



DYNAMIC[®]
PRODUCTS LTD.

33rd ANNUAL REPORT
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DYNAMIC PRODUCTS LIMITED



Bhagwandas K. Patel
Managing Director



Dear Members,

FY 2022-23 was a year full of ups and downs, with both positive developments and challenges for your business.

India's dyes and organic chemicals exports have experienced a significant decline in the last financial year, primarily due to weak global demand. Despite these challenges, your company remained dedicated to strengthening its core by expanding our product portfolio, entering new markets, and emphasizing quality, all seem to be key drivers for your company's growth over the medium and long term.

Revenue from Operations stood at INR 29,575 Lacs in FY 22-23 recording a growth of 17% in comparison with FY 21-22 i.e. INR 25,220 Lacs. Earnings Before Interest, Depreciation, Tax and Amortization (EBIDTA) for FY 22-23 stood at INR 2,891 Lacs which was INR 4300 Lacs in FY 21-22. There was a net loss of INR 361 Lacs in FY 22-23. The increased cost of Dahej (mainly Depreciation, Interest and Fixed Overhead cost) and the world wide slow down in demand resulted loss in FY 2022-23.

The fiscal year 2022–2023 was difficult for all the industries, both on the export as well as domestic. The market was hampered due to disturbance between Ukraine and Russia and its effects on the world economy. There was a global scarcity of dollars needed to make payments in many nations. Further, the geo-political issues that erupted in the last quarter of FY22 resulted in a significant supply chain disruption globally, the surge in energy costs owing to the spike in coal and gas prices as well as an increase in raw materials. The incremental cost could not be completely passed on to the end customers.

To meet the working capital requirements the Company has come up with Rights Issue in FY 22-23 and raised Rs. 1610.10 Lacs. The Board of Directors of your Company, after considering the financial performance has decided not to recommend dividend for the FY 22-23.

“It is often the small steps, not the giant leaps, that bring about the most lasting change”

I would like to thank our customers, suppliers and other partners for their continued faith in our capabilities and helping us in improving our process 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 23-24 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

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

Company Secretary

Varsha Mehta

Chief Financial Officer

Ankit Shah

Registered Office

B-301, Satyamev Complex-1,
Opposite Gujarat High Court,
S.G. Road, Sola, Ahmedabad - 380060.
Telephone No. : 079-27663071, 9924011755
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, Dahej-III Industrial Estate,
Tal : Vagra, Dist : Bharuch, Gujarat

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THIRTY THREE ANNUAL GENERAL MEETING

DATE : September 12, 2023

DAY : Tuesday

TIME : 3.00 P.M.

THRU : VC/ OVAM

NOTE :

1. In compliance with the MCA and SEBI Circular, Notice of the AGM along with the Annual Report 2022-23 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 2022-23 has been uploaded on the website of the Company at 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 and 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.
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 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
CIN - L24100GJ1990PLC013886

Notice

Notice is hereby given that the 33rd Annual General Meeting of the Company will be held through Video Conferencing / Other Audio Visual Means on Tuesday, September 12, 2023, at 3.00 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, 2023, 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, 2023 and the Report of the Auditors thereon.
2. To appoint a Director in place of Shri Dixitbhai B. Patel, (holding DIN No. 00045883), 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 Dixitbhai B. Patel (DIN: 00045883), 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."

Special Business :

3. To ratify payment of remuneration to the Cost Auditors of the Company for FY 2023-24

To Consider and if thought fit to pass the following resolution 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, 2024, amounting to Rs. 1,15,000 (Rupees One Lac Fifteen 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."

4. Appointment of Shri Vikash Jain as an Independent Director of the Company

To Consider and if thought fit, to pass the following resolution as a Special Resolution:-

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") read with the Rules framed thereunder, and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the LODR Regulations") [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], approval and recommendation of the Nomination and Remuneration Committee and that of the Board, consent of the members be and is hereby accorded for appointment of Shri Vikash Jain (DIN : 02273508) as an Independent Director, who meets the criteria for independence under Section 149(6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of the LODR Regulations, to hold office for the period of 5 consecutive years from April 01, 2024 to March 31, 2029, and that he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Bhagwandas K. Patel, Managing Director of the Company be and is hereby severally authorized to do all acts, deeds and things as may be necessary or expedient to give effect to the resolution."

5. Appointment of Shri Iyengar Padmanabhan as an Independent Director of the Company

To Consider and if thought fit, to pass the following resolution as a Special Resolution:-

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") read with the Rules framed thereunder, and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the LODR Regulations") [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], approval and recommendation of the Nomination and Remuneration Committee and that of the Board, consent of the members be and is hereby accorded for appointment of Shri Iyengar Padmanabhan (DIN : 08723173) as an Independent Director, who meets the criteria for independence under Section 149(6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of the LODR Regulations, to hold office for the period of 5 consecutive years from April 01, 2024 to March 31, 2029, and that he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Bhagwandas K. Patel, Managing Director of the Company be and is hereby severally authorized to do all acts, deeds and things as may be necessary or expedient to give effect to the resolution."

6. Issuance of equity shares on a preferential basis ("Preferential Issue") to the Non-Promoter investors for cash consideration

To Consider and if thought fit, to pass the following resolution as a Special Resolution:-

"RESOLVED THAT pursuant to the provisions of Section(s) 23(1)(b), 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder including the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory amendment(s) or modification(s) thereto or enactment(s) or re-enactment(s) thereof for the time being in force) ("the Act") and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time ("ICDR Regulations"), including the provisions of Chapter V of the ICDR Regulations, SEBI (Listing

Obligations and Disclosures Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") and the listing agreement executed by the Company with the Stock Exchanges, any other rules / regulations / guidelines, if any, prescribed by the Securities and Exchange Board of India ("SEBI"), Reserve Bank of India ("RBI"), Ministry of Corporate Affairs ("MCA"), stock exchanges where the shares of the Company are listed namely, BSE Limited and National Stock Exchange of India Limited (collectively, "Stock Exchanges"), and/or any other statutory / regulatory authority, provisions under Foreign Exchange Management Act, 1999, as amended, and the rules and regulations framed thereunder, Memorandum and Articles of Association of the Company, and subject to the approval(s), consent(s), permission(s) and/or sanction(s), if any, of the appropriate authorities (including regulatory or statutory authorities), institutions or bodies as may be required, and subject to such conditions and modifications, as may be prescribed by any of them while granting any such approval(s), consent(s), permission(s), and/or sanction(s), and which may be agreed to by the board of directors of the Company (hereinafter referred to as the "Board" which terms shall be deemed to include any committee(s) which the Board may have constituted or hereinafter constitute to exercise its power including the powers conferred by this resolution) and subject to any other alteration(s), modification(s), condition(s), correction(s), change(s) and variation(s) that may be decided by the Board in its absolute discretion, the consent and approval of the Members of the company be and is hereby accorded to create, issue, offer and allot upto 3,50,000 (Three lakh Fifty Thousand) fully paid-up Equity Shares at a price of *Rs 308.50/- (Rupees Three Hundred Eight and Fifty Paise Only) per Equity Share Including premium of Rs. 298.50 (Rupees Two Hundred Ninety-Eight and Fifty Paise Only), aggregating upto Rs. 10,79,75,000 (Rupees Ten Crore Seventy-Nine Lakh Seventy-Five Thousand Only) to the non-promoter investors as mentioned below ("Investors" / "Proposed Allottees") for cash consideration by way of a preferential issue on a private placement basis ("Preferential Issue"), and on such terms and conditions as may be determined by the Board in accordance with the ICDR Regulations and other applicable laws.

Sr. No.	Name of Proposed allottees	Category	Maximum Number of Equity Shares to be issued and allotted	Amount (In Rs.)
1	Elpro International Limited	Non-Promoter, Body Corporate	3,50,000	10,79,75,000
Total			3,50,000	10,79,75,000

* Refer point 6 of the Explanatory Statement under Item No.6 and 7 for the basis on which price has been arrived.

RESOLVED FURTHER THAT in accordance with the provisions of Regulation 161 of the ICDR Regulations, the "Relevant Date" for the purpose of calculating the floor price for the preferential allotment of equity shares be and is hereby fixed as Friday, August 11, 2023 being the working day preceding the date that is 30 (thirty) days prior to the date of the this AGM (Since the date that is 30 (thirty) days prior to the date of the this AGM falls on weekend i.e. Sunday, August 13, 2023, therefore, Friday, August 11, 2023 being the preceding working day of weekend shall be reckoned as the Relevant Date as per the explanation provided in the regulation 161 of ICDR Regulations).

RESOLVED FURTHER THAT the minimum price of the equity shares so issued shall not be less than the price arrived at in accordance with Chapter V of the ICDR Regulations. The equity shares of the company have been frequently traded as on the relevant date and considering that the allotment to the proposed allottees is more than five percent of the post issue fully diluted share capital of the issuer. Therefore, as per regulation 166A of SEBI ICDR Regulation, the company has obtained valuation report dated August 14, 2023 issued by Mrs. Sejal Ronak Agrawal, Chartered Accountant, Registered Valuer (IBBI Registration No. IBB I/RV/06/2020 /13106) and the price of the equity shares has been determined taking into account the valuation report of the registered valuer. (Please refer to paragraph 6 of item no. 6 of explanatory for the details of the valuation report obtained in relation to the Company. The valuation report is available for inspection at the Registered Office of the company during the business hours on any working days and the same can also access at Company's website i.e. www.dynemic.com).

RESOLVED FURTHER THAT the Equity Shares being offered, issued and allotted to the Proposed Allottees by way of a preferential allotment shall inter-alia be subject to the following terms and conditions:

- The Equity Shares to be issued and allotted pursuant to the Preferential Issue shall be listed and traded on the Stock Exchanges subject to receipt of necessary regulatory permissions and approvals as the case maybe.
- The Equity Shares allotted shall be subject to lock-in for such period as specified in the provisions of Chapter V of the SEBI ICDR Regulations, 2018. However, in addition to the lock-in period prescribed under ICDR Regulations, 2018 the said Equity Shares shall along with any further issuance of shares such as Bonus Shares, which may arise in future, shall be locked in for a further period as may be mutually agreed upon by the Company and the Proposed Allottee.
- The Equity Shares to be issued and allotted shall be fully paid up and rank pari passu with the existing Equity Shares of the Company in all respects from the date of allotment thereof, be subject to the requirements of all applicable laws and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company.
- The Equity Shares shall be allotted in dematerialized form within a period of 15 days from the date of passing of the special resolution by the Members or such other extended period as may be permitted in accordance with the SEBI ICDR Regulations, as amended from time to time. Where the allotment of the Shares is pending on account of pendency of any approval for the preferential issue by any regulatory / statutory authority (including but not limited to the in-principle approval of the stock exchanges for the issuance of the equity shares to Proposed Allottees on a preferential basis), the allotment shall be completed within a period of 15 (fifteen) days from the date of such approval;
- The respective Allottees shall make payment of equity shares price from their own bank account into the designated bank account of the Company and in the case of joint holders, shall be received from the bank account of the person whose name appears first in the application.

- f) In terms of Regulation 166 of the ICDR Regulations, the price of equity shares determined above to be allotted shall be subject to appropriate adjustments, if applicable. If the amount payable on account of the re-computation of price is not paid within the time stipulated in the ICDR Regulations, the equity shares shall continue to be locked-in till the time such amount is paid by the allottees.
- g) The Equity Shares so offered, issued and allotted shall not exceed the number of Equity Shares as approved herein above. Without prejudice to the generality of the above, the issue of the Equity Shares shall be subject to the terms and conditions as contained in the explanatory statement under Section 102 of the Act annexed hereto, which shall be deemed to form part hereof.

RESOLVED FURTHER THAT subject to SEBI (ICDR) Regulations and other applicable laws, the Board be and is hereby authorized to decide, approve, vary, modify and alter the terms and conditions of the issue of the Equity Shares, as it may, in its sole and absolute discretion deem fit within the scope of this approval of Members and expedient and to make an offer to the Proposed Allottees through private placement offer cum application letter (in Form PAS-4 as prescribed under the Companies Act, 2013), without being required to seek any further consent or approval of the Members.

RESOLVED FURTHER THAT the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary or desirable for such purpose and for the purpose of giving effect to this resolution, including without limitation (i) to vary, modify or alter any of the relevant terms and conditions, attached to the Equity Shares to be allotted to the Proposed Allottees for effecting any modifications, changes, variations, alterations, additions and/or deletions to the preferential allotment as may be required by any regulatory or other authorities or agencies involved in or concerned with the issue of the equity shares, (ii) making applications to the stock exchanges for obtaining in-principle approvals, (iii) listing of shares, (iv) filing requisite documents with the Ministry of Corporate Affairs ("MCA") and other regulatory authorities, (v) filing of requisite documents with the depositories, (vi) to resolve and settle any questions and difficulties that may arise in the preferential allotment, (vii) issue and allotment of the Equity Shares, and (viii) to take all other steps which may be incidental, consequential, relevant or ancillary in relation to the foregoing without being required to seek any further consent or approval of the members of the Company, and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and the decision of the Board in relation to the foregoing shall be final and conclusive.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the power herein conferred, to any committee or to one or more Directors or Company Secretary of the Company including making necessary filings with the Stock Exchanges and Regulatory Authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint Consultants, Professional Advisors and Legal Advisors to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolution be and are hereby approved, ratified and confirmed in all respects."

