refer Note 29).

6	Investments	Face Value	Number	As At 31st March 2022	As At 31st March 2021
	<b>Unquoted:</b>				
	<b>Non-current Investments</b>				
	<b>Investments in Equity Instruments</b>				
	<b>INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD</b>				
	<b>In Other Associates Body Corporates</b>				
	*Dynemic Holdings Pvt.Ltd. (At Original Cost)	10	1010000	101.00	101.00
	Add/Less:- Share of Accumulated Profit/Loss			(12.30)	(12.04)
	<b>Net Investment in Associate</b>			<b>88.70</b>	<b>88.96</b>
	<b>Other Non Current Investments</b>				
	<b>Investments in Equity Instruments</b>				
	<b>In Other Body Corporates</b>				
	* Enviro Technology Ltd. Shares	10	15000	1.50	1.50
	* Bharuch Enviro Infrastructure Ltd.	10	1750	0.18	0.18
	* Bharuch Eco-Aqua Infra.Ltd	10	78450	7.85	7.85
	* Ank.Res. &.Analy.Inf.Ltd.	10	1000	0.10	0.10
	<b>Investments in Mutual Funds</b>				
	IndiaReit Fund Scheme IV			1.81	2.66
				<b>11.43</b>	<b>12.28</b>
	<b>Current Investments</b>			0.00	0.00
				0.00	0.00

**6.1** Refer Note 39 for information about fair value measurements and Note 40 for credit risk and market risk on investments.

7	Trade Receivables	As At 31st March 2022	As At 31st March 2021
	Unsecured Considered Good		
	(a) Trade Receivables considered good - Secured;		
	(b) Trade Receivables considered good - Unsecured;	0.00	16.17
	(c) Trade Receivables which have significant increase in Credit Risk		
	d) Trade Receivables - credit impaired		
	Less: Allowance for Expected Credit Losses		
	<b>TOTAL</b>	<b>0.00</b>	<b>16.17</b>
	Unsecured Considered Good		
	(a) Trade Receivables considered good - Secured;	0.00	0.00
	(b) Trade Receivables considered good - Unsecured;	4702.21	4135.49
	(c) Trade Receivables which have significant increase in Credit Risk	0.00	0.00
	d) Trade Receivables - credit impaired	0.00	0.00
	Less: Allowance for Expected Credit Losses	0.00	0.00
	<b>TOTAL</b>	<b>4702.21</b>	<b>4135.49</b>

**7.1** Refer Note 42 for receivables secured against borrowings and Note 40 for information about credit risk and market risk on receivables.

**Notes to Consolidated Financial Statements for the year ended 31st March, 2022**
**Rs. In Lakhs**
**7.2 Trade Receivables ageing schedule (the previous year figures are in brackets)**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	4663.80 (4135.49)	38.42 0.00	0.00 (16.17)	0.00	0.00	4702.21 (4151.66)
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Undisputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables– considered good	0.00	0.00	0.00	0.00	0.00	0.00
(v) Disputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(vi) Disputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>4663.80</b> <b>(4135.49)</b>	<b>38.42</b> <b>0.00</b>	<b>0.00</b> <b>(16.17)</b>	<b>0.00</b> <b>0.00</b>	<b>0.00</b> <b>0.00</b>	<b>4702.21</b> <b>(4151.66)</b>

# similar information shall be given where no due date of payment is specified in that case disclosure shall be from the date of the transaction. Unbilled dues shall be disclosed separately”;

Particulars	As At 31st March 2022	As At 31st March 2021
Total Dues with Due Dates of Payments as per above table 7.2	4702.21	4151.66
Outstanding Debtors where still the payment has not become Due	0	0
Outstanding Debtors still unbilled	0	0
<b>Total Trade Receivables as shown in above Note 7</b>	<b>4702.21</b>	<b>4151.66</b>

Note:- The Trade Receivables outstanging/ payables for more than 1 year have been classified and shown as Non Current asset.

<b>8</b>	<b>Cash and Cash Equivalents</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	Balances with Banks	33.10	76.44
	Cheques, Drafts on Hand	0.00	0.00
	Cash on Hand (Includes Foreign Currency Rs. 31578( PY 53639))	3.66	5.23
	<b>TOTAL</b>	<b>36.76</b>	<b>81.67</b>

**8.1** There are no repatriation restrictions with regard to Cash and Cash Equivalents as at the end of the current reporting period and prior periods.

<b>9</b>	<b>Other Bank Balances</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	Unpaid Dividend Accounts @	6.76	8.20
	Fixed Deposit Accounts (with original maturity of more than three months but less than twelve months)	192.68	0.00
	Accrued Interest on Fixed Deposits	46.19	0.00
	<b>TOTAL</b>	<b>245.63</b>	<b>8.20</b>

@ Earmarked for Payment of Unclaimed Dividend

**Notes to Consolidated Financial Statements for the year ended 31st March, 2022**
**Rs. In Lakhs**

<b>10</b>	<b>Loans</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	<b>Non-current</b>				
	Unsecured, Considered Good :				
	Loans to Employees*			2.06	4.00
	(a)Loans Receivables considered good - Secured;	0.00	0.00		
	(b)Loans Receivables considered good - Unsecured;	2.06	4.00		
	(c)Loans Receivables which have significant increase in Credit Risk; and	0.00	0.00		
	(d)Loans Receivables - credit impaired	0.00	0.00		
		<b>2.06</b>	<b>4.00</b>	<b>2.06</b>	<b>4.00</b>
	<b>Current</b>				
	Unsecured, Considered Good :				
	Loans to Employees*			1.31	3.03
	(a)Loans Receivables considered good - Secured;	0.00	0.00		
	(b)Loans Receivables considered good - Unsecured;	1.31	3.03		
	(c)Loans Receivables which have significant increase in Credit Risk; and	0.00	0.00		
	(d)Loans Receivables - credit impaired	0.00	0.00		
		<b>1.31</b>	<b>3.03</b>	<b>1.31</b>	<b>3.03</b>
<b>11</b>	<b>Other Financial Assets</b>			<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	<b>Non-current</b>				
	Unsecured, Considered Good :				
	Security Deposits			576.12	227.44
	Fixed Deposits with Banks** (with Maturity of more than Twelve Months) (Lodged with Government Authority/Others)			92.03	200.02
	Accrued Interest on Fixed Deposits**			0.65	35.88
	<b>TOTAL</b>			<b>668.81</b>	<b>463.35</b>
	<b>Current</b>				
	Unsecured, Considered Good :				
	Security Deposits			888.69	348.73
	Interest Accrued on Electricity Deposits			12.85	3.29
	<b>TOTAL</b>			<b>901.55</b>	<b>352.01</b>
	*Financial Assets carried at Fair Value through Profit and Loss			0.00	0.00
	**Financial Assets carried at Amortised Cost			1495.32	735.28
<b>12</b>	<b>Inventories</b>			<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	-At Lower of Cost and Net Realisable Value				
	Raw Materials .....			1367.12	1158.94
	Packing Material.....			19.57	24.59
	ETP stock .....			2.77	0.04
	Fuel- Non Cooking stock .....			10.54	0.00
	Trading Materials.....			23.97	13.11
	Work in progress.....			424.63	306.96
	Finished Goods ...			3338.26	2107.40
	Finished Goods ( Captive)			18.15	5.17
	<b>TOTAL</b>			<b>5205.00</b>	<b>3616.21</b>

**Notes to Consolidated Financial Statements for the year ended 31st March, 2022**
**Rs. In Lakhs**
**12.1 Refer Note 42 for Information on Inventories Pledged as Security**

<b>13 Other Assets</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
<b>Non-current</b>		
Unsecured, Considered Good :		
Capital Advances	234.63	384.63
Balances with Government Authorities @	3.80	3.80
Prepaid/Advance for Expenses	1.99	1.99
IT Refund Receivables	91.34	7.99
<b>TOTAL</b>	<b>331.76</b>	<b>398.42</b>
<b>Current</b>		
Unsecured, Considered Good :		
Export Entitlements Receivable	263.39	44.20
Balances with Government Authorities @	1073.06	1687.08
Capital Advances	195.77	174.84
Prepaid/Advance for Expenses	95.96	41.43
IT Refund Receivables	24.82	83.35
Advance Income Tax Paid ( Included TDS & TCS)	419.50	1025.36
<b>TOTAL</b>	<b>2072.50</b>	<b>3056.26</b>

@ Balances with Government Authorities primarily include amounts realisable from the GST, and customs authorities of India and the unutilised GST input credits on purchases. These are generally realised within one year or regularly utilised to offset the GST liability on goods manufactured by the Company.