7. Issue of Convertible Equity Warrants on preferential basis to Promoter/ Promoter Group and non-promoter investors for cash consideration

To Consider and if thought fit, to pass the following resolution as a Special Resolution:-

"RESOLVED THAT pursuant to the provisions of Section(s) 23(1)(b), 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder including the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory amendment(s) or modification(s) thereto or enactment(s) or re-enactment(s) thereof for the time being in force) ("the Act") and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time ("ICDR Regulations"), including the provisions of Chapter V of the ICDR Regulations, SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") and the listing agreement executed by the Company with the Stock Exchanges, any other rules / regulations / guidelines, if any, prescribed by the Securities and Exchange Board of India ("SEBI"), Reserve Bank of India ("RBI"), Ministry of Corporate Affairs ("MCA"), stock exchanges where the shares of the Company are listed namely, BSE Limited and National Stock Exchange of India Limited (collectively, "Stock Exchanges"), and/or any other statutory / regulatory authority, provisions under Foreign Exchange Management Act, 1999, as amended, and the rules and regulations framed thereunder, Memorandum and Articles of Association of the Company, and subject to the approval(s), consent(s), permission(s) and/or sanction(s), if any, of the appropriate authorities (including regulatory or statutory authorities), institutions or bodies as may be required, and subject to such conditions and modifications, as may be prescribed by any of them while granting any such approval(s), consent(s), permission(s), and/or sanction(s), and which may be agreed to by the board of directors of the Company (hereinafter referred to as the "Board" which terms shall be deemed to include any committee(s) which the Board may have constituted or hereinafter constitute to exercise its power including the powers conferred by this resolution) and subject to any other alteration(s), modification(s), condition(s), correction(s), change(s) and variation(s) that may be decided by the Board in its absolute discretion, the consent and approval of the Members of the company be and is hereby accorded Board to create, issue, offer and allot, from time to time in one or more tranches, up to 4,00,000 (Four lakhs) Convertible Equity Warrants, each convertible into, or exchangeable for, 1 (one) fully paid-up equity share of the Company having face value of Rs. 10/- (Rupee Ten Only) each (hereinafter referred to as "Warrants") at a price (including the Warrant Subscription Price and the Warrant Exercise Price) of *Rs. 308.50/- (Rupees Three Hundred Eight and Fifty Paise Only) Including premium of Rs. 298.50 (Rupees Two Hundred Ninety-Eight and Fifty Paise Only) each payable in cash ("Warrant Issue Price"), aggregating upto Rs 12,34,00,000 (Rupees Twelve Crore Thirty-Four Lakh Only) on a preferential basis to promoter/promoter group and non-promoter investors persons / entity listed below ("Warrant Holder(s)"/"Proposed Allottee(s)") subject to the maximum entitlement of each Warrant Holder as specified below, upon receipt of Rs. 77.125/- (Rupees Seventy Seven and One Hundred Twenty Five Paise Only) for each Warrant, which is equivalent to 25% (twenty five per cent) of the Warrant Issue Price as upfront payment ("Warrant Subscription Price") entitling the Warrant Holder(s) to apply for and get allotted one Equity Share of the Company against every Warrant held

and in one or more tranches within a maximum period of 18 (eighteen) months from the date of allotment of Warrants, on payment of Rs. 231.375/- (Rupees Two Hundred Thirty One and Three Hundred Seventy Five Paise only) which is equivalent to remaining 75% (Seventy-five per cent) of the Warrant Issue Price, for each Warrant proposed to be converted, in such manner and upon such terms and conditions as may be deemed appropriate by the Board in accordance with the terms of this issue, provisions of ICDR Regulations, or other applicable laws in this respect:

Sr. No.	Name of Proposed allottees	Category	Maximum Number of Equity Shares to be issued and allotted	**Total Amount (In Rs.)
1	Bhagwandas Kalidas Patel	Promoter, Individual and Managing Director	36,000	1,11,06,000
2	Rameshkumar Bhagwandas Patel	Promoter, Individual and Executive Director	28,000	86,38,000
3	Kirtikumar Bhagwandas Patel	Promoter Group, Individual	28,000	86,38,000
4	Dixit Bhagwandas Patel	Promoter, Individual and Executive Director	20,000	61,70,000
5	Elpro International Limited	Non-Promoter, Body Corporate	1,50,000	4,62,75,000
6	Anushree Gadodia	Non-Promoter, Individual	40,000	1,23,40,000
7	Vipul Maheshwari	Non-Promoter, Individual	36,000	1,11,06,000
8	Ankur Maheshwari	Non-Promoter, Individual	34,000	1,04,89,000
9	Ravi Patel	Non-Promoter, Individual	13,000	40,10,500
10	Mausam Sethia	Non-Promoter, Individual	10,000	30,85,000
11	Preeti Sethia	Non-Promoter, Individual	5,000	15,42,500
Total			4,00,000	12,34,00,000

* Refer point 6 of the Explanatory Statement under Item No 6 & 7 for the basis on which price has been arrived.

** Twenty Five percent of the total consideration amount shall be paid by the allottees on or before the allotment of equity warrants and balance consideration i.e. Seventy-Five Per Cent shall be paid at the time of exercise of option.

RESOLVED FURTHER THAT in accordance with the provisions of Regulation 161 of the ICDR Regulations, the "Relevant Date" for the purpose of calculating the floor price for the issue of Equity Shares of the Company pursuant to the exercise of conversion of the Warrants be and is hereby fixed as Friday, August 11, 2023 being the working day preceding the date that is 30 (thirty) days prior to the date of the this AGM (Since the date that is 30 (thirty) days prior to the date of the this AGM falls on weekend i.e. Sunday, August 13, 2023, therefore, Friday, August 11, 2023 being the preceding working day of weekend shall be reckoned as the Relevant Date as per the explanation provided in the regulation 161 of ICDR Regulations)

RESOLVED FURTHER THAT the minimum price of the equity shares so issued shall not be less than the price arrived at in accordance with Chapter V of the SEBI (ICDR Regulations). The equity shares of the company have been frequently traded as on the relevant date and considering that the allotment to the proposed allottees is more than five percent of the post issue fully diluted share capital of the issuer. Therefore, as per regulation 166A of SEBI ICDR Regulation, the company has obtained valuation report dated August 14, 2023 issued by Mrs. Sejal Ronak Agrawal, Chartered Accountant, Registered Valuer (IBBI Registration No. IBB I/RV/06/2020 /13106) and the price of the equity shares has been determined taking into account the valuation report of the registered valuer. (Please refer to paragraph 6 of item no. 7 of explanatory for the details of the valuation report obtained in relation to the Company. The valuation report is available for inspection at the Registered Office of the company during the business hours on any working days and the same can also access at Company's website i.e. www.dynemic.com).

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of the equity shares issued on conversion of said warrants shall be subject to the Memorandum of Association and Articles of Association of the company and shall rank pari passu in all respects including dividend with the existing fully paid-up equity shares of the company.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue of Warrants and the Equity Shares to be allotted on conversion of warrants shall be subject to the following terms and conditions:

- The tenure of the warrant in accordance with the regulation 162 of ICDR Regulations shall not be exceeding 18 months from the date of allotment.
- The Equity Shares to be so allotted on exercise of the Warrants shall be in dematerialized form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including dividend, with the existing Equity Shares of the Company. The Warrants may be exercised into Equity Shares as aforesaid by the Warrant holder(s) at any time before the expiry of 18 months from the date of allotment of the Warrants.
- In accordance with the provisions of Chapter V of ICDR Regulations, 25% (Twenty-Five Per Cent) of the Warrant Issue Price, shall be paid by the Warrant Holders to the Company on or before allotment of the Warrants and the balance consideration i.e. 75% (Seventy-Five Per Cent) of the Warrant Issue Price shall be paid at the time of exercise of option to apply for fully paid up Equity Shares of the Company, against each such Warrants held by the Warrant Holder.
- The Warrant Holders shall be entitled to exercise his option to convert any or all of the Warrants into Equity Shares of the Company in one or more tranches after giving a written notice to the Company, specifying the number of Warrants proposed to be exercised along with the aggregate Warrant Exercise Price payable thereon, without any

- further approval from the shareholders of the Company prior to or at the time of conversion. The Company shall accordingly, issue and allot the corresponding number of Equity Shares of the Company to the Warrant Holders.
- e) The respective Warrant Holders shall make payment of Warrant Subscription Price and Warrant Exercise Price from their own bank account into the designated bank account of the Company and in the case of joint holders, shall be received from the bank account of the person whose name appears first in the application.
 - f) The tenure of Warrants shall not exceed 18 (eighteen) months from the date of allotment. In the event the right attached to the Warrants is not exercised within 18 (eighteen) months from the date of allotment of Warrants, the unexercised Warrants shall lapse, and the amount paid by the Warrant Holder in relation to such Warrants, at the time of subscription, shall stand forfeited;
 - g) In terms of Regulation 166 of the ICDR Regulations, the price of Warrants determined above and the number of Equity Shares to be allotted on exercise of the Warrants shall be subject to appropriate adjustments, if applicable. If the amount payable on account of the re-computation of price is not paid within the time stipulated in the ICDR Regulations, the Warrants shall continue to be locked-in till the time such amount is paid by the Warrant Holder.
 - h) Upon exercise of the option by Warrant Holder(s), the Company shall issue and allot appropriate number of Equity Shares and perform all such actions as are required including to credit the same to the designated demat account of the Warrant Holders.
 - i) The Equity Shares arising from the exercise of Warrants will be listed on the Stock Exchanges, subject to the receipt of necessary regulatory permissions and approvals, as may be required;
 - j) The Warrants by itself, until exercised and converted into Equity Shares, shall not give to the Warrant Holders thereof any rights with respect to that of an Equity shareholder of the Company;

RESOLVED FURTHER THAT the pre-preferential allotment shareholding of the Warrant Holders, if any, in the Company shall also be subject to lock-in as per the provisions of the ICDR Regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorized to accept any modification(s) or modify the terms of issue of warrants, subject to the provisions of the Act and ICDR Regulations, without being required to seek any further consent or approval of the Members of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of the Act and subject to receipt of such approvals as may be required under applicable law, the consent of the Members of the Company be and is hereby accorded to record the name and address of the allottees and issue a private placement offer cum application letter in the Form PAS-4 to the allottees inviting the Investor to subscribe to the warrants in accordance with the provisions of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of Equity Shares of the Company as may be required to be issued and allotted upon exercise of the option in the Warrants held by the Warrant holder(s).

RESOLVED FURTHER THAT the Board be and is hereby authorized to, do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable to give effect to the above resolutions, including without limitation to issue and allot Equity Shares upon exercise of the Warrants, to issue certificates/ clarifications on the issue and allotment of Warrants and thereafter allotment of Equity Shares further to exercise of the Warrants, effecting any modifications to the foregoing (including to determine, vary, modify or alter any of the terms and conditions of the Warrants including deciding the size and timing of any tranche of the Warrants), entering into contracts, arrangements, agreements, memorandum, documents to give effect to the resolutions above (including for appointment of agencies, consultants, intermediaries and advisors for managing issuance of Warrants and listing and trading of Equity Shares issued on exercise of Warrants), including making applications to Stock Exchanges for obtaining of in-principle approval, filing of requisite documents with the Registrar of Companies, ("ROC"), National Securities Depository Limited ("NSDL"), Central Depository Services (India) Limited ("CDSL") and/ or such other authorities as may be necessary for the purpose, and to take all such steps as may be necessary for the admission of the Warrants and Equity Shares (to be issued on exercise of the Warrants) with the depositories, viz. NSDL and CDSL and for the credit of such Warrants / Shares to the respective dematerialized securities account of the Warrant Holders, and to delegate all or any of the powers conferred on it by this resolution to any director(s) or officer(s) of the Company and to revoke and substitute such delegation from time to time, as deemed fit by the Board, to give effect to the above resolutions and also to initiate all necessary actions for and to settle all questions, difficulties, disputes or doubts whatsoever that may arise, without limitation in connection with the issue and utilization of proceeds thereof, and take all steps and decisions in this regard, without being required to seek any further consent or approval of the members of the Company or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the power herein conferred, to any committee or to one or more Directors or Company Secretary of the Company including making necessary filings with the Stock Exchanges and Regulatory Authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint Consultants, Professional Advisors and Legal Advisors to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolution be and are hereby approved, ratified and confirmed in all respects."

By Order of the Board

Varsha R. Mehta
Company Secretary
Membership No. A24312

Ahmedabad
August 14, 2023

Notes

1. Ministry of Corporate Affairs ("MCA") has vide its Circular No. 10/2022 dated December 28, 2022 read with Circular No.14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 5, 2020 (collectively referred to as MCA Circulars) and Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("SEBI Listing Regulations"), MCA Circulars and SEBI Circulars, the AGM of the members of the Company is being held through VC / OAVM. The deemed venue of the AGM will be the Registered Office of the Company.
2. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website, websites of Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited and on the website of CDSL (agency for providing the VC and e-Voting facility) i.e. www.evoting.cdsi.com.
3. Members desirous of getting any information on any items of business of this Meeting are requested to address their queries to Ms. Varsha Mehta, Company Secretary at the email address of the Company 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.
4. 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.
5. Pursuant to provisions of the Companies Act, 2013, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
6. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Act.
7. The Members can join the 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 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 AGM without restriction on account of first come first served basis.
8. 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.
9. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
10. For receiving all communication (including Annual Report) from the Company electronically:
 - (a) Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update their email address with the Company or RTA.
 - (b) Members holding shares in dematerialised mode are requested to register/ update their email addresses with the relevant Depository Participant.
11. 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.