<b>14.1 Equity Share Capital</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
<b>Authorised Share Capital</b>		
[13000000 Equity Share of Rs. 10/- each] @	1,300.00	1,300.00
<b>Issued, Subscribed and paid up :</b>		
[11328449 Equity Shares of Rs. 10/- each fullypaid up @	1,132.84	1,132.84
	<b>1,132.84</b>	<b>1,132.84</b>

@ There were no changes in number of shares during the years ended 31st March, 2022 and 31st March, 2021

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

(b) Details of shares held by Promoters at the end of the year

<b>Shares held by promoters at the end of the year</b>	<b>As At 31st March 2022</b>			<b>As At 31st March 2021</b>		
	<b>Nos of Shares</b>	<b>% of Total Shares</b>	<b>% Change During the Year</b>	<b>Nos of Shares</b>	<b>% of Total Shares</b>	<b>% Change During the Year</b>
BHAGWANDAS K PATEL	68500	0.60	0.00	68500	0.60	0.00
PATEL DASHRATHBHAI PRAHLADBHAI	0	0.00	(0.23)	26420	0.23	(3.31)
RAJULABEN J PATEL	25975	0.23	0.00	25475	0.22	(0.01)
DASHRATHBHAI PRAHLADBHAI PATEL	0	0.00	(4.59)	520400	4.59	(1.54)
BHAGWANDAS KALIDAS PATEL	1207182	10.66	0.00	1207182	10.66	0.00
JAYANTILAL K PATEL	14785	0.13	(0.10)	25785	0.23	(0.01)
RAMESHKUMAR BHAGWANDAS PATEL	679993	6.00	0.00	679993	6.00	0.00

**Notes to Consolidated Financial Statements for the year ended 31st March, 2022**

KIRTIKUMAR BHAGWANDAS PATEL	115960	1.02	0.00	115960	1.02	0.00
VIMALABEN BHAGAWANDAS PATEL	318800	2.81	0.27	288300	2.54	0.00
MUKESHBHAI B PATEL	114581	1.01	0.00	114581	1.01	0.00
VISHNUBHAI BHAGWANBHAI PATEL	85401	0.75	0.00	85401	0.75	0.00
DIXIT BHAGWANDAS PATEL	169225	1.49	0.00	169225	1.49	0.00
DALCHHIBEN BHAGWANBHAI PATEL	41100	0.36	0.00	41100	0.36	0.00
KAMINIBEN VISHNUBHAI PATEL	49074	0.43	0.00	49074	0.43	0.00
MAHENDRABHAI KALIDAS PATEL	0	0.00	(0.11)	13000	0.11	(0.13)
CHETNABEN M PATEL	132000	1.17	0.00	132000	1.17	0.00
MITTAL DIXIT PATEL	32000	0.28	0.00	32000	0.28	0.00
PALAK D PATEL		0.00	(0.36)	40500	0.36	(0.51)
LILABEN DASHARATHBHAI PATEL		0.00	(0.92)	104730	0.92	0.00
KANTILAL KALIDAS PATEL	55150	0.49	0.00	55150	0.49	0.00
HANSABEN RAMESHBHAI PATEL	29544	0.26	0.00	29544	0.26	0.10
BHAGVATIBEN KIRTIBHAI PATEL	43465	0.38	0.00	43465	0.38	0.00
SACHIN R PATEL	19084	0.17	0.00	19084	0.17	0.00
DIXIT BHAGWANDAS PATEL HUF	11600	0.10	0.00	11600	0.10	0.00
SHOBHANABEN MAHENDRABHAI PATEL	0	0.00	0.00	0	0.00	(0.23)
DYNEMIC HOLDINGS PRIVATE LIMITED	156320	1.38	0.00	156320	1.38	0.00
<b>Total</b>	<b>3369739</b>	<b>29.75</b>	<b>(6.05)</b>	<b>4054789</b>	<b>35.79</b>	<b>(5.64)</b>

Rs. In Lakhs

<b>14.2 Other Equity</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
Reserves and Surplus		
Securities Premium Account	1036.80	1036.80
General Reserve [Refer (i) below]	502.18	502.18
Retained Earnings [Refer (ii) below]	14375.98	12963.09
<b>TOTAL</b>	<b>15914.96</b>	<b>14502.07</b>
<b>(i) General Reserve - Movement during the year</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
Opening Balance	502.18	502.18
Transfer from Retained Earnings	0.00	0.00
<b>Closing Balance</b>	<b>502.18</b>	<b>502.18</b>
<b>(ii) Retained Earnings - Movement during the year</b>		
Opening Balance	12963.09	10124.29
Profit for the Year	1429.76	2849.40
Excess Income Tax Provision of Subsidiary for Previous Year written Back	0.01	
Items of Other Comprehensive Income recognised directly in Retained Earnings	0.00	0.00
Remeasurements on Post-employment Defined Benefit Plans, Net of Tax	-16.88	-10.59
Transfer to General Reserve	0.00	0.00
<b>Closing Balance</b>	<b>14375.98</b>	<b>12963.09</b>

**Nature and purpose of each Reserve**
**Securities Premium Account**

Securities Premium Account is used to record premium received on issue of shares. This reserve may be utilised in accordance with the provisions of Section 52 of the Act.

**General Reserve**

Under the erstwhile Indian Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatory transfer a specified percentage of the net profit to general reserve has been withdrawn though the Company may transfer such percentage of its profits for the financial year as it may consider appropriate. Declaration of dividend out of such reserve shall not be made except in accordance with rules prescribed in this behalf under the Act.

**Notes to Consolidated Financial Statements for the year ended 31st March, 2022**
**Rs. In Lakhs**

15	Borrowings	As At 31st March 2022	As At 31st March 2021
	<b>Non-current</b>		
	<b>Secured</b>		
	<b>* ICICI Bank Ltd.- Car Loans</b>	0.00	4.31
	(Secured against the specific cars)		
	Defaults:- NIL		
	Terms of Repayment - Three Loans		
	Principal Amount- Rs. 20.00 & 15.00 & 20.00 LACS		
	Date of start of repayments- 15/01/2017 & 10/05/2017 & 28/09/2018		
	Nos of Installments- 36 monthly installments		
	Due Date of Last Installment- 15/12/2019 & 10/04/2020 & 01/10/2021		
	Rate of Interest- 9.10% p.a. & 8.34% p.a. & 8.68% p.a.		
	Less: Current Maturities of Long-term Debt	0.00	4.31
	(Refer Note 17)		
	<b>* HDFC Bank Ltd.- Car Loans</b>	12.63	0.00
	(Secured against the specific cars)		
	Defaults:- NIL		
	Terms of Repayment - 60 Monthly instalments		
	Principal Amount- Rs. 14.00		
	Date of start of repayments- 05/09/2021		
	Nos of Installments- 36 monthly installments		
	Due Date of Last Installment- 05/08/2026		
	Rate of Interest- 13.06%		
	Less: Current Maturities of Long-term Debt (Refer Note 17)	2.50	0.00
	<b>Net Non Current Amount</b>	10.13	0.00
	<b>* Citi Bank N.A.-- Term Loan FCTL-1</b>	2945.69	3762.04
	Defaults:- NIL		
	Terms of Repayment - 20 Quarterly Intallments after 12 months moratorium		
	Principal Amount- Total Amt.USD 5674526.54 equivalent of INR 4000.00 LACS		
	Principal Amount-1- USD 2870264.06 equivalent of INR 2000.00 LACS		
	Date of start of repayments- 29/08/2020		
	Nos of Installments- 20 Quarterly installments		
	Due Date of Last Installment- 29/05/2025		
	Rate of Interest- 3M USD L + 2.20%		
	Terms of Repayment - 20 Quarterly Intallments after 12 months moratorium		
	Principal Amount-2- USD 2804262.48 equivalent of INR 2000.00 LACS		
	Date of start of repayments- 31/03/2021		
	Nos of Installments- 20 Quarterly installments		
	Due Date of Last Installment- 31/12/2025		
	Rate of Interest- 3M USD L + 2.20%		
	Less: Current Maturities of Long-term Debt	800.00	800.00
	(Refer Note 17)		
	<b>* Citi Bank N.A.-- Term Loan FCTL-2</b>	2027.87	1960.11
	Defaults:- NIL		
	Terms of Repayment - 16 Quarterly Intallments after 12 months moratorium		
	Principal Amount- USD 2732240.44 equivalent of INR 2000.00 LACS		
	Date of start of repayments- 30/06/2022		
	Nos of Installments- 16 Quarterly installments		
	Due Date of Last Installment- 30/03/2026		
	Rate of Interest- 3M USD L + 2.05%		
	Less: Current Maturities of Long-term Debt (Refer Note 17)	500.00	0.00
	<b>Net Non Current Amount</b>	3673.56	4922.15