12. 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.
13. 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.
14. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR - 4, the format of which is available on the Company's website at <https://www.bigshareonline.com/Resources.aspx> It may be noted that any service request can be processed only after the folio is KYC Compliant.
15. Your attention is invited on the Companies (Significant Beneficial Ownership) amendment Rules, 2019 as amended from time to time issued by the Ministry of Corporate Affairs on February 8, 2019. As per said amended rules, a person is considered as a Significant Beneficial Owner if he/she, whether acting alone, together or through one or more individuals or trust holds a beneficial interest of at least 10%. The beneficial interest could be in the form of a company's shares or the right to exercise significant influence or control over the company. If any Shareholder is holding shares in the Company on behalf of other or fulfilling the criteria, the shareholder is required to give a declaration specifying the nature of his/her interest and other essential particulars in the prescribed manner and within the permitted time frame.
16. 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 Saturday, September 9, 2023 at 9.00 a.m. and ends on Monday, September 11, 2023 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. Tuesday, September 5, 2023 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 CDSL Depository	<ol style="list-style-type: none"> 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 https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 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 & 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. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 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 www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & 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.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 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: https://eservices.nsdl.com 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 & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ 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 & voting during the meeting
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 & 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 CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 022-23058738 and 022-23058542-43
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in 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.
- 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 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"> 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.
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"> 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.

- (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.

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 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.
- 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, 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 THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM 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.
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 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 AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the 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 or at RTA's email id 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 or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. 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 or call on 022-23058542/43

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 7**ITEM No. 3**

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 2023-24 and fixed the remuneration of Rs. 1,15,000 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 2023-24. 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. 4 and 5

Shri Jagdish S. Shah and Shri Shankarlal B. Mundra are retiring from the second term on 31st March, 2024 as an independent directors. Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company hereby accords consent of members for appointment of Shri Vikash Jain and Shri Iyengar Padmanabhan as an Independent Director of the Company for a term of 5 (five) years with effect from April 1, 2024 to March 31, 2029 (both days inclusive).

The Company has received the following from the proposed Directors :

- (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules");
- (ii) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that she is not disqualified under sub-section (2) of Section 164 of the Act;
- (iii) A declaration to the effect that they meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and under the LODR Regulations;
- (iv) Confirmation that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties as an Independent Director of the Company;
- (v) A declaration that they are in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to their registration with the data bank of independent directors maintained by the Indian Institute of Corporate Affairs.

The Company has received notice in writing by the member proposing their candidature under Section 160 of the Act. The Nomination and Remuneration Committee (NRC) had reviewed the desired attributes for the selection of the independent director(s). Based on those attributes, the NRC recommended the candidature of the proposed Directors. In the opinion of the Board, the proposed Directors fulfils the conditions for independence specified in the Act, the Rules made thereunder, the LODR Regulations and such other laws / regulations for the time being in force, to the extent applicable to the Company. The Board noted that the skills, background and experience are aligned to the role and capabilities identified by the NRC and that the proposed Directors are eligible for appointment as an Independent Directors.

A copy of the draft letter for the appointment of the proposed Directors as an Independent Director setting out the terms and conditions are available on the Company's website www.dynemic.com and will also be available for inspection by the members in the electronic mode upto the date of AGM and during the AGM.

The resolution seeks the approval of members for the appointment of Shri Vikash Jain and Shri Iyengar Padmanabhan as an Independent Director of the Company for a term of 5 (Five) years effective April 1, 2024 to March 31, 2029 (both days inclusive) pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder including any statutory modification(s) or re-enactment(s) thereof) and they shall not be liable to retire by rotation.

In compliance with Section 149 read with Schedule IV to the Act and Regulation 25 of the LODR Regulations, the approval of the Members is sought for the appointment of Shri Vikash Jain and Shri Iyengar Padmanabhan as an Independent Director of the Company, as a special resolution.

No director, KMP or their relatives except Shri Vikash Jain and Shri Iyengar Padmanabhan, to whom the resolution relates, is interested in or concerned, financially or otherwise, in passing the proposed resolution set out in item no. 4 and 5. The Board recommends the special resolution as set out in Item no. 4 and 5 of this notice for the approval of members.

ITEM No. 6 & 7

Pursuant to provisions of Section(s) 23(1)(b), 42 and 62(1)(c) of the Companies Act, 2013 ("the Act") and Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, any preferential allotment of securities need to be approved by the shareholders by way of Special Resolution.

The consent of the shareholders is being sought by a Special Resolution to enable the Board to issue Equity Shares and Warrants for cash consideration as may be permitted under applicable laws in accordance with the provisions of Companies Act, 2013 and rules made there-under, SEBI (Issue of Capital And Disclosure Requirements) Regulations, 2018, Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations 2015 as amended from time to time till date, and any other applicable laws, including with respect to the pricing of the securities proposed to be issued.

The Company is eligible to make the Preferential Allotment in terms of the provisions of Chapter V of the ICDR Regulations. There will be no change in the control or management of the Company pursuant to the proposed preferential issue consequent to the allotment of equity shares and warrants (including equity shares upon conversion of warrants). Further in terms of Rule 13 of Companies (Share Capital and Debentures) Rule, 2014 and Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, the following disclosures are required to be made in the explanatory statement to the notice.

1. Objects of the preferential issue:

The proceeds of the proposed preferential issue of Equity Shares and Convertible Equity Warrants shall be used primarily towards the following objects ("Objects"):

- For meeting the working capital requirements of the Company
- General Corporate Purposes

By addressing these objectives, the organization seeks to strengthen its financial position, improve operational capabilities, and pursue growth opportunities.

Utilization of proceeds of the Preferential Issue

The intended use of the proceeds of the Preferential Issue is as under: -

Sr. No.	Particulars	Total estimate amount to be utilized (Rs. crores)		Tentative timelines for utilization of issue proceeds from the date of receipt of funds	
		From Equity Shares	From Warrants	From Equity Shares	From Warrants
1	Working Capital	9.93	11.35	By Dec, 2023	Upto Twenty-Five Percent amount By Dec, 2023 and remaining Seventy five percent amount by June, 2025
2	General Corporate	0.86	0.99	By Dec, 2023	Upto Twenty-Five Percent amount By Dec, 2023 and remaining Seventy five percent amount by June, 2025
Total		10.79	12.34		

Note: In terms of NSE Notice No. NSE/CML/2022/56 and BSE Notice No. 20221213-47, dated December 13, 2022, the amount specified for the above-mentioned object of issue size may deviate +/- 10% depending upon future circumstances

Schedule of Implementation and Deployment of Funds

Equity Shares	Convertible Equity Warrants
The preferential issue of Equity Shares, the issue proceeds for Equity shares shall be received by the Company within a period of 15 days from the date of Shareholder's approval by way of special resolution or In-Principle Approval received by the relevant stock exchanges, where the shares of the Company are listed in terms of Chapter V of the SEBI ICDR Regulations, whichever is later and as estimated by our management, the entire proceeds received from the issue would be utilized for all the above-mentioned objects, in phases, as per the Company's business requirements and availability of issue proceeds, latest by Dec 2023, as provided in detail in above table.	The preferential issue of Warrants, the issue proceeds of amount equivalent to 25% of the Warrant received by the company at the time of subscription within a period of 15 days from the date of Shareholder's approval by way of special resolution or In-Principle Approval received by the relevant stock exchanges, where the shares of the Company are listed in terms of Chapter V of the SEBI ICDR Regulations, whichever is later. The balance 75% shall be received the company upon exercise of Warrants by the warrant holders (within eighteen months from the date of allotment of the warrants) and as estimated by our management, the entire proceeds received from the issue would be utilized for all the above-mentioned objects, in phases, as per the Company's business requirements and availability of issue proceeds, Upto Twenty-Five Percent amount By Dec, 2023 and remaining Seventy five percent amount by June, 2025, as provided in detail in above table.

Monitoring of Utilization of Funds

Appointment of monitoring agency in terms of Regulation 162A of the SEBI ICDR Regulations is not applicable as the Issue Size is less than 100 crores.

2. Maximum number of specified securities to be issued:

The Board of Directors intends to issue securities of the Company in the following manner:

- a) **Equity Shares:** Issue and allot upto 3,50,000 (Three lakhs Fifty Thousand) fully paid-up equity shares having face value of Rs. 10/- (Rupees Ten Only) each of the Company at an issue price of Rs. 308.50/- (Rupees Three Hundred Eight and Fifty Paise Only) Including premium of Rs. 298.50 (Rupees Two Hundred Ninety-Eight and Fifty Paise Only) per equity share aggregate of Rs. 10,79,75,000 (Rupees Ten Crore Seventy-Nine Lakh Seventy-Five Thousand Only)
- b) **Warrants:** Issue and allot Upto 4,00,000 (Four lakhs) warrants, each convertible into, or exchangeable for, 1 (one) fully paid-up equity share of the company presently have face value of Rs. 10/- (Rupee Ten Only) each at a price (including the Warrant Subscription Price and the warrant exercise price) of Rs. 308.50/- (Rupees Three Hundred Eight and Fifty Paise Only) each Including premium of Rs. 298.50 (Rupees Two Hundred Ninety-Eight and Fifty Paise Only) to be payable in cash ("Warrant Issue Price"), aggregating upto Rs 12,34,00,000 (Rupees Twelve Crore Thirty-Four Lakh Only), out of which 25% (twenty-five per cent) of the Warrant Issue Price shall be paid by the Warrant Holders to the Company before the allotment of Warrant ("Warrant Subscription Price") and 75% (seventy-five per cent) of the Warrant Issue Price ("Warrant Exercise Price") shall be paid by the Warrant Holders to the Company upon exercise of Warrant entitlement.

Thus, based on the assumption that all the warrants will be converted in the equity shares of face value Rs. 10/- of the Company, the Company intends to issue a maximum of 7,50,000 equity shares of face value Rs. 10/- per share at a price as determined under Regulation 164 read with Regulation 166A of ICDR Regulations.

3. Price and Size of the preferential issue and the amount which the Company intends to raise by way of such securities:

The minimum issue price or Floor Price for issue of equity shares and warrants as determined in accordance with Regulation 164(1) read with Regulation 161 and 166A of Chapter V of the ICDR Regulations is arrived at Rs. 308.50/- (Rupees Three Hundred Eight and Fifty Paise Only) Including premium of Rs. 298.50 (Rupees Two Hundred Ninety-Eight and Fifty Paise Only).

It is proposed to issue and allot in upto 3,50,000 (Three lakh Fifty Thousand) fully paid-up equity shares at an above mentioned price, aggregating to Rs. 10,79,75,000 (Rupees Ten Crore Seventy-Nine Lakh Seventy-Five Thousand Only) and 4,00,000 (Four lakhs) Warrants convertible into equity shares having face value of Rs. 10/- (Rupees Ten Only) each of the Company at an above-mentioned price, aggregating upto maximum amount of Rs 12,34,00,000 (Rupees Twelve Crore Thirty-Four Lakh Only)

Hence, the company is hereby proposing to raise total fund of Rs. 23,13,75,000 (Rupees Twenty-Three Crore Thirteen Lakh Seventy-Five Thousand) through issuance of equity shares and warrants ("Total Issue Size").

4. Date of Board Resolution:

Date of passing of Board resolution for approving preferential issue of equity shares and warrants: Monday, August 14, 2023

5. Relevant Date:

In accordance with the provisions of Regulation 161 of the ICDR Regulations, the "Relevant Date" for the purpose of calculating the floor price for the issue of Equity share and Warrants is Friday, August 11, 2023 being the working day preceding the date that is 30 (thirty) days prior to the date of the this AGM (Since the date that is 30 (thirty) days prior to the date of the this AGM falls on weekend that is Sunday, August 13, 2023, therefore, Friday, August 11, 2023 being the preceding working day of weekend shall be reckoned as the Relevant Date as per the explanation provided in the regulation 161 of ICDR Regulations)

6. Basis on which the minimum issue price has been arrived at and justification for the price (including premium, if any) along with report of the Independent registered valuer:

(A) The equity shares of the Company are listed and traded on BSE and NSE and the equity shares of the Company are frequently traded in accordance with regulation 164(5) of the SEBI ICDR Regulations and the trading volume of the equity shares of the Company was higher on NSE during the preceding 90 trading days prior to the Relevant Date for computation of price of equity shares including equity shares to be issued and allotted upon exercise of right attached to the Warrants. Therefore, the trading volume of the equity shares on NSE has been considered to determine the Issue Price for equity shares and warrants.

In terms of the provisions of regulation 164(1) of ICDR Regulations, the price at which equity shares and warrants shall be allotted shall not be less than higher of the following:

- a) the 90 trading days volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date; or
- b) the 10 trading days volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date.

Pursuant to the above, the minimum issue price determined in accordance with regulations 164(1) read with regulation 161 of Chapter V of ICDR Regulations is Rs. 308.43 (Rupees Three Hundred Eight and Forty-Three paise only).