**Notes to Consolidated Financial Statements for the year ended 31st March, 2022**
**Rs. In Lakhs**

<b>* HDFC Bank-- Term Loan</b> Defaults:- NIL Terms of Repayment - 20 Quarterly Intallments after 12 months moratorium Principal Amount- INR 4000.00 LACS Date of start of repayments- 01/07/2021 Nos of Installments- 20 Quarterly installments Due Date of Last Installment- 17/03/2026 Rate of Interest- MCLR + 0.85% or 7.45% p.a. <b>Less: Current Maturities of Long-term Debt</b> (Refer Note 17)	3200.00	4000.00
<b>* HDFC Bank Ltd (GECL) Loan-Term Loan-INR</b> Defaults:- NIL Terms of Repayment - 48 Monthly Intallments after 12 months moratorium Principal Amount- INR 1340.00 LACS Date of start of repayments- 01/04/2022 Nos of Installments- 48 Monthly installments Due Date of Last Installment- 27/02/2026 Rate of Interest- MCLR + 0.60% or 7.80% p.a. <b>Less: Current Maturities of Long-term Debt</b> (Refer Note 17)	800.00	600.00
<b>* HDFC Bank Ltd (GECL) Loan-Term Loan-INR</b> Defaults:- NIL Terms of Repayment - 48 Monthly Intallments after 12 months moratorium Principal Amount- INR 1340.00 LACS Date of start of repayments- 01/04/2022 Nos of Installments- 48 Monthly installments Due Date of Last Installment- 27/02/2026 Rate of Interest- MCLR + 0.60% or 7.80% p.a. <b>Less: Current Maturities of Long-term Debt</b> (Refer Note 17)	1340.00	1340.00
<b>* HDFC Bank Ltd (GECL) Loan-Term Loan-INR</b> Defaults:- NIL Terms of Repayment - 48 Monthly Intallments after 12 months moratorium Principal Amount- INR 2583.00 LACS Date of start of repayments- 01/04/2023 Nos of Installments- 48 Monthly installments Due Date of Last Installment- 01/03/2027 Rate of Interest- MCLR + 1.00% or 7.20% p.a. <b>Less: Current Maturities of Long-term Debt</b> (Refer Note 17)	335.00	0.00
<b>* HDFC Bank Ltd (GECL) Loan-Term Loan-INR</b> Defaults:- NIL Terms of Repayment - 48 Monthly Intallments after 12 months moratorium Principal Amount- INR 2583.00 LACS Date of start of repayments- 01/04/2023 Nos of Installments- 48 Monthly installments Due Date of Last Installment- 01/03/2027 Rate of Interest- MCLR + 1.00% or 7.20% p.a. <b>Less: Current Maturities of Long-term Debt</b> (Refer Note 17)	2583.00	0.00
<b>Net Non Current Amount</b>	5988.00	4740.00
<b>TOTAL NON CURRENT AMOUNT--SECURED</b>	<b>9671.69</b>	<b>9662.15</b>
<b>Unsecured</b> <b>FROM OTHER PARTIES:- UNSECURED</b> Fixed Deposits from Share holders	0.00	0.00
<b>TOTAL NON CURRENT AMOUNT--UNSECURED</b>	<b>0.00</b>	<b>0.00</b>
<b>TOTAL NON CURRENT AMOUNT</b>	<b>9671.69</b>	<b>9662.15</b>
<b>Current</b> <b>Secured</b> Loans Repayable on Demand from Banks* Bill Discounting Facilities- PCFC * Citi Bank N.A. * HDFC BANK Cash Credit/Export Credit Facilities * Citi Bank N.A. * Citibank NA (WCDL A/C) * Axis Bank Ltd. * HDFC Bank Ltd (C/C A/C) * HDFC BankLtd. (WCDL A/C)	2038.69 471.18 260.03 0.00 799.81 321.61 1350.00	978.67 0.00 226.10 1000.00 736.51 274.34 1000.00
<b>Loans Repayable on Demand from Banks Total</b>	<b>5241.32</b>	<b>4215.63</b>
Current Maturities of Long-term Debt * ICICI Bank Ltd.- Car Loans * HDFC Bank Ltd.- Car Loans * Citi Bank N.A.-- Term Loan FCTL-1	0.00 2.50 800.00	4.31 0.00 800.00

**Notes to Consolidated Financial Statements for the year ended 31st March, 2022**
**Rs. In Lakhs**

* Citi Bank N.A.-- Term Loan FCTL-2	500.00	0.00
* HDFC Bank-- Term Loan	800.00	600.00
* HDFC Bank Ltd (GECL) Loan-Term Loan-INR)	335.00	0.00
Current Maturities of Long-term Debt Total	2437.50	1404.31
<b>Unsecured</b>		
Loan from Directors	22.50	0.00
<b>TOTAL CURRENT AMOUNT</b>	<b>7701.32</b>	<b>5619.93</b>

**\*Secured -**

- By a first pari passu charge by way of hypothecation of the Company's entire current assets (for Company's Unit-1 Unit-2 situated at GIDC Ankleshwar), namely, stocks of raw materials, semi-finished and finished goods and articles stores and spares not relating to plant and machinery (consumable stores and spares), Bills receivable and Book debts and all other movable of the Company both present and future but excluding such movables as may be permitted by the said Banks from time to time ;
- By pari passu charge of CitiBank N.A., Axis Bank & HDFC Bank on the Company's immovable & movable fixed assets (for Company's Unit-1 & Unit-2 situated at GIDC, Ankleshwar & Registered Office situated at Ahmedabad) including movable plant and machinery, machinery spares, tools and accessories, electrical and other equipments etc, (save and except the current assets which are already hypothecated/to be hypothecated in favour of the said Banks as and by way of first charge) lying and/or stored and/or situated at the Company's different units, godowns/factories and/or premises or in the possession of any third party or in course of transit or delivery and also all documents of title, negotiable instruments, policies of insurance and other documents and instruments relating thereto subject and/or sub-servient to the first and/or the prior charge holders for securing their respective Term Loans and/or facilities.
- By pari passu charge of CitiBank N.A. & HDFC Bank on the Company's immovable & movable fixed assets (for Company's Unit-3 situated at GIDC, Dahej including movable plant and machinery, machinery spares, tools and accessories, electrical and other equipments etc, (save and except the current assets which are already hypothecated/to be hypothecated in favour of the said Banks as and by way of first charge) lying and/or stored and/or situated at the Company's different units, godowns/factories and/or premises or in the possession of any third party or in course of transit or delivery and also all documents of title, negotiable instruments, policies of insurance and other documents and instruments relating thereto subject and/or sub-servient to the first and/or the prior charge holders for securing their respective Term Loans and/or facilities.
- By personal guarantee of directors Shri Bhagwandas K Patel, Shri Ramesh B Patel, & Shri Dixit B Patel.
- The company has entered into the swap with HDFC Bank Ltd on 31/08/2020 for the Term loan Of Rs. 40 Crore swapping this amount from INR to USD equivalent to USD 5431093.01 with same tenure or the period of loan to be repaid at Fixed Interest rate of 4.60% per annum on USD amount at the prevalent exchange rate and the repayment is to be made in USD 271554.65 quarterly intallments at the prevalent exchange rate. All other terms and conditions remain same.

**15.1** Refer Note 42 for details of carrying amount of assets pledged/ hypothecated as security for secured borrowings and Note 40 for information about liquidity risk and market risk on borrowings.

**Rs. In Lakhs**

	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
<b>16 Trade Payables</b>		
<b>Non-current</b>		
Trade Payables		
Total Outstanding Dues of Micro Enterprises and Small Enterprises (Refer Note 33)	0.00	0.00
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	230.00	0.00
<b>TOTAL</b>	<b>230.00</b>	<b>0.00</b>
<b>Current</b>		
Trade Payables		
Total Outstanding Dues of Micro Enterprises and Small Enterprises (Refer Note 33)	1153.44	1443.23
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	3722.25	949.16
<b>TOTAL</b>	<b>4875.69</b>	<b>2392.39</b>

**16.1** Refer Note 40 for information about liquidity risk and market risk on trade payables.

## 16.2 Trade Payables ageing schedule

Particulars	Outstanding for following periods from due date of payment#				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	1153.44	0.00	0.00	0.00	1153.44
(ii) Others	4875.69	114.61	78.37	37.02	5105.69
(iii) Disputed dues – MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>6029.14</b>	<b>114.61</b>	<b>78.37</b>	<b>37.02</b>	<b>6259.14</b>

Note:- The Trade Payables outstanding/ payables for more than 1 year have been classified and shown as Non Current Liability.