The pricing certificate dated August 14, 2023 issued by M/s B.K. Patel & Co., Chartered Accountants, having their office at 401-404, VRAJ Valencia, B/h Mahindra Show Room, Nr. Sola Overbridge, S.G. Highway, Sola, Ahmedabad- 380060, Gujarat certifying the computation of price of Rs. 308.43 (Rupees Three Hundred Eight and Forty-Three paisa only) in accordance with regulation 164(1) of Chapter V of ICDR Regulations is available on the Company's website at link: www.dynemic.com.

- (B) Considering that the allotment to the proposed allottees is more than five percent of the post issue fully diluted share capital of the Company, the price of Rs. 297.00/- (Rupees Two Hundred Ninety Seven only) of the equity shares and warrants to be issued and allotted to the Proposed Allottees has been determined taking into account the valuation report dated August 14, 2023, issued by Mrs. Sejal Ronak Agrawal, Chartered Accountant, Registered Valuer (IBBI Registration No. IBB I/RV/06/2020 /13106), having office at 7, Ritu Apartment, Bhairavnath Road, Maninagar, Ahmedabad-380008, in accordance with Regulation 166A of the ICDR Regulations ("Valuation Report"). The Valuation Report shall be available for inspection by the members and the same may be accessed on the Company's website at the link www.dynemic.com.

In view of the above, the minimum price for the equity shares and warrants (i.e. the price including the Warrant Subscription Price and the Warrant Exercise Price) is arrived at the Rs. 308.43/- (Rupees Three Hundred Eight and Forty-Three paisa only), which is higher of above (A) or (B) as per the first proviso of regulation 166A (1) of ICDR Regulation.

The board of directors of the company has fixed the price of Rs. 308.50/- (Rupees Three Hundred Eight and Fifty Paisa Only) being the price not less than the minimum price as mentioned above.

It is to be noted that the Articles of Association of the Company does not provide any condition for the valuation of equity shares of the company.

There is no change in control, consequent to proposed to present preferential issue to the proposed allottees.

7. Intention of the Promoters/ Promoter Group, Directors, Key Managerial Personnel or Senior Management to subscribe to the preferential issue:

The following Promoters/Promoter Group, Director(s) or Key Managerial Personnel, intends to subscribe to the Warrants by way of Preferential Issue upto 1,12,000 (One lakh Twelve Thousand).

Sr. No	Names	Category/ Designation	Maximum Nos. of Warrants to be Allotted
1	Bhagwandas Kalidas Patel	Promoter, Managing Director	36,000
2	Rameshkumar Bhagwandas Patel	Promoter, Executive Director	28,000
3	Dixit Bhagwandas Patel	Promoter, Executive Director	20,000
4	Kirtikumar Bhagwandas Patel	Promoter Group	28,000

Except as mentioned above, no other Promoters, Directors or Key Managerial Personnel or Senior Management of the Company will subscribe to the proposed issue and they will not be making any contribution as part of the offer.

8. Names of the proposed allottees to whom allotment is proposed to be made and the percentage (%) of post-preferential offer capital that may be held by them and Change in Control, if any, consequent to the Preferential Allotment:

Sr. No.	Name of the Proposed Allottees	Category	Pre- Preferential Allotment		Maximum Number of equity shares proposed to be issued	Maximum Number of warrants proposed to be issued	*Post-Preferential Allotment	
			No. of Shares	% of voting rights			No. of Shares	% of voting rights
1	Elpro International Limited	Non-Promoter, Body Corporate	--	--	3,50,000	1,50,000	5,00,000	4.02
2	Bhagwandas Kalidas Patel	Promoter, Individual and Managing Director	12,67,541	10.85	--	36,000	13,03,541	10.49
3	Rameshkumar Bhagwandas Patel	Promoter, Individual and Executive Director	7,13,993	6.11	--	28,000	7,41,993	5.97
4	Kirtikumar Bhagwandas Patel	Promoter Group, Individual	1,21,758	1.04	--	28,000	1,49,758	1.20
5	Dixit Bhagwandas Patel	Promoter, Individual and Executive Director	1,85,502	1.59	--	20,000	2,05,502	1.65

6	Anushree Gadodia	Non-Promoter, Individual	--	--	--	40,000	40,000	0.32
7	Ankur Maheshwari	Non-Promoter, Individual	--	--	--	34,000	34,000	0.27
8	Vipul Maheshwari	Non-Promoter, Individual	--	--	--	36,000	36,000	0.29
9	Mausam Sethia	Non-Promoter, Individual	--	--	--	10,000	10,000	0.08
10	Ravi Patel	Non-Promoter, Individual	27,012	0.23	--	13,000	40,012	0.32
11	Preeti Sethia	Non-Promoter, Individual	--	--	--	5,000	5,000	0.04

Assuming all the 4,00,000 Warrants issued pursuant to this issue are converted into Equity Shares of the Company

There shall be no change in the management or control of the Company pursuant to the abovementioned Preferential Issue/Allotment of equity shares and equity shares will be issued upon conversion of warrants. However, voting rights will change in accordance with the shareholding pattern, further, allotment to the proposed allottees is more than five percent of the post issue diluted share capital of the company.

9. Shareholding pattern of the issuer before and after the preferential issue:

The pre-issue shareholding pattern of the Company and the post-issue shareholding pattern is given below:

Sr. No.	Category of shareholders	Pre- Issue Shareholding		*Post-Issue Shareholdings	
		No. of Shares	% of Total shareholding	No. of Shares	% of Total shareholding
A	Promoter and Promoter Group				
1.	Indian Promoters				
	a) Individuals / HUF	33,82,909	28.97	34,94,909	28.12
	b) Bodies Corporate	1,56,320	1.34	1,56,320	1.26
2	Foreign Promoters	--	--	--	--
Total Shareholding of Promoter and Promoter Group (A) = (A)(1) +(A)(2)		35,39,229	30.31	36,51,229	29.38
B	Non-Promoters Holding–				
1.	Institutions (Domestic)	10,080	0.09	10,080	0.08
2.	Institutions (Foreign)	16,011	0.14	16,011	0.13
3.	Central Government / State Government(s)	--	--		
4.	Non-Institution				
a.	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	47,24,689	40.46	47,52,689	38.24
b.	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	19,48,063	16.68	20,58,063	16.56
c.	Non-Resident Indians (NRIs)	3,46,346	2.97	3,46,346	2.79
d.	Bodies Corporate	5,58,702	4.78	10,58,702	8.52
e.	Any Other				
	i. IEPF	22,427	0.19	22,427	0.18
	ii. Trusts	3,285	0.03	3,285	0.03
	iii. HUF	4,22,431	3.62	4,22,431	3.40
	iv. Unclaimed or Suspense or Escrow Account	500	0.00	500	0.00
	v. Clearing Members	86,624	0.74	86,624	0.70
	Sub-Total (B)(4)	81,13,067	69.47	87,51,067	70.41
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)+ (B)(4)	81,39,158	69.69	87,77,158	70.62
	Total (A+B)	1,16,78,387	100.00	1,24,28,387	100.00

*The post issue paid up capital is arrived after considering all the preferential allotments proposed to be made under this notice and on fully diluted basis. Therefore, the post issue paid-up capital of the Company is subject to alterations on account of conversion of convertible warrant into Equity Shares by Proposed Allottee. Consequently, the post issue shareholding percentage mentioned above may stand altered.

10. Justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:

Not applicable. Since, the allotment of equity shares and warrants is made for consideration payable in cash.

11. Proposed time frame within which the preferential issue shall be completed:

Pursuant to Regulation 170 of ICDR Regulations, preferential allotment of the Equity Shares /Warrants shall be completed within a period of 15 (fifteen) days from the date of passing of the special resolution of the Shareholders of the Company or within such other statutory time limits as may be prescribed by the regulatory authorities (including but not limited to the in-principle approval of the stock exchanges for the issuance of the Equity Shares /warrants to the Proposed Allottees on a preferential basis) subject to all the necessary approvals being in place. If any approval or permissions by any regulatory or statutory authority(ies) for allotment is pending, the period of 15 (fifteen) days shall commence from the date of such approval or permission being obtained.

12. The change in control or allotment of more than five percent to an allottee or to allottees acting in concert if any, of the Company that would occur consequent to preferential offer:

There shall be no change in the management or control of the Company upon the issuance and allotment of the equity shares and warrants (equity shares in exchange/conversion of the Warrants), there is no likely change of control of the Company.

In Pursuance to regulation 166A of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, allotment to all the proposed allottees is more than five percent of the post issue fully diluted share capital of the issuer.

Hence, the company has obtained valuation report dated August 14, 2023 from the Independent Registered Valuer, Sejal Ronak Agrawal, a Registered Valuer (Reg. No. IBBI/RV/06/2020/13106) in accordance with Regulation 166A of the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018. The valuation report is available for inspection at the Registered Office of the company during the business hours on any working days and further shareholders can also access the valuation report from the Company's website i.e. www.dynemic.com

13. Lock-in Period:

The proposed allotment of equity shares and warrants shall be subject to lock-in as per the requirement of Chapter V of ICDR Regulations.

In accordance with Regulation 167 of the ICDR Regulations, the Lock-in-period are as follows:

- The Equity shares including equity shares upon conversion of warrants allotted on a preferential basis to proposed allottees (promoters and promoter group) shall be locked-in for a period of Eighteen Months from the date of trading approval.
- The Equity shares including equity shares upon conversion of warrants allotted on a preferential basis to proposed allottees (other than the promoters and promoter group) shall be locked-in for a period of Six Months from the date of trading approval.
- The entire pre-preferential allotment shareholding of the allottees (promoters/promoter group and other than promoters/promoter group), if any shall be locked-in from the relevant date up to a period of 90 trading days from the date of trading approval.

14. No. of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:

The Company has not made any preferential allotments during the year.

15. Listing:

The Company will make an application to NSE and BSE at which the existing Equity Shares are presently listed, for listing of the equity shares including the equity shares that will be issued upon conversion of warrants. Equity Shares, once allotted, shall rank pari passu with the existing Equity Shares of the Company, in all respects, including voting rights and dividend.

16. Principle terms of assets charged as securities: Not Applicable

17. Name and address of valuer who performed valuation:

The Valuation was performed by independent valuer, Mrs. Sejal Ronak Agrawal, a Registered Valuer (Reg. IBBI/RV/06/2020/13106) having office at 7, Ritu Apartment, Bhairavnath Road, Maninagar, Ahmedabad-380008. The valuation report dated August 14, 2023 is available for inspection at the Registered Office of the company during the business hours on any working days and further shareholders can also access the valuation report from the Company's website i.e. www.dynemic.com

18. Practicing Company Secretary Certificate:

The Certificate dated August 14, 2023 pursuant to Regulation 163(2), Part III of Chapter V of the ICDR Regulations is issued by Mrs. Rupal Patel, Practicing Company Secretary having office at 303, Prasad Tower, Opp. Jain Derasar, Nehrunagar Cross Road, Nehrunagar Ahmedabad-380015, certifying that the preferential issue is being made in accordance with the requirements contained in the ICDR Regulations, will be placed before the shareholders at the Annual General Meeting and is also available for inspection at the Registered Office of the company during the business hours on any working days, such certificate is hosted on the Company's website and is accessible at link www.dynemic.com

19. Identity of the Proposed Allottees (including natural persons who are the ultimate beneficial owners of equity shares proposed to be allotted and/or who ultimately control), Current and proposed status of the proposed allottee(s) post the preferential issues namely, promoter or non-promoter:

The name of the proposed allottees and the identity of the natural persons who are ultimate beneficial owners of the Equity Shares proposed to be allotted and/or who ultimately control the proposed allottees and their current and proposed status, is as follows:

Sr. No.	Name of the Proposed Allottees	Ultimate Beneficial Ownership	Pre-Issue status of the allottees	Post-Issue status of the allottees	Change in control, if any
1	Elpro International Limited	Beneficial Shareholders: <ul style="list-style-type: none"> Surbhit Dabriwala (AFNPD3718C) Rajendra Kumar Dabriwala (AFOPD3779E) Yamini Dabriwala (AEIPD7884D) 	Non-Promoter, Body Corporate	Non-Promoter, Body Corporate	No
2	Bhagwandas Kalidas Patel	Not Applicable	Promoter, Individual	Promoter, Individual	No
3	Rameshkumar Bhagwandas Patel	Not Applicable	Promoter, Individual	Promoter, Individual	No
4	Kirtikumar Bhagwandas Patel	Not Applicable	Promoter Group, Individual	Promoter Group, Individual	No
5	Dixit Bhagwandas Patel	Not Applicable	Promoter, Individual	Promoter, Individual	No
6	Anushree Gadodia	Not Applicable	Non-Promoter, Individual	Non-Promoter, Individual	No
7	Ankur Maheshwari	Not Applicable	Non-Promoter, Individual	Non-Promoter, Individual	No
8	Vipul Maheshwari	Not Applicable	Non-Promoter, Individual	Non-Promoter, Individual	No
9	Mausam Sethia	Not Applicable	Non-Promoter, Individual	Non-Promoter, Individual	No
10	Ravi Patel	Not Applicable	Non-Promoter, Individual	Non-Promoter, Individual	No
11	Preeti Sethia	Not Applicable	Non-Promoter, Individual	Non-Promoter, Individual	No

20. Particulars of the issue including the material terms of issue, date of passing of Board resolution, kind of securities offered, total / maximum number of securities to be issued and the issue price:

Details of the securities to be issued, price of securities, date of approval by the Board in relation to the preferential allotment, and details of the proposed allottees are set out in the previous paragraphs. The Equity Shares and Equity Shares upon conversion of warrants shall be listed on the stock exchanges where the equity shares of the company are listed and rank pari-passu with the existing equity shares of the Company in all respects from the date of allotment (including with respect to entitlement to dividend and voting powers, other than statutory lock-in under the ICDR Regulations), in accordance with applicable law, and shall be subject to the requirements of all applicable laws and to the provisions of the Memorandum of Association and Articles of Association of the Company, if any.

21. SEBI Takeover code:

In the present case none of the proposed allottees would attract SEBI Takeover Code and therefore is not under obligation to give open offer to the public except making certain disclosures to Stock Exchanges.

22. Terms of issue and conversion of convertible warrants to be issued to the proposed allottees:

- The Warrant holders shall, subject to the ICDR Regulations and other applicable rules, regulations and laws, be entitled to apply for and be allotted one equity share against each warrant, in one or more tranches within a period of 18 (Eighteen) months from the date of allotment of the warrants, by issuing a written notice to the Company specifying the number of warrants proposed to be so converted. The Company shall accordingly issue and allot the corresponding number of Equity Share(s) of face value of Rs. 10 each at a price calculated on the basis of para as mentioned above to the warrant holders
- For issuance of warrant for cash consideration an amount equivalent to 25% of the Issue Price shall be payable at the time of subscription and allotment of each Warrant and the balance 75% shall be payable by the warrant holder(s) on the exercise of the right attached to Warrant(s). The amount paid against Warrants shall be adjusted /appropriate against the Issue Price for the resultant equity share(s).

- c) In the event that, a warrant holder does not exercise the right attached to Warrant(s) within a period of 18 (Eighteen) months from the date of allotment of such Warrant(s), the unexercised Warrants shall lapse and the amount paid by the Warrant holders on such Warrants shall stand forfeited by Company.
- d) The Warrants by themselves, until exercise of the conversion right and allotment of Equity Shares, do not give the holder thereof any rights akin to that of shareholder(s) of the Company, except to the extent stated in clause (f) below.
- e) The Company shall apply for the listing and trading approvals for the warrants and / or Equity Shares to be issued and allotted to the warrant holders upon exercise of the warrants from the relevant Stock Exchange(s) in accordance with the SEBI (LODR) Regulations and all other applicable laws, rules and regulations subject to receipt of necessary permission(s), sanction(s) and approval(s).
- f) The warrant holders shall be entitled to all future corporate actions including but not limited to issue of bonus / rights, if any, and the Company shall reserve proportion of such entitlement for the warrant holders.

23. Other disclosures/undertaking: -

- a) The Proposed Allottees has confirmed that they have not sold any equity shares of the Company during the 90 trading days preceding the Relevant Date.
- b) The Equity Shares held by the proposed allottees in the Company are in dematerialized form only.
- c) The Equity Shares and equity shares so allotted on exercise of the Warrants shall be in dematerialized form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari passu in all respects including dividend, and voting rights with the then existing Equity Shares of the Company.
- d) The Company is in compliance with the conditions for continuous listing, and is eligible to make the preferential issue under Chapter V of the SEBI (ICDR) Regulations, 2018.
- e) Neither the Company nor any of its directors or Promoters are categorized as willful defaulter(s) or fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulter(s) issued by the Reserve Bank of India. Consequently, the disclosures required under Regulation 163 of the SEBI (ICDR) Regulations, 2018 are not applicable.
- f) Neither the Company nor any of its Directors and / or Promoters is a fugitive economic offender as defined under the SEBI ICDR Regulations.
- g) The entire pre-preferential allotment shareholding of the Proposed Allottees, if any, shall be locked-in from the Relevant Date up to a period of 90 trading days from the date of trading approval as per the SEBI ICDR Regulations.
- h) The Company is not required to re-compute the price of the Equity Shares in terms of the provisions of the SEBI (ICDR) Regulations, 2018. Since the Companies equity shares are listed on recognized Stock Exchanges for a period of more 90 trading days prior to the Relevant Date, the Company is neither required to re-compute the price nor is required to submit an undertaking as specified under applicable provisions of SEBI ICDR Regulations.
- i) The Company has obtained the Permanent Account Numbers (PAN) of the proposed allottees, except those allottees which may be exempt from specifying PAN for transacting in the securities market by SEBI before an application seeking in-principle approval is made by the Company to the stock exchange(s) where its equity shares are listed;
- j) The Company does not have any outstanding dues to SEBI, Stock Exchanges or the depositories;
- k) The Company shall be making application seeking in-principle approval to the stock exchange(s), where its equity shares are listed, on the same day when this notice will be sent in respect of the general meeting seeking shareholders approval by way of special resolution
- l) The Company has complied with the applicable provisions of the Companies Act, 2013. The provisions of Section 62 of the Companies Act, 2013 (as amended from time to time) and the ICDR Regulations.

The Company shall made adjustment in the price of the relevant securities to be allotted under the preferential issue in terms of the provisions of SEBI ICDR Regulations where it is required to do so, including pursuant to Regulation 166 of the SEBI ICDR Regulations, if required.

The documents (including Valuation Report) referred to in the Notice, for which this shareholder's approval is being obtained, will be available for inspection during business hours on all working days of the Company (Except Saturday, Sundays and Public holidays) without any fee by the members from the date of circulation of this Notice up to the date of AGM i.e. Tuesday, September 12, 2023.

Your directors recommend the passing of the Resolution No. 6 and 7 of the Notice as a Special Resolution by the Members.

Mr. Bhagwandas Kalidas Patel, Chairman and Managing Director, Mr. Rameshkumar Bhagwandas Patel and Mr. Dixit Bhagwandas Patel, Executive Directors of the Company and their relatives are concerned or interested in the resolution at Item No. 7 of this notice.

Except above, none of the Directors or Key Managerial Personnel and/ or their immediate relatives, are in any way, concerned or interested, financially or otherwise, in the above resolution as set out at Item No. 6 and 7 of this Notice.

Annexure to Notice

Details of Directors seeking Appointment / Re-appointment

Particulars	Shri Dixit B. Patel
Age	43 years
Qualifications	Bachelor of Science and had done Diploma in Export Management
Experience (Brief Resume)	Shri Dixit B. Patel aged 43 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 01.01.2023 which was approved by the shareholders in the 32nd Annual General Meeting held on 29.09.2022.
Terms and Conditions of Appointment / Re-appointment	As per the resolution passed in the Annual General Meeting held on September 29, 2022
Remuneration last drawn (including sitting fee, if any)	Rs. 78.32 Lakhs
Remuneration proposed to be paid	As per the resolution passed in the Annual General Meeting held on September 29, 2022
Date of First appointment on the Board	01.01.2008
Shareholding in the Company as on March 31, 2023	185502
Relationship with other Directors / KMP	Son of Shri Bhagwandas K. Patel, Managing Director
Number of meetings of the Board attended during the year	7
Directorships of other Boards as on March 31, 2023	<ul style="list-style-type: none"> Dynamic Overseas (India) Private Limited - Subsidiary Company Dynemic Holdings Private Limited - Associate Company DBK Chemtech Private Limited
Chairman / Member of the Committees of the Board of the Company as on March 31, 2023	Member of Risk Management Committee
Chairman / Member of Committees of other Boards as on March 31, 2023	Nil
Listed Companies from which resigned in the past three years	Nil

Particulars	Shri Vikas Jain	Shri Iyengar Padmanabhan
Age (in years)	43	65
Qualifications	FCA, DISA, Insolvency Professional, Certified Arbitrator	B. Com, LLB, PG Diploma in IR & PM, CAIIB
Experience (Brief Resume)	Shri Vikash Jain aged 43 years is a Chartered Accountant having practice of more than 20 years. He is an Insolvency Professional and Certified Arbitrator. He is founder partner of M/s V C A N and Co., Chartered Accountancy firm having more than 300 qualified and semi-qualified professionals and having PAN India presence. He has experience in Bank audits including core involvement in Concurrent Audits, Statutory Audits and Revenue Audits, Company Law matters, Income Tax etc. He has been serving as visiting faculty at various CPE seminars of ICAI, ICSI and other Professional bodies. He is contributing articles in various journals and manuals regularly. He is also partner in Insolvency Professional Entity M/s V C A N RESOLVE IPE LLP and resolved many cases under IBC 2016. He is Regional Council Member of WIRC of ICAI wherein he had groomed and nurtured 200+ professionals as Faculty on various topics.	Shri Iyengar Padmanabhan aged 65 years is B. Com, LLB, PG Diploma in IR & PM, CAIIB. He was Chief Manager in Indian Overseas Bank. Presently working as an Independent professional management and financial consultant. He also takes motivational speech for schools / corporate employees. He is an Independent Director in M/s Laxcon Steels Limited.
Terms and Conditions of Appointment / Re-appointment	As per the resolution at item no. 4 of the Notice convening Annual General Meeting read with explanatory statement thereto	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)	Nil	Nil
Remuneration proposed to be paid	As per the resolution at item no. 4 of the Notice convening Annual General Meeting read with explanatory statement thereto	As per the resolution at item no. 5 of the Notice convening Annual General Meeting read with explanatory statement thereto
Date of First appointment on the Board	---	---
Shareholding in the Company as on March 31, 2023	Nil	Nil
Relationship with other Directors / KMP	Not related to any Director / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel
Number of meetings of the Board attended during the year	---	---
Directorships of other Boards as on March 31, 2023	Shreni Shares Limited Uplifting Lives Foundation	Laxcon Steel Ltd
Chairman / Member of the Committees of the Board of the Company as on March 31, 2023	---	---
Chairman / Member of Committees of other Boards as on March 31, 2023	---	---
Listed Companies from which resigned in the past three years	Nil	Nil

By Order of the Board

Ahmedabad
August 14, 2023

Varsha R. Mehta
Company Secretary
Membership No. A24312

Boards' Report

Dear Shareholders,

Your Directors have pleasure in presenting the 33rd Annual Report together with the audited Statement of Accounts of the Company for the year ended March 31, 2023.

FINANCIAL RESULTS

(Rs. in Lakhs)

Particulars	Standalone		Consolidated	
	Year ended 31st March'23	Year ended 31st March'22	Year ended 31st March'23	Year ended 31st March'22
Revenue from Operations	28813	24264	28855	24264
Other Operating Income	728	928	736	928
Total Income from Operations (net)	29541	25192	29591	25192
Other Income	34	28	38	30
Total Income	29575	25220	29629	25222
Profit before Interest, Depreciation & Amortization and Tax Expenses	2891	4300	2914	4299
Finance Cost	1610	845	1611	845
Depreciation & Amortization	1675	1127	1675	1127
Profit Before Tax	(394)	2328	(372)	2327
Provision for Current Tax	0	95	6	95
Provision for Deferred Tax	(33)	803	(84)	803
Total Tax	(33)	898	(78)	898
Profit after Tax	(361)	1430	(294)	1429
Other Comprehensive Income	(6)	(17)	(6)	(17)
Total Comprehensive Income / (Expenses)	(367)	1413	(300)	1412

RIGHTS ISSUE

The Board of Directors of your Company at its meeting held on 26th April, 2022 inter alia considered and approved the raising of funds by way of Rights Issue for an amount not exceeding Rs. 25.48 Crore. Your Company evaluated various options and was of the view that rights issue was an equitable mode of fund raising as it gives its shareholders an equal opportunity to participate in the growth of the Company. The purpose/object to raise capital was to meet General Corporate Purposes. Accordingly, your Company came out with Issue of 5,66,422 fully paid up equity shares of face value of Rs.10/- each (the "rights equity shares") for cash at a price of Rs.225/- per rights equity share (including a premium of Rs.220/- per rights equity share) not exceeding Rs.2548.90 Lakhs on a Rights basis to the existing eligible equity shareholders in the ratio of 1 Rights equity shares for every 20 fully paid-up equity shares held by the eligible equity shareholders on the record date, that was on Friday, May 13, 2022 (the "issue"). The Rights Issue opened on May 25, 2022 and closed on June 08, 2022.

The company received bids for 3,65,664 number of Rights Equity shares. 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.

Board of Directors of the Company vide their meeting dated December 3, 2022, issued First and Final Call Money Notice dated December 13, 2023 to all shareholders holding partly paid up equity shares requesting the shareholder to pay the remaining Call Money of the partly paid shares allotted. The payment for aforesaid Call Money for payment of Call Money was open from December 19, 2022 to January 2, 2023, giving 15 days time for the payment. Company received Call money on 3,35,135 shares out of total 3,65,664 shares.

Again Rights Issue Committee of Board of Directors vide their meeting dated February 4, 2023, issued Final Demand cum Forfeiture Notice dated February 4, 2023 to all shareholders who didn't make the payment for the First and Final Call Money and holding partly paid up equity shares again requesting the shareholder to pay the remaining Call Money of the partly paid shares allotted. The payment for aforesaid Call Money for payment of Call Money was open from February 15, 2023, to March 1, 2023, giving 15 days time for the payment. Company received Call money on 14,803 shares out of

total 30,529 shares.

Board of Directors vide their meeting dated April 21, 2023, forfeit partly paid up equity shares of such shareholders from whom the balance money on 15,726 shares was not received. Further, Company has also received the BSE approval for forfeiture of shares vide their letter dated May 10, 2023. The Company has complied with all the applicable regulatory provisions, rules and regulations in respect of the rights issue, call money and forfeiture of shares.