	Particulars	As At 31st March 2022	As At 31st March 2021
	Total Dues with Due Dates of Payments as per above table 16.2	6259.14	2392.39
	Outstanding Payables where still the payment has not become Due	0.00	0.00
	Outstanding Payables still unbilled	0.00	0.00
	<b>Total Trade Payables as shown in above Note 16</b>	<b>6259.14</b>	<b>2392.39</b>
<b>17</b>	<b>Other Financial Liabilities</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	<b>Non-current</b>		
	Other Sundry Creditors Payable for Expenses	0.01	0.02
	Security Deposits- Employee Bonds	0.21	0.19
	<b>TOTAL</b>	<b>0.22</b>	<b>0.21</b>
	<b>Current</b>		
	Interest Accrued	0.00	0.00
	Unpaid Dividends	6.76	8.20
	Other Sundry Creditors Payable for Expenses	502.49	240.51
	Security Deposits- Employee Bonds	0.93	0.70
	<b>TOTAL</b>	<b>510.18</b>	<b>249.41</b>
<b>18</b>	<b>Provisions</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	<b>Current</b>		
	Provisions for Employee Benefits (Refer Note 36)	42.59	26.21
	<b>TOTAL</b>	<b>42.59</b>	<b>26.21</b>
<b>19</b>	<b>Current Tax Liabilities</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	<b>A. Tax Expense Recognised in Profit or Loss</b>		
	<b>Current Tax</b>		
	Current Tax Liabilities	94.81	998.44
	<b>B. Tax on Other Comprehensive Income</b>		
	<b>Current Tax</b>		
	Remeasurements on Post-employment Defined Benefit Plans	3.40	2.13
	<b>TOTAL</b>	<b>98.21</b>	<b>1000.57</b>

**Notes to Consolidated Financial Statements for the year ended 31st March, 2022**
**Rs. In Lakhs**

20	<b>Other Current Liabilities</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	Dues Payable to Government Authorities @	54.01	92.23
	Employee Benefits Payable- Group Gratuity Payable	32.46	6.31
	Advances from Customers	0.00	37.56
	<b>TOTAL</b>	<b>86.47</b>	<b>136.10</b>
	@ Dues Payable to Government Authorities comprise GST, sales tax, excise duty, withholding taxes, payroll taxes, service tax, value added tax, entry tax and other taxes payable.		
21	<b>Deferred Tax Liabilities (Net)</b>		
	<b>Significant Movements Deferred Tax Assets and Liabilities during the year.</b>		
	<b>Deferred Tax Liabilities</b>	<b>As At 31st March 2021</b>	<b>Recognised in Profit &amp; Loss</b>
	Property, Plant and Equipment and Intangible Assets	385.06	802.93
	Financial Assets at Fair Value through Profit or Loss - Investments		1187.98
	<b>Total Deferred Tax Liabilities</b>	<b>385.06</b>	<b>802.93</b>
	<b>Deferred Tax Liabilities</b>	<b>As At 31st March, 2020</b>	<b>Recognised in Profit &amp; Loss</b>
	Property, Plant and Equipment and Intangible Assets	405.89	(20.83)
	Financial Assets at Fair Value through Profit or Loss - Investments		385.06
	<b>Total Deferred Tax Liabilities</b>	<b>405.89</b>	<b>(20.83)</b>
22	<b>Revenue from Operations</b>		
	<b>Sale of Products *</b>		
	Dyes & Intermediates	3362.33	3821.44
	Sythetic Food Colours	19754.26	15134.97
	Others	1147.90	1167.11
	<b>Net Product Sales</b>	<b>24264.49</b>	<b>20123.52</b>
	*(The above sales are net of (exclusive of) Inter Branch/ Unit Transfer)		
	<b>Other Operating Revenues</b>		
	Cash Discount Received	0.00	0.04
	Foreign Exchange Gain & Loss- Exports & Imports	255.18	109.74
	Export Incentive Income	599.97	231.65
	Rates & Quality Difference.	1.33	0.49
	Excise Refund Income	0.16	0.00
	VAT Refund	0.00	23.67
	Quantity Discount	44.15	45.53
	Scrap Sale Income	27.33	23.91
	<b>Total Other Operating Revenues</b>	<b>928.12</b>	<b>435.04</b>
	<b>Total Revenue from Operations</b>	<b>25192.62</b>	<b>20558.56</b>
23	<b>Other Income</b>		
	<b>As At 31st March 2022</b>		
	Office Rent Income	0.12	0.12
	Interest On GEB & ETL Deposit	14.49	5.58
	Exhibition Exps Refund Income	0.00	2.94
	Interest on FD (Bank)	13.94	51.10
	Interest on Staff Loan	0.64	0.95
	Interest on It Refund	0.01	0.01
	Dividend Received	0.35	0.34
	<b>TOTAL</b>	<b>29.55</b>	<b>61.05</b>

**Notes to Consolidated Financial Statements for the year ended 31st March, 2022**
**Rs. In Lakhs**

	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
<b>24 Cost of Materials Consumed</b>		
Opening Stock	1158.94	973.20
Add. : Purchase during the year *	13348.95	10116.66
	<b>14507.89</b>	<b>11089.85</b>
Less : Closing Stock	1367.12	1158.94
<b>TOTAL</b>	<b>13140.78</b>	<b>9930.91</b>
*(The above purchases are net of ( exclusive of) Inter Branch/ Unit transfers)		
<b>25 Purchases of Stock-in-trade</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
Raw Materials Chemical Items	1389.95	1073.08
	<b>1389.95</b>	<b>1073.08</b>
<b>26 Changes in Inventories</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
<b>OPENING INVENTORIES :</b>		
Finished Goods	2107.40	2239.64
Finished Goods (Captive)	5.17	10.10
Trading Stocks	13.11	5.64
Work-in-Progress	306.96	392.56
	<b>2432.64</b>	<b>2647.94</b>
<b>CLOSING INVENTORIES :</b>		
Finished Goods	3338.26	2107.40
Trading Stocks	23.97	13.11
Finished Goods (Captive)	18.15	5.17
Work-in-Progress	424.63	306.96
	<b>3805.01</b>	<b>2432.64</b>
<b>TOTAL</b>	<b>(1372.37)</b>	<b>215.30</b>
<b>27 Employee Benefit Expenses</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
Salary & Wages to Employees	742.78	541.56
Salaries & Bonus to Directors	202.64	215.32
Incentive Commission to Other Staff	13.22	11.89
Commission to Managing Director	45.00	77.00
<b>Refer Note No. 27.1</b>		
Contribution to PF	49.98	37.39
Contribution to ESI	7.50	0.00
Other Salary & Wages Expense	4.38	2.58
Leave Salary (Inc. Provisions -unpaid)	26.95	22.69
Gratuity Insurance Premium (See Note 36)	12.66	13.98
Bonus & other expenses	205.64	149.68
<b>TOTAL</b>	<b>1310.75</b>	<b>1072.09</b>
<b>27.1 Calculation of Managerial Remunerations:-</b>		
A Net profit available for calculation of commission payable to Managing Director:- (As per Section 198 of The companies Act 2013)		
<b>Particulars</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
1. Net profit before tax as per Profit & Loss A/c	2327.74	3829.57
Add:- 1. Loss on sale of Assets	18.07	2.14
2. Commission to Managing Director	45.00	77.00
Net Profit available for calculation of Commission	2390.82	3908.71
2. 2% Commission payable to Managing Director	47.82	78.17
Actual Commission paid or payable as per the approval given by AGM dated. 24/12/2020	45.00	77.00

**Notes to Consolidated Financial Statements for the year ended 31st March, 2022**
**Rs. In Lakhs**

	B. Over all managerial Remuneration paid or payable during the year:-		
	<b>Particulars</b>		
	1. Salaries and other benefits paid	202.64	216.83
	2. Commission paid to Managing Director	45.00	77.00
	Total Rs.	247.64	293.83
	C. The limit as per Section 197 of the Companies Act 2013, which is 11% of the Net profit	258	421
<b>28</b>	<b>Finance Costs</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	Interest	763.17	182.52
	Other Financial Charges	81.53	45.25
	<b>TOTAL</b>	<b>844.70</b>	<b>227.77</b>
<b>29</b>	<b>Depreciation and Amortisation Expense</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	Depreciation on Property, Plant and Equipment (Refer Note 4.1)	1127.08	343.72
	Amortisation of Intangible Assets (Refer Note 5)	0.00	0.00
	<b>TOTAL</b>	<b>1127.08</b>	<b>343.72</b>
<b>30</b>	<b>Other Expenses</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
<b>30.1</b>	<b>Other Manufacturing Expenses</b>		
	<b><u>PACKING MATERIAL CONSUMED</u></b>		
	Op. Stock	24.59	19.59
	Add: Purchases during the year	423.50	311.09
		448.09	330.69
	Less : Closing stock	19.57	24.59
	<b>Total Rs.</b>	<b>428.53</b>	<b>306.10</b>
	<b><u>E.T.P MATERIAL CONSUMED</u></b>		
	Op. Stock	0.04	0.03
	Add: Purchases during the year	46.85	15.83
		46.89	15.86
	Less : Closing stock	2.77	0.04
	<b>Total Rs.</b>	<b>44.12</b>	<b>15.82</b>
	<b><u>POWER &amp; FUEL CONSUMED</u></b>		
	Electric Power & Burning	780.27	516.09
	Fuel Purchased & Consumed	426.91	33.87
	Gas Consumption Charges	1443.97	797.10
		<b>2651.16</b>	<b>1347.07</b>
	<b><u>OTHER MFGS. EXPENSES</u></b>		
	Transportation	173.35	150.74
	Conversion/Job Charges.	6.08	17.88
	Factory Exp	106.23	79.33
	Labour Charges	590.62	418.22
	Forwarding & Handling Charges	833.74	299.62
	Pallatisation Charges	4.48	3.64
	Coal Compensation and Handling Charges	1.96	0.00
	ETP Expense	466.92	487.04
	Safety Exps.	10.17	10.37
	Consumable Stores	144.16	110.74
		<b>2337.69</b>	<b>1577.58</b>
	<b>TOTAL</b>	<b>5461.49</b>	<b>3246.57</b>

**Notes to Consolidated Financial Statements for the year ended 31st March, 2022**
**Rs. In Lakhs**

	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
<b>30.2 Repairs and Maintenance Expenses</b>		
Electrical Parts & Maintenance	3.50	5.92
Lab Equipments Parts & Repairing	1.12	0.82
Machinery Parts Repairs & Maintenance	118.37	48.86
Building Repairing	18.41	30.73
Computer Maintenance & Consumables	3.71	5.37
Furniture, Office Repairing & Maintenance	1.85	3.73
Vehicle Repairing Exp	4.97	2.31
Consumable Stores (Plant, MEE & Electricals)	137.10	138.54
<b>TOTAL</b>	<b>289.04</b>	<b>236.29</b>
<b>30.3 Administrative and Other Expenses</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
Consultancy, Legal & Professional Fees	65.54	47.51
Exhibition Exp.	0.25	0.00
Donation to Charitable Institutes	67.83	57.40
Insurance Premium	64.44	33.64
Petrol Exps	6.45	2.03
Sitting Fees to Directors	1.20	1.28
Selling Commission	46.56	52.90
Staff Welfare Exps.	71.56	59.85
Telephone Exps-Others	1.10	1.30
Travelling & Conveyance	1.82	1.53
Bad Debts	0.00	0.24
Angadia & Courier Exp	14.69	14.43
Audit Fees	9.90	8.40
Cost Audit Fees	0.90	0.90
FDA Approval Fees	78.69	26.32
Lab-Testing Exp	13.23	12.75
Misc Office Exp	1.65	1.39
Rates & Quality Difference.	2.44	0.00
Office Electric Bill Exp.	3.94	3.27
Security Exp	55.13	20.33
Stationery & Printing Exp	14.25	12.49
Water Charges	37.10	15.21
Sales Promotion Exps	4.50	4.48
Regi. Certification, Renewal & Filing Fees	19.56	18.44
Loss/Profits on sale/w/o of assets	18.07	2.14
Loss on Sale of MEIS	0.00	2.03
Other Administrative & Establishment Exps	102.21	44.03
<b>TOTAL</b>	<b>703.01</b>	<b>444.30</b>
<b>30.4 Corporate Social Responsibility Expenditure:</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
(a) Gross amount required to be spent by the Company during the year	63.40	55.80
(b) Expenditure towards Corporate Social Responsibility Activities comprises donations given to Brahmarshi Gyan Savrdhak Trust Rs. 56 lacs ( PYF Sardar Dham Visw Patidar Samaj Rs. 51 Lacs)	64.00	56.00

**Notes to Consolidated Financial Statements for the year ended 31st March, 2022**
**Rs. In Lakhs**

	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
<b>30.5 Payments to Auditors comprise -</b>		
(i) Statutory Auditors		
As Auditor		
As Audit Fee -Financial Statements	8.40	8.40
For Service Tax/ GST	1.51	1.51
(ii) Cost Auditors		
As Fee	0.93	0.93
<b>31 Income Tax Expense</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
<b>A. Tax Expense recognised in Profit or Loss</b>		
<b>Current Tax</b>		
Current Tax on Profits for the Year	98.21	1000.57
Adjustment for Current Tax of Earlier Years	0.00	2.40
	<b>98.21</b>	<b>1002.97</b>
<b>Deferred Tax</b>		
Origination and Reversal of Temporary Differences	802.93	(20.83)
<b>Income Tax Expense</b>	<b>901.14</b>	<b>982.14</b>
<b>B. Tax on Other Comprehensive Income</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
<b>Current Tax</b>		
Remeasurements on Post-employment Defined Benefit Plans	3	2
<b>31.1 Numerical Reconciliation of Income Tax Expense to Prima Facie Tax Payable</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
Profit before Income Tax Expense	2327.74	3829.57
Enacted Statutory Income Tax Rate in India applicable to the Company	25.168%	25.168%
Computed Expected Income Tax Expense	586.53	964.39
Adjustments:-		
Amount debited to P & L A/c to the extent disallowable u/s 37	(488.02)	36.42
Deduction u/s 35 in excess of amount debited to P & L A/c	0.00	0.00
Interest on Taxes	0.00	0.02
Bank FDR Interest- Diff less credited to Profit Loss	0.00	0.00
Adjustment for Current Tax of Earlier Years	0.00	2.40
	<b>98.51</b>	<b>1003.24</b>
<b>32 Earnings per Equity Share</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
<b>(A) Basic</b>		
(i) Number of Equity Shares at the Beginning of the Year	113.28	113.28
(ii) Number of Equity Shares at the End of the Year	113.28	113.28
(iii) Weighted Average Number of Equity Shares Outstanding during the Year	113.28	113.28
(iv) Face Value of Each Equity Share (Rs.)	10	10
(v) Profit after Tax Available for Equity Shareholders Profit for the Year	1412.86	2838.82
(vi) Basic Earnings per Equity Share (Rs.)[(v)/(iii)]	12.47	25.06
<b>(B) Diluted</b>		
(i) Dilutive Potential Equity Shares	0	0
(ii) Diluted Earnings per Equity Share (Rs.) [Same as (A)(vi) above]	12.47	25.06

**Notes to Consolidated Financial Statements for the year ended 31st March, 2022**
**Rs. In Lakhs**

<b>33</b>	<b>Information relating to Micro and Small Enterprises (MSEs)</b>		
	<b>PARTICULARS</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	(i) 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
	(ii) 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
	(iii) Amount of interest accrued and remaining unpaid at the year end of the accounting year.	0.00	0.00
<b>34</b>	<b>Contingencies -</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	A ) Claims against the Company not acknowledged as debts: Taxes, duties and other demands (under appeal/dispute)		
	(i) Rebate claims submitted by us rejected by Excise Dept. and the revision appeal is pending with Joint Secretary, Ministry of Finance, New Delhi	0.00	16.06
	(ii) The aggregate amount involved in the various Show Cause Notices issued by Office of the Superintendent of Central Excise & Customs, Range-II, Division-II, Ankleshwar regarding the Cenvat Credit availed by the Company on some services is not admissible to them and such wrongful availment and utilization of Cenvat Credit liable to be reversed. The Company has filed replies to the said Show Cause Notices	67.71	0.00
	(iii) Deemed Dividend U/s 2(22)(e) of Income Tax Act 1961, for AY 2012-13, appeal is pending with CIT Appeals-I	12.92	12.92
	(iv) Penalty u/s 270A of Income Tax Act 1961, for AY 2017-18, appeal is pending with CIT Appeals-I	35.13	35.13
<b>35</b>	<b>Commitments</b>	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
	(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	0.71	271.62
	(b) Guarantees Bank Guarantees/ Letter of Credits	317.40	130.52

**36 Employee Benefits :-**
**(I) Post Employment Defined Benefits Plans :**
**(A) Gratuity (Funded)**

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. As per the plan, the Gratuity Fund Trusts, administered and managed by the Trustees and funded primarily with Life Insurance Corporation of India (LIC), make payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. The Trustees are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and rules in the best interests of the plan participants. Each year an Asset-Liability matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles.

Investment and contribution policies are integrated within this study. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as set out in Note 2(s)(ii) above, based upon which, the Company makes contributions to the Employees' Gratuity Funds.