DIVIDEND

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

The Company was not required to transfer any Unpaid Dividend to Investor Education & Protection Fund (IEPF) during the year under review.

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 to Dynemic Foundation. 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.

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 Dixitbhai 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.

Shri Jagdish S. Shah and Shri Shankarlal B. Mundra are retiring from the second term on 31st March, 2024 as an independent directors. Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company accords consent of members for appointment of Shri Vikash Jain and Shri Iyengar Padmanabhan as an Independent Director of the Company for a term of 5 (five) years with effect from April 1, 2024 to March 31, 2029 (both days inclusive).

During the year under review Ms. Amisha Patel, CFO resigned on 12.09.2022 and Mr. Ankit Shah was appointed as CFO wef 13.09.2022.

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 7 (Seven) times respectively on 26.04.2022, 30.05.2022, 09.08.2022, 13.09.2022, 14.11.2022, 03.12.2022 and 13.02.2023 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. Directors and Officers Liability Insurance Policy The Company has a Directors and Officers Liability Insurance Policy which

protects Directors and Officers of the Company for any breach of fiduciary duty.

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, 2023, 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, 2023 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 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 Number of shares - 1267541 (10.85%)	Remuneration	85.47

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, 2023. 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 B. K. Patel & Co., Chartered Accountants were appointed as Statutory Auditors of your Company at the Annual General Meeting held on September 29, 2022 for a term of five consecutive years. The Companies (Amendment) Act, 2017 has

waived the requirement for ratification of the appointment by the members at every AGM. Hence, the approval of the members is not being sought for the re-appointment of the Statutory Auditors.

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 P. Pathak & Company, 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, 2023. The Secretarial Audit Report contains qualification remark.

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

- (a) The Company has not submitted the Statement of Deviation(s) or Variation(s) for the September, 2022 Quarter, and delayed submission for December, 2022 Quarter as there was no Deviation(s) or Variation(s) in the use of proceeds as Regulation 32(1)(a) says that the statement of deviation is require to file, indicating deviations, if any. However, on receipt of observation from BSE the company has submitted such statement on 20/04/2023 for December, 2022 Quarter.
- (b) As per the disclosure requirement of Regulation 34, the email / dispatch of annual report was completed on 3rd September, 2022 at 8.31 pm (after office hours) by RTA i.e. Bigshare Services Private Limited and 4th September, 2022, being Sunday, the disclosure to the Stock Exchange(s) was made on next working day i.e. Monday, 05th September, 2022 simultaneously. The Company has made request by letter / mail to NSE & BSE for waiver of fine amount on 31/10/2022.

Further, in response to BSE Regret letter / mail on 03/04/2023 for waiver of fine levied, the Company has made request by way of letter / mail dtd.07/04/2023 on the basis of impossibility of compliance under the Guidance Note on SEBI Circular dated January 22, 2020 read with Policy for exemption of fines levied as per the provisions of the SEBI SOP Circular.

The Company is waiting for the reply from BSE & NSE.

The said policy has specified uniform carve outs for SOP fines and provides that the Company would be required to disclose to the Exchange, the events that prevent / impact filing of compliances as mentioned in Listing Regulations, as amended from time to time, either immediately or as soon as practically possible.

- (c) There were two 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 :

Mr. Jayantilal K Patel, one of the designated person / Promoter has bought 502 shares during the period 06/01/2023 to 13/01/2023 and bought 500 shares during the period 20/01/2023 to 27/01/2023.

The Compliance Officer has issued show cause notice on 16/01/23 and on 30/01/23 to Mr. Jayantilal K. Patel Designated Person / immediate relatives of Designated Person for violation of Code of Conduct for prohibition of insider trading. The concern Designated Person / immediate relatives of Designated Person has replied to show caused notice on 19/01/2023 and 04/02/2023. The Compliance Officer has issued warning letter on 19/01/2023 and on 04/02/2023 respectively for each violation and waived the penalty on the grounds namely - the violation is unintentional and the concern person has not in possession of any UPSI. The Company has informed/ reported to the stock exchanges, in the standardize format, the aforesaid instances of violations of the Code of Conduct in accordance with Clause 13 of Schedule B of the PIT Regulations, 2015 r/w. SEBI Circular dtd.23/07/20

(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 2023-2024. 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, 2023 is hosted on the website of the Company at <http://www.dynemic.com/db/uploads/5m779853887.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 Practicing Company Secretary 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 2022-23 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 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.

INTERNAL FINANCIAL CONTROL SYSTEM AND THIER 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

Business Responsibility and Sustainability Report (BRSR)

The Listing Regulations mandate the inclusion of the BRSR as part of the Annual Report for the top 1,000 listed entities based on market capitalization. Since your Company is not in Top 1,000 Companies by Market Cap hence the said report is not applicable to the Company.

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.

For and on Behalf of the Board of Directors

Ahmedabad
August 14, 2023

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 2022-23, ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year 2022-23 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 2022-23 (Rs. in Lakhs)	% increase in Remuneration in the FY 2022-23	Ratio of remuneration of each Director / to median remuneration of employees
1	Bhagwandas K. Patel Managing Director	85.47	39.52%	23.74
2	Rameshbhai B. Patel Whole Time Director	85.05	47.79%	23.62
3	Dixitbhai B. Patel Whole Time Director	78.32	45.49%	21.75
4	Varsha R. Mehta Company Secretary and Compliance Officer	12.29	19.03%	3.41
5	Amisha R. Patel / Ankit Shah Chief Financial Officer	12.93	36.32%	3.59

* Excluding Commission and Leave Pay

- i) The median remuneration of employees of the Company during the financial year was 3.60 lakhs
- ii) In the financial year, there was 10% increase in the median remuneration of employees;
- iii) There were 490 permanent employees on the rolls of Company as on March 31, 2023;
- iv) Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2022-23 was 126%.
- 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	21247.42	17606.91
• Foreign Exchange used	5577.83	95.06

For and on Behalf of the Board of Directors

Ahmedabad
August 14, 2023

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 and amended from time to time)

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

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	May 30, 2022	2
Shri Jagdish Shah	Member	February 13, 2023	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. 31.14 Crores

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

- (a) The company is required to spend Rs. 62.29 Lacs
- (b) Surplus arising out of the CSR projects or programs or activities of the previous financial years : Nil
- (c) Amount required to be set-off for the financial year, if any : 0.80 Lacs
- (d) Total CSR obligation for the financial year (4a+4b-4c) : Rs. 61.49 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 second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 62.30 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. 62.30 Lacs
- (g) Excess amount for set off, if any - 0.81 Lacs

Sr.No.	Particular	Amount (in Rs.)
1.	Two percent of average net profit of the Company as per section 135(5)	62.29 Lacs
2.	Total amount spent for the Financial Year	62.30 Lacs
3.	Excess amount spent for the financial year [(ii) - (i)]	0.01 Lacs
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.81 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. 62,30,000/-
- 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.
Dynemic Foundation	(ii) (iii)	Yes	Gujarat / Patan	----	----	62,30,000	0	No	Dynemic Foundation	CSR00001771

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, 2023

[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, 2023 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, 2023 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 and Sweat Equity) Regulations, 2021;
 - (e) * 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. Compliance Requirement :- As per Regulation 32 of SEBI (LODR) Regulations 2015 r/w. SEBI Circular CIR/CFD/ CMD1/ 162/2019 Dated 24/12/19, the Listed Company shall submit to the Stock Exchange(s) the following statement(s) on a quarterly basis for public issue, right issue, preferential issue etc.
- (a) Indicating deviations, if any, in the use of proceeds from the objects stated in the offer document or explanatory statement to the notice for the general meeting, as applicable;
- (b) Indicating category wise variation (capital expenditure, sales and marketing, working capital etc.) between projected utilization of funds made by it in its offer document or explanatory statement to the notice for the general meeting, as applicable and the actual utilization of funds.

As per the SEBI Circular CIR/CFD/ CMD1/162/2019 dated 24/12/19 the disclosure to the Stock Exchange(s) shall be made, in the specified format, by the listed Company on quarterly basis along with the declaration of financial results (within 45 days of end of each quarter / 60 days from the end of last quarter of the Financial Year) until such funds are fully utilized or the purpose for which these proceeds were raised has been achieved.

Observation / Remarks :-

- i. The Statement of Deviation(s) or Variation(s) for the September, 2022 Quarter has not been submitted.
- ii. The Statement of Deviation(s) or Variation(s) for the December, 2022 quarter has not been submitted, along with the Financial Results submitted on 13/02/2023, as per the Requirement of SEBI Circular dated 24/12/2019. However, for December, 2022 quarter, the statement of Deviation(s) or Variation(s) has been submitted on 20/04/2023 after observation received from BSE on 19/04/2023.
- b. Compliance Requirement :- As per Regulation 34(1)(a) of the Listing Regulations r/w. SEBI Circular SEBI/HO/ CFD/ CMD/CIR/P/ 2020/12 dated 22/01/20 and Guidance Note on SEBI Circular dated 22/01/20 (Non-working day benefit), the Listed Company shall submit to the Stock Exchanges and published on its website a copy of the annual report sent to shareholders along with the notice of the annual general meeting not later than the day of commencement of dispatch to its shareholders.

Observation / Remark :-

The annual report sent to shareholders along with the notice of annual general meeting on 03rd September, 2022 at 08:31 p.m., and the copy of annual report has been submitted to the Stock Exchanges on 05th September, 2022.

- c. Compliance Requirement :- As per 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, Designated persons and their immediate relatives shall not trade in securities when the trading window is closed. Trading restriction period shall be made applicable from the end of every quarter till 48 hours after the declaration of financial results.

Observation / Remark :-

There were two 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 :

Mr. Jayantilal K Patel, one of the designated person / Promoter has bought 502 shares during the period 06/01/2023 to 13/01/2023 and bought 500 shares during the period 20/01/2023 to 27/01/2023

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 :
 1. Food Safety and Standards Act, 2006;

2. Indian Boiler Act, 1923
3. 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. except as mentioned below :

Company had issued 365664 equity shares of Rs.10/- each on Right Issue basis, and the Allotment was approved in Board Meeting dated 18.06.2022 of 365664 Right Equity Shares face value of Rs.10/- each (Rs.5/- paid up) issued at a price of Rs.450/- per Right Equity Shares (including premium of Rs.440/- per Right Equity shares) of the Company of which Rs.225/- per Right Equity shares including share premium of Rs.220/- per Right Equity Shares has been paid up on application.

The Right Issue Committee has confirmed full payment on 335135 Equity Shares vide their meeting held on 06.01.2023. The Right Issue Committee vide their meeting held on 04.02.2023 has decided to issue Final Demand cum Forfeiture Notice - Reminder 1, and against the reminder the Company has received full payment against 14803 Equity Shares. The Company had not receive the pending allotment money on 15726 Equity Shares and resolved to forfeit and cancel remaining 15726 Equity shares vide its Board Meeting held on 21.04.2023 and Notice No. 20230510-5 dated 10.05.2023 for the same has been issued by the Bombay Stock Exchange Ltd

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 : A009939E000418017

30th May, 2023
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.

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, 2023
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	01.04.2022 to 31.03.2023
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	89.91
Total assets	114.41
Total Liabilities	114.41
Investments	0
Turnover	236.11
Profit before taxation	22.12
Provision for taxation	6.00
Profit after taxation	16.12
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	31/03/2023
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	89.35
Profit/Loss for the year	
Considered in Consolidation	0.65
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 14, 2023

Bhagwandas K. Patel
Managing Director

Dixitbhai B. Patel
Director

ANNEXURE E - Management Discussion and Analysis Report

Industry Structure & Development

Food colors are prevalent in our daily life and are even in foods and drinks we wouldn't expect, these are substances which are added to food or drink to change its color for acceptability. It improves texture and appearance of the product. Food colors are classified into natural food colors, synthetic food colors, and blended food colors. Food colors come in liquids, powders, gels, and pastes, and are used in meat products, beverages, dairy, bakery & confectionary, processed food & vegetables, and oils & fats. The food colors market includes both natural and synthetic colors. Artificial color is a chemical compound, which is used to improve the appearance to food or enhance the food flavoring characteristics. Consumption of processed and packaged foods has increased due to an increase in the number of working professionals and modernization. The increased consumption of processed food products such as ready-to-eat snacks, soft drinks, convenience foods, processed dairy products, and others has resulted in an increase in the use of various food colours. To provide an appealing appearance, these colours are mixed into processed food products and beverages. The appeal of food products is as important to the ingredients used in the production of the food products as it is to the consumers. These colours are used differently in different products. Colorants are used in greater quantities in soft and carbonated drinks than in food products. The rising consumption of soft drinks in developing countries will allow for rapid growth in the food colors market in the coming years.

Opportunities and Threats

Color is a key component to increase the ultimate appetizing value and consumer acceptance towards foods and beverages. Synthetic food colors have been increasingly used than natural food colors by food manufacturers to attain certain properties such as low cost, improved appearance, high color intensity, more color stability and uniformity.

The global food colors market size grew from \$3.21 billion in 2022 to \$3.53 billion in 2023 at a compound annual growth rate (CAGR) of 10.1%. The Russia-Ukraine war disrupted the chances of global economic recovery from the COVID-19 pandemic, at least in the short term. But is further expected to grow at a CAGR of 6% between 2022 and 2032, surpassing a valuation of US\$ 1,066 Million by the end of 2032.

The Indian food colorants market is projected to witness a CAGR of 5.3% over the forecast period (2020- 2025).

The food colorants market in the country is dominated by the small-scale food industries, including confectionery, snacks and sweet, and beverage, and some multinational industries. The synthetic food color segment dominates the Indian food colorants market. The consumers of the country prefer the consumption of low-priced food products, which leads to higher utilization of synthetic colors in the processed food industry, as the color of the food plays a significant role in enhancing the visuals and the appetite. The FSSAI, an Indian regulatory body, allows the food colors in different foods. Colors, such as Tartrazine, Sunset Yellow, Ponceau 4R, Indigo Carmine, Brilliant Blue and Carmosine, are the synthetic colors that are widely used in the market studied.

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. Though challenges are many the demand of Synthetic food color is in rise then natural color due to the cost, process, applications, and quality of natural ingredients. Also the extraction process of natural ingredients is complicated and time-consuming.

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 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, 2023 were Rs. 28813 Lakhs as against Rs. 24264 Lakhs in the previous year, an increase of Rs. 4549 Lakhs in comparison over the previous year. During the year Operating Income was Rs. 728 Lakhs and other income increased from Rs. 27.84 Lakhs to Rs. 34.34 Lakhs.

(b) Expenditure

The total expenditure increased from Rs. 22892 Lakhs to Rs. 29969 Lakhs for the year under review showing a increase of Rs. 7077 Lakhs over the previous financial year.

(c) Profit

There was a Net Loss of Rs. 361 Lakhs during the year under review.

(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 2023	31st March 2022	% changes over previous year	Reasons for more than 25% changes
Debt Service Coverage Ratio	PAT+Depr.+Interest on TL	Interest on TL+Repayment of TL	0.68%	1.04%	(34.75%)	See Note#
Return on Equity Ratio	PAT	Average Equity	(2.06%)	8.80%	(123.36%)	See Note#
Trade payables turnover ratio	Total Purchases	Average Trade Payables	0.78	0.74	5.91%	See Note#
Net capital turnover ratio	Total Revenue from Operation	Net Working Capital	(15.70%)	(24.66%)	(36.33%)	See Note #
Net profit ratio	Net Profit (PAT)	Total Revenue from Operation	(1.22%)	5.68%	(121.50%)	See Note#
Return on Capital employed	Earnings Before Interest and Taxes (EBIT)	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	4.67%	11.34%	(58.81%)	See Note#
Return on investment	Income generated from invested funds	Average of Investment & Fixed Deposits	5.51%	4.41%	24.93%	NA

Note:-#

During the FY 2021-22, Company has started the production at Unit 3 at Dahej and has transferred Capital working process to respective assets in the middle of the year and has claimed depreciation thereon and during the FY 2022-23 company has claimed full year depreciation. And also Increase in Interest repayment which was taken for Unit 3 at Dahej and under utilisation of Production capacity of Unit-3 on account of teething problem.

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

The increased consumption of processed food products such as ready-to-eat snacks, soft drinks, convenience foods, processed dairy products, and others has resulted in an increase in the use of various food colours. The appeal of food products is as important to the ingredients used in the production of the food products as it is to the consumers. Synthetic food colors have been increasingly used than natural food colors by food manufacturers to attain certain properties such as low cost, improved appearance, high color intensity, more color stability and uniformity. Colorants are used in greater quantities in soft and carbonated drinks than in food products. The rising consumption of soft drinks in developing countries will allow for rapid growth in the food colors market in the coming years.

The Indian and Global food colorants market is projected to witness a CAGR of 5 to 6% over the forecast period (2022-2032).

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.

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 490 permanent employees as on March 31, 2023.

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.

Ahmedabad
August 14, 2023

For and on Behalf of the Board of Directors

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, 2023.

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 :

Name	Category	No. of Board Meetings Held / Attended		Attendance at the last AGM	Directorships in other Indian Public Companies* as at March 31, 2023	Other Mandatory Committee** membership as at March 31, 2023	
		Held	Attended			Chairman	Member
Bhagwandas K. Patel DIN : 00045845	MD-Executive (Promoter)	7	7	Yes	NIL	NIL	NIL
Ramesh B. Patel DIN : 00037568	WTD-Executive (Promoter)	7	7	Yes	NIL	NIL	NIL
Dixit B. Patel DIN : 00045883	WTD-Executive (Promoter)	7	7	Yes	NIL	NIL	NIL
Jagdish S. Shah DIN : 00037826	Independent	7	7	Yes	NIL	NIL	NIL
Shankarlal B. Mundra DIN : 00388204	Independent	7	7	Yes	NIL	NIL	NIL
Rashmi K. Otavani DIN : 06976600	Independent	7	7	Yes	3	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 Yuranus Infrastructure Limited	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, 2023, 7 (Seven) meetings of the Board of Directors were held on the following dates :- 26.04.22, 30.05.22, 09.08.22, 13.09.22, 14.11.22, 03.12.22 and 13.02.2023.

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

Disclosure of Relationship between the directors inter -se :- None of the Directors are related to each other except Mr. Bhagwandas K. Patel and Mr. Dixit B. Patel being father and son.

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	Ms. 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.

During the financial year 2022-2023, the Committee met four times on 30.05.2022, 09.08.2022, 13.09.2022, 14.11.2022 and 13.02.2023. 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 29th September, 2022.

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 2022-2023, the Committee met Four times on 30.05.2022, 09.08.2022, 20.10.2022 and 13.02.2023 at registered office of the Company. All the Committee members attended all the meetings.

During the financial year, 5 complaints were received. As of March 31, 2023, NIL complaints were pending.

Shri Shankarlal B. Mundra, Chairman of Stakeholders Relationship Committee, attended the last Annual General Meeting held on 29th September, 2022.

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 2022-2023 on 26.04.2022 and 13.09.2022 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

Shri Shankarlal B. Mundra, Chairman of Nomination and remuneration Committee, attended the last Annual General Meeting held on 29th September, 2022.

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. The criteria for performance evaluation of Directors, Board etc cover the areas relevant to the functioning of Directors like strategy formulation, execution, financial planning, product knowledge and skill and personal attributes. The Board evaluation for financial year 2022-23 was completed and summary of findings and recommendations were discussed by the Directors.

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 / sitting fees paid during the financial year 2022-2023 :

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	0.56	0.56	0.56	1.68
	Total	0.56	0.56	0.56	1.68

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	78.90	75.60	72.30	226.80
2	Bonus	6.57	6.30	6.02	18.89
3	Leave Pay	0	3.15	0	3.15
4	Commission	0	0	0	0.00
	Total	85.47	85.05	78.32	248.84

The Managing Director and Whole Time Directors are appointed by way of Resolution passed in General Meetings for a period of five years without any provision for payment of severance fees. There was no any service contracts entered into between the Company and Managing Director and Whole Time Directors.

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 30.05.2022 and 13.02.2023 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 09.08.2022 and 13.01.2023 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

10. Meetings of Independent Directors

During the year under review, all the Independent Directors met on February 14, 2023, 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.

Declarations : The Company has received declarations from the Independent Directors that they meet the criteria of independence laid down under the Act and Listing Regulations. The Board of Directors, based on declarations received from Independent Directors, have verified the veracity of such disclosures and confirm that the Independent Directors fulfill the conditions of independence specified in the Listing regulations and the Act and are Independent of the Management of the Company.

11. General Body Meeting

a. Annual General Meetings

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

Year	Category – Date and Time	Venue	Special Resolutions passed
2021-22	Annual General Meeting 29th September, 2022 at 4.00 p.m.	Through Video Conferencing/other Audio-Visual Means ("OAVM").	Yes
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

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, 2023 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. The company has complied with all the requirements of listing regulations and guidelines of SEBI and consequently no penalties were imposed or strictures passed against the Company by SEBI or any other Stock Exchanges or any other statutory authorities on any matter relating to Capital markets during the last three years, except penalty of Rs.2000/- imposed by Stock Exchanges for violation of Regulation 34 of Listing Regulations as mentioned in the Directors Report under the head clarification / explanation on observations in Secretarial Audit Report.
- 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. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website www.dynemic.com/shareholder-information.php
- 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. The Company has a Vigil Mechanism and Whistle Blower Policy for Directors and Employees to report violations of applicable laws and regulations and the Code of Conduct. During the year under review, no employee was denied access to the Audit Committee Chairman.
- vii. The Company has complied with all the requirements of Corporate Governance as specified in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulations 46 and para C, D & E of Schedule V of the Listing Regulations.
- viii. The Company has no material subsidiary.

ix. Senior Management : Details of Senior Management are as follows :

Sr. No.	Name of Senior Management Personnel	Designation	Changes, if any
1	Amisha Patel	CFO	Resigned as CFO w.e.f. 12.09.2022
2	Ankit Shah	CFO	Appointed as CFO w.e.f. 13.09.2022
3	Mukesh B. Patel	Manager Export	-
4	Hitendra N. Patel	General Manager	-
5	Ragesh Angreji	General Manager	-
6	Dinesh R. Patel	Production Manager	-
7	Suryakant V Dighe	Production Manager	-
8	Navinbhai N. Patel	Asst. Production Mgr	-
9	Mukeshbhai Somabhai Patel	Maintenance Incharge	-
10	Tanaviben V Khengar	QC Incharge	-
11	Pinky Mehta	Manager Logistics	-

x. CERTIFICATE BY A COMPANY SECRETARY IN PRACTICE

**[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
 Dynemic Products Limited
 B-301, Satyamev Complex-1,
 Gandhinagar-Sarkhej Highway Road,
 Opp-New Gujarat High Court,
 Sola, Ahmedabad-380063

Dynemic 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).

- 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.
- As on 31st March, 2023 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

- 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) 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, 2023.
- 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 : 30/05/2023

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 : A009939E000417984

- xi. Disclosure of commodity price risks and commodity hedging activities : Not applicable
- xii. There were no instances, wherein the Board had not accepted recommendations made by any committee of the Board.
- xiii. Payment to Statutory Auditors - During 2022-2023, Rs. 8.91 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.
- xiv. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the financial year 2022-23
 - a. Number of complaints filed during the year : 0
 - b. Number of complaints disposed off during the year : 0
 - c. Number of complaints pending as on end of the financial year : 0
- xv. No Loans / Advances in the nature of debt was given to firms / companies in which Directors are interested.
- xvi. There are no non-compliances of any requirements of Corporate Governance Report as per sub-para (2) to (10) of Schedule V Part C of the Listing Regulations.
- xvii. Compliance of discretionary requirements under Regulation 27 of Listing Regulations
 - a. Shri B. K. Patel is the Managing Director of the Company. The Chairman is elected in every meeting of the Board.
 - b. As the financial results are published in the newspapers and also posted on Company's website, the same are not being sent to the shareholders.
 - c. The Company's financial statements for the financial year ended 31st March, 2023 do not contain any modified audit opinion.
 - d. The internal auditor makes quarterly presentation to the Audit Committee on their Reports.

13. Means of communication

- i. The quarterly/half yearly financial statements are announced within 45 days of the end of the quarter and are regularly submitted / published to Stock Exchange in accordance with the SEBI (LODR) Regulations, 2015. The Company published its Notices / Financial Statements in Indian Express and The Financial Express.
- ii. The Company has its official website namely www.dynemic.com which is providing all the product related and general information about the Company. The Company is regular in submitting all the relevant information with BSE, NSE and updating in website as per Regulation 46 of the SEBI (LODR) Regulations, 2015.
- iii. 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.
- iv. The Company has not issued any ADR/GDR.
- v. The Company is not engaged into any commodity price risk. During the financial year 2022-23, 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 do have Suspense Escrow Demat Account in compliance with SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022.
- 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 2022-23.

14. General Shareholders' Information :

AGM date : September 12, 2023 at 3.00 p.m. thru VC/OAVM

Dividend payment date : N.A.

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

ii. **Financial Calendar 2023-2024 :-**
(tentative schedule)

Financial year : April 1, 2023 to March 31, 2024.

Board meetings for approval of quarterly results

Quarter ended on June 30, 2023 : On or before August 14, 2023

Quarter ended on September 30, 2023 : On or before November 14, 2023

Quarter ended on December 31, 2023 : On or before February 14, 2024

Quarter ended on March 31, 2024 : On or before May 30, 2024 (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 2023-24.