**Notes to Consolidated Financial Statements for the year ended 31st March, 2022**

The following table sets forth the particulars in respect of the Gratuity Plan (Funded) of the Company:

(Rs. In Lakhs)

	As At 31st March 2022	As At 31st March 2021
<b>(a) Reconciliation of Opening and Closing Balances of the Present Value of Defined Benefit Obligations:-</b>		
Present Value of Obligation at the beginning of the year	194.86	167.89
Current Service Cost	12.22	11.89
Past Service Cost	0.00	0.00
Interest Cost	13.50	11.45
Remeasurements Losses		
Actuarial Losses arising from Changes in Financial Assumptions	(8.40)	(2.10)
Actuarial Losses arising from Changes in Experience Adjustments	20.69	10.90
Benefits Paid	(11.05)	(5.16)
Present Value of Obligation at the end of the year	221.78	194.86
<b>(b) Reconciliation of the Opening and Closing Balances of the Fair Value of Plan Assets:</b>		
Fair Value of Plan Assets at the beginning of the year	188.55	137.18
Interest Income	13.07	9.36
Remeasurements Gains		
Actuarial Losses arising from Changes in Experience Adjustments	0.00	0.00
Return on Plan Assets (excluding amount included in Net Interest Cost)	(1.24)	0.33
Contributions by Employer	0.00	46.86
Benefits Paid	(11.05)	(5.16)
Fair Value of Plan Assets at the end of the year	189.33	188.55
<b>(c) Reconciliation of the Present Value of the defined benefits Obligation and the Fair Value of Plan Assets:</b>		
Present Value of Obligation at the end of the year	221.78	194.86
Fair Value of Plan Assets at the end of the year	189.33	188.55
Liabilities Recognised in the Balance Sheet	32.46	6.31
<b>(d) Actual Return on Plan Assets</b>	11.83	9.69
<b>(e) Expense recognised in the Other Comprehensive Income:</b>		
Remeasurements Losses (Net)	(16.88)	(10.59)
<b>(f) Expense Recognisable in Profit or Loss :</b>		
Current Service Cost	12.22	11.89
Net Interest Cost	0.44	2.09
Past Service Cost	0.00	0.00
<b>Total @</b>	12.66	13.98
<b>(f) Expense Recognised in Profit or Loss :</b>	12.66	13.98
@ Recognised under 'Contribution to Provident and Other Funds' in Note 27.		
<b>(g) Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period</b>		
Actuarial (Gains)/Losses on Obligation For the Period	12.25	8.80
Return on Plan Assets, Excluding Interest Income	1.24	(0.33)
Change in Asset Ceiling	0.00	0.00
Net (Income)/Expense For the Period Recognized in OCI	13.49	8.46
Net (Income)/Expense For the Period Recognized in OCI I Profit Loss Ac	13.49	8.46

<b>(h) Balance Sheet Reconciliation</b>		
Opening Net Liability	6.31	30.72
Expenses Recognized in Statement of Profit or Loss	12.66	13.98
Expenses Recognized in OCI	13.49	8.46
Net Liability/(Asset) Transfer In	0.00	0.00
Net (Liability)/Asset Transfer Out	0.00	0.00
(Benefit Paid Directly by the Employer)	0.00	0.00
(Employer's Contribution)	0.00	(46.86)
Net Liability/(Asset) Recognized in the Balance Sheet	32.46	6.31
<b>(i) Category of Plan Assets:</b>		
Funded with LICI	100%	100%
Insurance fund	189.33	188.55
Cash and Cash Equivalents	0.00	0.00
<b>(j) Maturity profile of Defined Benefits Obligations:</b>		
1st Following Year	31.19	21.56
2nd Following Year	5.24	4.57
3rd Following Year	24.54	9.68
4th Following Year	6.05	23.25
5th Following Year	6.65	5.31
Sum of Years 6 To 10	99.10	74.98
Sum of Years 11 and above	365.45	322.14
<b>(k) Principal Actuarial Assumptions:</b>		
Discount Rate	6.93%	6.82%
Salary Growth Rate	7.00%	7.00%

Assumptions regarding future mortality experience are based on mortality tables of 'Indian Assured Lives Mortality (2006-2008)' published by the Institute of Actuaries of India.

The estimate of future salary increases takes into account inflation, seniority, promotion and other relevant factors, such as demand and supply in the employment market.

## **(II) Post Employment Defined Contributions Plans :**

### **(A) Provident Fund**

Certain categories of employees of the Company receive benefits from a provident fund, a defined contribution plan. Both the employee and employer make monthly contributions to a government administered fund at specified percentage of the covered employee's qualifying salary. The Company has no further obligations under the plan beyond its monthly contributions. During the year, an amount of Rs. 49.98 LACS (Previous Year- Rs. 37.39 LACS) has been recognised as expenditure towards above defined contribution plans of the Company.

### **(III) Leave Obligations**

The Company provides for accumulation of leave by certain categories of its employees. These employees can carry forward a portion of the unutilised leave balances and utilise it in future periods or receive cash (only in case of earned leave) in lieu thereof as per the Company's policy. The Company records a provision for leave obligations in the period in which the employee renders the services that increases this entitlement.

The total provision recorded by the Company towards this obligation was Rs. 42.59 LACS, and Rs. 26.21 LACAs at 31st March, 2022, and 31st March, 2021 respectively. The amount of the provision is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations.

However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

### **(IV) Risk Exposure**

Through its defined benefit plans, the Company is exposed to some risks, the most significant of which are detailed below:  
Discount Rate Risk

## Notes to Consolidated Financial Statements for the year ended 31st March, 2022

The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase the ultimate cost of providing the above benefit thereby increasing the value of the liability.

### Salary Growth Risks

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

### Demographic Risk

In the valuation of the liability, certain demographic (mortality and attrition rates) assumptions are made. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the benefit cost.

## 37 Segment Information

### A. Description of Segments and Principal Activities

The Company's Managing Director examines the Company's performance on the basis of its business and has identified single reportable segments:---- Dyes & Intermediates

## 38 Related Party Disclosures:

### A] List of parties where control exist

#### (i) Subsidiary Company

\* Cerecon Bio Sciences Private Limited (Formerly known as Dynamic Overseas (India) Pvt.Ltd.)

### B] Other related parties with whom transactions have taken place during the year

\* Ratnamani Bio Chemicals & Pharma Pvt Ltd

#### (ii) Associates :-

\* Dymenic Holdings Pvt Ltd

#### (iii) Key management personnel :-

Mr. B.K.Patel	Managing Director
Mr. Rameshbhai B.Patel	Wholetime Director
Mr.Dixit B.Patel	Wholetime Director
Mrs. Varsha Mehta	Company Secretary
Mrs. Amisha Patel	Chief Financial Officer

### C] Transactions with related parties :-

(Rs. In Lakhs)

Nature of Transaction	Key Managerial Personnel & their Relatives Rs.		Subsidiary Companies Amt.Rs.		Associates Amt.Rs.	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
<b>Fixed Deposits taken</b>						
Taken during the period	222.50	0.00	0.00	0.00	0.00	0.00
Repaid during the period	200.00	0.00	0.00	0.00	0.00	0.00
Closing Balance	22.50	0.00	0.00	0.00	0.00	0.00
<b>Loans &amp; Advances</b>						
Given during the period	0.00	0.00	0.00	0.00	0.00	0.00
Settled during the period	0.00	0.00	0.00	0.00	0.00	0.00
Closing Balance	0.00	0.00	0.00	0.00	0.00	0.00
<b>Investments</b>						
Given during the period	0.00	0.00	0.00	0.00	0.00	0.00
Settled during the period	0.00	0.00	0.00	0.00	0.00	0.00
Closing Balance	0.00	0.00	20.60	20.60	101.00	101.00
<b>Other Payments to KMP &amp; Related Parties</b>						

**Notes to Consolidated Financial Statements for the year ended 31st March, 2022**

Salaries etc to Directors & Related Parties (KMP)	296.28	329.00	0.00	0.00	0.00	0.00
Interest to Directors & Related Parties (KMP)	11.31	0.00	0.00	0.00	0.00	0.00
Sitting Fees to Directors	1.20	1.28	0.00	0.00	0.00	0.00
Commission to related parties	13.14	9.20	0.00	0.00	0.00	0.00
Amount Expended on be half of	11.87	5.86	0.00	0.00	0.00	0.00
Rent Income	0.00	0.00	0.00	0.00	0.12	0.12
Dividend Paid	0.00	0.00	0.00	0.00	0.00	0.00
Purchases	0.00	0.00	47.65	0.00	0.00	0.00

(iv) Terms and conditions of transactions with related parties

Transactions relating to dividend were on the same terms and conditions that applied to other shareholders.

The sales to and purchases from related parties are made in the ordinary course of business. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash/cheque. No provisions are held against receivables from related parties. There are no loans outstanding with related parties.

**39 Fair Value Measurements**

(i) Financial Instruments by Category	Note No.	31st March 2022	31st March 2021
		Carrying Amount/ Fair Value	Carrying Amount/ Fair Value
<b>Financial Assets</b>			
<b>Assets Carried at Fair Value through Profit or Loss</b>			
<b>Investments</b>			
Equity Instruments		0.00	0.00
Mutual Funds		0.00	0.00
Other Financial Assets		0.00	0.00
<b>Assets Carried at Amortised Cost</b>			
<b>Investments</b>			
Equity Instruments		9.62	9.62
Mutual Funds		1.81	2.66
Trade Receivables		4702.21	4151.66
Cash and Cash Equivalents		36.76	81.67
Other Bank Balances		245.63	8.20
Loans		3.37	7.03
Other Financial Assets		1570.36	815.36
<b>Total Financial Assets</b>		<b>6569.76</b>	<b>5076.21</b>
<b>Financial Liabilities</b>			
<b>Liabilities Carried at Amortised Cost</b>			
Borrowings (including current maturities and interest accrued)		7701.32	5619.93
Trade Payables		5105.69	2392.39
Other Financial Liabilities		510.40	249.62
<b>Total Financial Liabilities</b>		<b>13317.41</b>	<b>8261.94</b>

**(ii) Fair Values**

The fair values of financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended 31st March, 2021. The following methods and assumptions were used to estimate the fair values:

(a) In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors. Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.

**Notes to Consolidated Financial Statements for the year ended 31st March, 2022**

(b) The fair value of foreign exchange forward contracts is determined using forward exchange rates at the Balance Sheet date.

(c) The management assessed that fair values, of trade receivables, cash and cash equivalents, other bank balances, other financial assets (current), investments in commercial papers, trade payables, borrowings (current) and other financial liabilities (current), approximate to their carrying amounts largely due to the short-term maturities of these instruments. Further, management also assessed the carrying amount of certain loans and long-term borrowings at floating interest rates which are a reasonable approximation of their fair values and the difference between the carrying amounts and fair values is not expected to be significant.

(d) The fair value of remaining financial instruments is determined on discounted cash flow analysis using a current lending/discount rate, as considered appropriate.

For financial assets carried at fair value, the carrying amounts are equal to their fair values.

**(iii) Fair Value Hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows below.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds. The mutual funds are valued using the closing Net Asset Value.

**Level 2:** This is the case for unlisted equity securities included in level 2.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There are no transfers between level 1 and level 2 fair value measurements during the year ended 31st March, 2022 and 31st March, 2021.

**Rs. In Lakhs**

	<b>31st March 2022</b>		<b>31st March 2021</b>	
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 1</b>	<b>Level 2</b>
(a) Recognised and Measured at Fair Value - Recurring Measurements				
Financial Assets				
Investments				
Mutual Funds - Growth plan		1.81		2.66
Unquoted Equity Investments		0.00		0.00
(b) Amortised Cost for which Fair Values are Disclosed				
Financial Assets				
Investments				
Unquoted Equity Investments		9.62		9.62

**Fair Value Measurement using significant unobservable inputs (Level 2)**

Fair valuation of unquoted equity investments is based on valuation done by an external valuer using discounted cash flow method. A change in significant unobservable inputs used in such valuation (mainly earnings growth rate and risk adjusted discount rate) is not expected to have a material impact on the fair values of such assets as disclosed above. \*Amounts are below the rounding-off norm adopted by the Company

**40 Financial Risk Management**

The Company's activities expose it to credit risk, liquidity risk and market risk. In order to safeguard against any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered as per Company's policy to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments. The Company's senior management oversees the management of above risks. The senior executives working to manage the financial risks are accountable to the Audit Committee and the Board of Directors. This process provides assurance to the

## Notes to Consolidated Financial Statements for the year ended 31st March, 2022

Company's senior management that the Company's financial risks-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and the Company's risk appetite.

This Note explains the sources of risk which the entity is exposed to and how the entity manages the risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

### (A) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company is exposed to credit risk from its operating activities (primarily Trade Receivables) and from its investing activities (primarily Deposits with Banks and Investments in Mutual Funds).

#### Trade Receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. Customer credit risk is managed by each business unit subject to the Company's policy and procedures which involve credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit assurance. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience with customers.

The Company's exposure to customers is diversified and no single customer contributes to more than 10% of total revenues.

#### Other Financial Assets

Credit risk from balances with banks, term deposits, loans, investments and derivative instruments is managed by Company's finance department. Investments of surplus funds are made only with approved counterparties who meet the minimum threshold requirements. The Company monitors ratings, credit spreads and financial strength of its counterparties. The Company's maximum exposure to credit risk for the components of the Balance Sheet as of 31st March, 2022, and 31st March, 2021 is the carrying amounts as disclosed in Note 39 except for the financial guarantees. The Company's maximum exposure to financial guarantees is given in Note 40(B)(ii).

#### Financial Assets that are Neither Past Due Nor Impaired

None of the Company's cash equivalents with banks, loans and investments were past due or impaired as at 31st March, 2022, and 31st March, 2021. Of the total trade receivables, Rs. 470221479 as at 31st March, 2022, and Rs. 413548957 as at 31st March, 2021 consisted of customer balances that were neither past due nor impaired.

#### Financial Assets that are Past Due but Not Impaired

The Company's credit period for customers generally ranges from 0 - 180 days. The ageing of trade receivables that are past due but not impaired (net of provisions/allowances) is given below:

Period (in days)	Rs. In Lakhs	
	31st March 2022	31st March 2021
01-090	4663.80	4135.49
91-180	0.00	0.00
More than 180	38.42	16.17

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'past due' in the above tables are those that have not been settled within the terms and conditions that have been agreed with that customer. Other than trade receivables, the Company has no significant class of financial assets that is past due but not impaired.

### (B) Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum

## Notes to Consolidated Financial Statements for the year ended 31st March, 2022

levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and maintains adequate sources of financing.

### (i) Financing Arrangements

The Company had access to the following undrawn borrowing facilities (excluding non-fund based facilities) at the end of the reporting period:

	31st March 2022	31st March 2021
<b>Floating Rate</b>		
Expiring within one year (working capital facilities)	8.68	384.37

The working capital facilities may be drawn at any time and may be terminated by the bank without notice.

Subject to the continuance of satisfactory credit ratings, the above facilities may be drawn at any time within one year.

### (ii) Maturities of Financial Liabilities

The table below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Rs. In Lakhs

Contractual Maturities of Financial Liabilities	Within 1 year	Between 1 and 3 year	Total
<b>31st March, 2022</b>			
Borrowings	7701.32	9671.69	17373.01
Trade Payables	4875.69	230.00	5105.69
Other Financial Liabilities @ Financial Guarantee Contracts*	510.18	0.22	510.40
<b>Total</b>	<b>13087.19</b>	<b>9901.92</b>	<b>22989.11</b>
<b>31st March, 2021</b>			
Borrowings	5619.93	9662.15	15282.08
Trade Payables	2392.39	0.00	2392.39
Other Financial Liabilities @ Financial Guarantee Contracts*	249.41	0.21	249.62
<b>Total</b>	<b>8261.73</b>	<b>9662.36</b>	<b>17924.09</b>

### (C) Market Risk

#### (i) Foreign Currency Risk

Foreign currency risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company transacts business in local currency and in foreign currencies (primarily US Dollars and Euro). The Company has obtained foreign currency loans and has foreign currency trade receivables, trade payables and other financial assets/liabilities and is therefore exposed to foreign currency risk.

The Company strives to achieve asset-liability offset of foreign currency exposures and only the net position is hedged where considered necessary. The Company manages its foreign currency risk by hedging appropriate percentage of its foreign currency exposure per established risk management policy.

The Company uses forward exchange contracts to hedge the effects of movements in foreign exchange rates on foreign currency denominated assets and liabilities.

**(a) Foreign Currency Risk Exposure:**

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

**Rs. In Lakhs**

	31st March 2022			31st March 2021		
	USD	EURO	POUND	USD	EURO	POUND
<b>Financial Assets</b>						
Trade Receivables	3516.76	114.13	0.00	2694.95	119.48	0.00
Bank Balance in EEFC Account	1.18			53.06		
Other Financial Assets						
Derivative Assets						
Foreign Exchange Forward Contracts						
<b>Net Exposure to Foreign Currency Risk (Assets)</b>	<b>3517.94</b>	<b>114.13</b>	<b>0.00</b>	<b>2748.01</b>	<b>119.48</b>	<b>0.00</b>
<b>Financial Liabilities</b>						
Borrowings (including Current maturities)	10683.43	0.00	0.00	10700.82	0.00	0.00
Trade Payables	640.68	0.00	0.00	568.19	156.62	0.00
Other Financial Liabilities						
Derivative Assets						
Foreign Exchange Forward Contracts						
<b>Net Exposure to Foreign Currency Risk (Liabilities)</b>	<b>11324.11</b>	<b>0.00</b>	<b>0.00</b>	<b>11269.01</b>	<b>156.62</b>	<b>0.00</b>
<b>Net Exposure to Foreign Currency Risk (Assets -Liabilities)</b>	<b>-7806.17</b>	<b>114.13</b>	<b>0.00</b>	<b>-8521.00</b>	<b>-37.14</b>	<b>0.00</b>

**(b) Sensitivity**

The sensitivity of profit or loss to changes in the foreign exchange rates arises mainly from foreign currency denominated financial instruments.

	Impact on Profit before tax	
	31st March 2022	31st March 2021
USD Sensitivity		
INR/USD -Increase by 7%*	(546.43)	(596.47)
INR/USD -Decrease by 7%*	546.43	596.47
Euro Sensitivity		
INR/EUR-Increase by 7%*	7.99	(2.60)
INR/EUR-Decrease by 7%*	(7.99)	2.60

\* Holding all other variables constant

**(ii) Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of changes in market interest rates relates primarily to the Company's debt interest obligation. Further the Company engages in financing activities at market linked rates, any changes in the interest rate environment may impact future rates of borrowings. To manage this, the Company may enter into interest rate swaps. The management also maintains a portfolio mix of floating and fixed rate debt.

The Company's fixed rate borrowings and investments in term deposits with bank are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

## Notes to Consolidated Financial Statements for the year ended 31st March, 2022

### (a) Interest Rate Risk Exposure

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

	Rs. In Lakhs	
	As At 31st March 2022	As At 31st March 2021
Variable Rate Borrowings	5241.32	4215.63
Fixed Rate Borrowings	12109.19	11066.45
<b>Total Borrowings</b>	<b>17350.51</b>	<b>15282.08</b>

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding:

	Weighted average interest rate (%)	Balance	% of Total Loans
<b>31st March 2022</b>			
Cash Credit/Packing Credit Facilities	2.58%	5241.32	30.21
<b>31st March 2021</b>			
Cash Credit/Packing Credit Facilities	3.04%	4215.63	27.59

An analysis by maturities is provided in Note 44(B)(ii) above. The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings.

### (b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

	Impact on Profit before tax	
	As At 31st March 2022	As At 31st March 2021
Interest Rates - Increase by 100 basis points (100 bps) *	52.41	42.80
Interest Rates - Decrease by 100 basis points (100 bps) *	52.41	41.51

\* Holding all other variables constant

### (iii) Securities Price Risk

Securities price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded prices.

The Company invests its surplus funds in various debt instruments. These comprise of mainly liquid schemes of mutual funds, short term debt funds & income funds (duration investments) and fixed deposits.

To manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio.

Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments.

### (a) Securities Price Risk Exposure

The Company's exposure to securities price risk arises from investments in mutual funds held by the Company and classified in the Balance Sheet as fair value through profit or loss

### (iv) Commodity Price Risk

Exposure to market risk with respect to commodity prices primarily arises from the Company's sales of dyes and intermediates, including the raw material components for such products. Cost of raw materials forms the largest portion of the Company's cost of sales. Market forces generally determine prices for the goods sold by the Company. These prices may be influenced by factors such as supply and demand, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sales of goods.

Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. The Company has not entered into any derivative contracts to hedge exposure to fluctuations in commodity prices.

**Notes to Consolidated Financial Statements for the year ended 31st March, 2022**
**41 Capital Management**
**(a) Risk Management**

The Company's objectives when managing capital are to

\* safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

\* maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital on the basis of the net debt to equity ratio. Net debt are long-term and short-term debts as reduced by cash and cash equivalents. The Company is not subject to any externally imposed capital requirements.

The following table summarises the capital of the Company:

	<b>Rs. In Lakhs</b>	
	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
Total Borrowings	17350.51	15282.08
Less: Cash and cash equivalents	282.38	89.88
<b>Net Debt</b>	<b>17068.12</b>	<b>15192.20</b>
Equity	17047.80	15634.92
Total Capital (Equity+ Net Debt)	34115.93	30827.12
<b>Net Debt to Equity ratio</b>	<b>50%</b>	<b>49%</b>

No changes were made to the objectives, policies or processes for managing capital during the years ended 31st March, 2022 and 31st March, 2021.

**(b) Dividends on Equity Shares**

	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
<b>Dividend Declared and Paid during the year</b>	NIL	NIL
<b>Proposed Dividend Not Recognised at the End of the Reporting Period</b>	NIL	NIL

**42 Assets Pledged/ Hypothecated as Security**

	<b>As At 31st March 2022</b>	<b>As At 31st March 2021</b>
<b>Current</b>		
First Charge		
Financial Assets		
Trade Receivables under Bill Discounting (Refer below)	2038.69	978.67
Other Trade Receivables	-2038.69	-978.67
Non-financial Assets		
Inventories	5205.00	3616.21
<b>Sub-total</b>	<b>5205.00</b>	<b>3616.21</b>
<b>Non-current</b>		
First Charge/Second Charge		
ASSETS UNDER CONSTRUCTION	0.00	7110.88
Leasehold Land	1338.98	156.53
Buildings	9656.49	1276.03
Plant and Equipments	15973.93	1912.95
Furniture and Fixtures	103.85	8.44
Office Equipments	32.50	11.20
Vehicles	52.50	49.30
<b>Sub-total</b>	<b>27158.25</b>	<b>10525.32</b>
<b>Total</b>	<b>32363.25</b>	<b>14141.53</b>

## Notes to Consolidated Financial Statements for the year ended 31st March, 2022

### Trade Receivables under Bill Discounting

The carrying amount of trade receivables include receivables which are subject to bill discounting arrangement. Under this arrangement, the Company has discounted the relevant receivables in exchange of cash and is prevented from selling or pledging the receivables. However, the Company has retained late payment and credit risk. The Company therefore continues to recognise such receivables in their entirety in its balance sheet. The amount payable under the bill discounting arrangement is presented as secured borrowings (Refer Note 15).

### 43 Relationship with Struck off Companies, if any.

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the Struck off company, if any,
NIL	Investments in securities	NIL	NIL
NIL	Receivables	NIL	NIL
NIL	Payables	NIL	NIL
NIL	Other outstanding balances	NIL	NIL

### 44 Registration of charges or satisfaction with Registrar of Companies (ROC)

Where any charges or satisfaction yet to be registered with ROC beyond the statutory period, details and reasons thereof shall be disclosed.

### 45 Ratios Analysis:-

Name of Ratio	Numerator	Denominator	31st March 2022	31st March 2021	% changes over previous year	Reasons for more than 25% changes
(a) Current Ratio,	Current assets	Current Liabilities	0.99	1.19	17.19%	NA
(b) Debt-Equity Ratio	Total Debt	Total Equity	1.43	1.24	-14.95%	NA
(c) Debt Service Coverage Ratio,	PAT+Depr. +Int on TL	Int on TL +Repayment of TL	0.87	2.00	56.24%	See Note#
(d) Return on Equity Ratio,	PAT	Total Equity	8.38%	18.22%	53.98%	See Note#
(e) Inventory turnover ratio,	Total Inventory	Total Revenue from Operation	0.21	0.18	-17.46%	NA
(f) Trade Receivables turnover ratio,	Trade Receivables	Total Revenue from Operation	0.19	0.20	7.57%	NA
(g) Trade payables turnover ratio,	Trade Payables	Total Purchases	0.34	0.21	-61.60%	See Note#
(h) Net capital turnover ratio,	Total Revenue from Operation	Total Equity	1.48	1.31	-12.39%	NA
(i) Net profit ratio,	Net Profit (PAT)	Total Revenue from Operation	5.68%	13.86%	59.05%	See Note#
(j) Return on Capital employed,	Net Profit (PAT)	Total Equity +Long Term Borrowings	5.35%	11.26%	52.49%	See Note#
(k) Return on investment.	Net Profit (PAT)	Total Capital Employed	3.45%	8.11%	57.50%	See Note#

**Note:-#** During the current year FY 2021-22, the company has started the production at Unit -3 at Dahej and has transferred capital working progress amounting to Rs. 25615.82 lacs to the respective assets and has claimed the depreciation thereon and has also started the charging of the interest and other production and administrative expenses to the Profit Loss a/c, effective from July 21 for some assets and from October 21 for some assets and due to this there is losses at Unit 3 at Dahej amounting to Rs. 1826.38 lacs and this has major impact on all these ratios.

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**Notes to Consolidated Financial Statements for the year ended 31st March, 2022**

**46** The figure of the Previous year has been re grouped or rearranged to make them comparable with current period.

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**For : DYNEMIC PRODUCTS LIMITED**  
**For : ASIM RAVINDRA & ASSOCIATES**  
**CHARTERED ACCOUNTANTS.**  
FRN. 118775W

**(B. K. Patel)**  
Managing Director

**(D. B. Patel)**  
Director

**[RAVINDRA MEHTA]**  
**PARTNER**  
M. No. 043051

**(R. B. Patel)**  
Director

Place : Ahmedabad  
Date : 30/05/2022

**(Varsha Mehta)**  
Company Secretary

**(Amisha Patel)**  
Chief Financial Officer





**DYNEMIC PRODUCTS LIMITED**

CIN: L24100GJ1990PLC013886

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