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 : 532707 NSE : DYNPRO
 ISIN : INE256H01015

v. **Dematerializational Information :-**

As on March 31, 2023, 99.15 % of shares were held in dematerialized form and 0.85 % of 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'22	57060.87	718.15	578.90	719.00	580.30
May'22	55566.41	598.00	427.00	599.45	413.60
June'22	53018.94	484.45	365.00	484.00	362.35
July'22	57570.25	490.90	395.95	494.95	395.20
August'22	59537.07	498.00	329.60	480.00	325.90
September'22	57426.92	358.00	275.65	359.10	277.40
October'22	60746.59	383.05	323.10	397.00	323.75
November'22	63099.65	419.95	369.35	420.00	365.50
December'22	60840.74	396.00	290.00	398.00	287.60
January'23	59549.9	327.05	261.40	328.40	260.35
February'23	58962.12	301.00	233.10	303.35	230.05
March'23	58991.52	299.00	231.85	299.00	230.00

viii. Distribution of Shareholding as on March 31, 2023 (in Shares)

No. of Equity shares held	No. of share holders	% of shareholders	Shares	% of holding
1 – 500	14392	87.1397	1504207	12.8803
501 – 1000	1071	6.4846	811299	6.9470
1001 – 2000	535	3.2393	780180	6.6805
2001 – 3000	163	0.9869	409843	3.5094
3001 – 4000	76	0.4602	263752	2.2585
4001 – 5000	67	0.4057	307126	2.6299
5001 – 10000	95	0.5752	655830	5.6158
10001 & above	117	0.7084	6946150	59.4787
TOTAL			11678387	100.0000

Shareholding pattern of the Company as on March 31, 2023

Category	No. of Shares	% of Shares
A Promoter's Holding		
1 Indian Promoters	3539229	30.27
2 Foreign Promoters	----	----
Sub Total	3539229	30.27
B Public Shareholding		
1 Institutions		
Financial Institution/Banks	0	0
Foreign Portfolio Investors	2911	0.02
2 Central Govt/State Govt / President of India	0	0.00
3 Non-Institutions		
Private Corporate Bodies	519161	4.44
Indian Public	6540584	55.93
Indian Public (Partly Paid)	14255	0.12
NRIs / OCBs	416329	3.56
NRIs (Partly Paid)	465	0.004
Trust	3285	0.03
Clearing Members	205009	1.75
IEPF	19986	0.17
HUF	431893	3.69
HUF (Partly Paid)	1006	0.01
Sub Total (Fully Paid)	8139158	69.60
Sub Total (Partly Paid)	15726	0.13
	8154884	69.73
GRAND TOTAL	11694113	100.00

ix. Details of Shares held by Independent Directors as on March 31, 2023

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 was not require to transfer shares to IEPF during the year.

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 31/03/2023
2015-16	15.03.2016	20.04.2023	141,489.50
2016-17	25.09.2017	31.10.2024	148,172.00
2017-18	21.09.2018	27.10.2025	143,355.50
2018-19	26.09.2019	01.11.2026	109,693.50
2019-20	14.02.2020	21.03.2027	107,251.50

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, 2023	Maximum outstanding during the year
	NIL	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. Company has not made any preferential allotment of qualified institutional placement.

For and on Behalf of the Board of Directors

Ahmedabad
 August 14, 2023

Bhagwandas K. Patel
 Managing Director

Dixitbhai B. Patel
 Director

CERTIFICATE ON CORPORATE GOVERNANCE
[Pursuant to Schedule V of SEBI (LODR) Regulations, 2015]

To,
The Members,
Dynemic Products Limited

We have examined the compliance of condition of corporate governance by Dynemic Products Limited ("the Company") for the year ended 31st March, 2023, as stipulated under Regulations 17 to 27, and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Managements' Responsibility

The compliance of condition of corporate governance is the responsibility of the management of the company. 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 SEBI Listing Regulations.

Auditors Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the company for ensuring the compliance with the conditions of the corporate governance as stipulated in the Regulation 34 read with Schedule V of SEBI Listing Regulations. It is neither an audit nor an expression of opinion of the financial statements of the Company.

We have examined the 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, we certify that Company has complied with the conditions of corporate governance as stipulated under Regulations 17 to 27, and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V to the SEBI Listing Regulations during the year ended on March 31, 2023.

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

14th August, 2023
Ahmedabad

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 : A009939E000798672

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

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, 2023.

For and on behalf of the Board of Directors

Ahmedabad
August 14, 2023

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	0 (1.81)	0 (1,00,000)	0 (1,80,693.00)	0 (1.81)	0 (1,80,693.00)
Total Portfolio Value			0 (1,80,693.00)		0 (1,80,693.00)

The figures in the brackets relates to the previous year i.e. 2021-22.

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 financial statements of Dynemic Products Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter collectively referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the net loss including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013 (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context described hereunder.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone 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 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 financial statements;

- 1) Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of Ind AS 115 "Revenue from Contracts with Customers":-

Key audit matters	How our audit addressed the key audit matter
Company recognises revenue from sales of goods in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers, measured at the value of the consideration received or receivable in the ordinary course of its activities. Revenue from sale of goods is recognised net of discounts, rebates and taxes at the time of transfer of goods. 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.	<p>Our audit procedure with respect to above key audit matter included following;</p> <ol style="list-style-type: none"> a) Reading and evaluation of the company's policies regarding revenue recognition and assessment of its compliance with the requirements of Ind AS 115 "Revenue from contracts with customers" b) Assessed the internal controls with respect to determination of timing of revenue recognition more specifically in case of export sales (wherein the control transfers to customer after significant time from supply of goods from factory). c) Duly verified the trail of documents with respect to export of the goods during cut-off date and ascertained that it was correctly recognized in compliance with transfer of control of goods as defined in Ind AS 115.

INFORMATION OTHER THAN THE STANDALONE 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 Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

The other information is expected to be made available to us after the date of this auditor's report. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows 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 responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone 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 financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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 controls.
- Obtain an understanding of internal financial controls 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 standalone 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 financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated 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 provided 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 financial statements of the current period 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 in terms of Section 143(11) of the Act, we give in "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, based on our audit 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, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure- B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of 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, 2020, as amended, in our opinion and to the best of our information and according to the explanations given to us :
 - i) As informed to us, the Company has disclosed the impact of pending litigations on its financial position in its standalone 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 amount required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv) (a) the management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts -Note No.54 to the standalone financial statements,

- no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) the management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts -Note No.55 to the standalone financial statements, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- v) No dividend has been declared or paid during the year by the Company.
- vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For, **B. K. PATEL & CO**
CHARTERED ACCOUNTANTS
Firm Regn No. 112647W

B. K. Patel
PARTNER
Membership No.032199
UDIN: 23032199BGSCFG1053

Place : Ahmedabad
Date : 30/05/2023

ANNEXURE A

TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph -1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Dynamic Products Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.
 - b) According to the information and explanations given to us, the Company has a program of physical verification to cover all the items of Property, Plant and Equipment's in a phased manner. In our opinion, it is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) which are freehold are held in the name of the Company.
 - d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
 - e) As informed to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended) and rules made thereunder.
- ii. In respect of the Inventory:
 - a) As explained by the management, physical verification of inventory has been conducted at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate. As informed to us, no material discrepancies were noticed on such physical verification.
 - b) As disclosed in note 15 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. 5 (five) Crores in aggregate from banks during the year on the basis of security of current assets of the Company. The company does not have such sanctioned working capital limits from any financial institution. Based on the records examined by us in the normal course of audit of the financial statements in the quarterly returns or statements filed by the company with such banks, the following is the difference between the quarterly statements given to the bank and the books of account of the Company.

(Rs. Lakhs)

Quarter ended	Jun-22		Sep-22		Dec-22		Mar-23	
Particulars	Debtors	Stocks	Debtors	Stocks	Debtors	Stocks	Debtors	Stocks
As per the Statement given to Bank	44.00	62.76	52.94	65.75	58.33	56.09	50.72	65.14
As per Books of Accounts	44.90	62.78	55.00	65.77	59.14	56.34	50.72	65.14
Difference	0.90	0.02	2.06	0.02	0.81	0.25	0.00	0.00

- iii. (a) According the information and explanations given to us, during the year the Company has not made any 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) Since the Company has not made any investments, has not provided any guarantees, has not given any security and has not given any loans and advances in the nature of loans secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year and accordingly reporting under the Clauses 3(iii) (b), (c), (d), (e), and (f) are not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of making investments in subsidiaries and associate.
- v. In our opinion and according to the information and explanation given to us, the Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2023 and accordingly reporting under the clause 3 (v) of the Order are not applicable to the Company.
- vi. According to the information and explanation given to us, the maintenance of cost records has been specified by the Central Government under section 148(1) 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. In respect of statutory dues :
 - a) According to the information and explanation given to us and on the basis of our examination of books of accounts, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, and other material statutory dues as applicable to it with the appropriate authorities. There were no

undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

- b) Details of dues of Income Tax which have not been deposited as at March 31, 2023 on account of dispute are given below :

Sr. no	Name of the Statute	Nature of Dues	Rs. Lakhs	Period to which matter relates	Forum where dispute is pending	Remarks, if any
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. As informed to us there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. In respect of loans from banks and financial institutes :
- In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to financial institutions, banks, debenture holders or government, and accordingly reporting under clause 3 (ix) of the Order is not applicable to the Company.
 - As informed to us, the Company has not been declared wilful defaulter by any bank or financial institution or other lender.
 - No new term loans have been taken during the year, and accordingly reporting under clause 3(ix)(c) of the Order is not applicable.
 - On an overall examination of the financial statements of the Company, no funds raised on short-term basis were used for long-term purposes by the Company, and accordingly reporting under clause 3(ix)(d) of the Order is not applicable.
 - On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, and accordingly reporting on clause 3(ix)(e) of the Order is not applicable.
 - The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and accordingly reporting on clause 3(ix)(f) of the Order is not applicable.
- x. In respect of money raised :
- In our opinion and according to information and explanation given to us and based on our examination of the records of the Company, during the year the Company did not raise any money by way of initial public offer (including debt instruments) and term loans during the year, and accordingly reporting under clause 3(x)(a) of the Order is not applicable.
 - During the year, the Company has made allotment of equity shares on right issue basis for which the requirements of section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised.
- xi. In respect of fraud:
- To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
 - According to the information and explanation given to us, and to the best of our knowledge and belief, no material fraud on or by the Company was noticed or reported during the period, accordingly, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.
 - According to the information and explanation given to us, and to the best of our knowledge and belief, no whistle-blower complaints is received during the year by the company.
- xii. In our opinion and according to information and explanation given to us, the Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to information and explanation given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in standalone financial statements as required by the applicable accounting standards.
- xiv. In respect of Internal Audit :
- In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
 - We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till the date of audit report.
- xv. In our opinion and according to information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them, and hence reporting under clause 3(xv) of the Order is not applicable.
- xvi. (a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, and accordingly reporting under clause 3(xvi)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us, The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

- (d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. In our opinion and according to information and explanation given to us and based on our examination of the records of the Company, the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- 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 and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than on-going projects requiring a transfer to a Fund specified in Schedule -VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act, and accordingly reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) According to information and explanation given to us and based on our examination of the records of the Company there are no on-going projects and accordingly reporting under clause 3(xx)(b) of the Order is not applicable for the year.

For, **B. K. PATEL & CO**
CHARTERED ACCOUNTANTS
Firm Regn No. 112647W

Place : Ahmedabad
Date : 30/05/2023

B. K. Patel
PARTNER
Membership No.032199
UDIN: 23032199BGSCFG1053

ANNEXURE "B"
TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Dynemic Products Limited 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")

We have audited the internal financial controls over financial reporting of Dynemic Products Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Board of Directors of the Company 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 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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 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 internal financial controls system over financial reporting of the Company.

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 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 financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE STANDALONE FINANCIAL STATEMENTS

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 March 31, 2023, 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, **B. K. PATEL & CO**
CHARTERED ACCOUNTANTS
Firm Regn No. 112647W

Place : Ahmedabad
Date : 30/05/2023

B. K. Patel
PARTNER
Membership No.032199
UDIN: 23032199BGSCFG1053

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2023 (Amount in Rs. in Lakhs)

Particulars	Note	As at 31st March, 2023	As at 31st March, 2022
ASSETS :			
NON-CURRENT ASSETS :			
Property, Plant & Equipments & Intangibale Assets			
Property, Plant & Equipments	4	25,898.49	27,158.25
Intangible Assets	5	0.19	0.19
Financial Assets:			
Investments	6	131.22	133.03
Trade Receivables	7	-	-
Loans	10	0.16	2.06
Other Financial Assets	11	1,790.08	1,482.47
Other Non Current Assets	13	294.48	331.76
TOTAL NON CURRENT ASSETS		28,114.62	29,107.76
CURRENT ASSETS:			
Inventories	12	6,513.84	5,205.02
Financial Assets:-			
Investments			
Trade Receivables	7	5,072.48	4,702.20
Cash and cash equivalents	8	41.41	21.14
Other Bank Balances	9	126.10	245.63
Loans	10	0.72	1.31
Other Financial Assets	11	38.34	12.85
Other Current Assets	13	1,204.69	2,071.28
TOTAL CURRENT ASSETS		12,997.59	12,259.43
TOTAL -ASSETS		41,112.21	41,367.19
EQUITIES AND LIABILITIES:			
EQUITY			
Equity Share Capital	14.1	1,168.63	1,132.84
Other Equity	14.2	16,970.14	15,830.68
TOTAL EQUITY		18,138.77	16,963.52
LIABILITIES			
NON CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	15	6,601.03	9,671.69
Trade Payables	16	-	-
Total outstanding dues of micro and small enterprise		-	-
Total outstanding dues of creditors other than micro and small enterprise		289.58	230.00
Provisions	18	49.86	33.47
Other Financial Liabilities	17	0.17	0.22
Deferred Tax Liabilities(Net)	21	1,153.83	1,187.31
TOTAL NON CURRENT LIABILITIES		8,094.48	11,122.69
CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	15	8,195.56	7,701.32
Trade Payables	16		
Total outstanding dues of micro and small enterprise		2,570.30	1,153.44
Total outstanding dues of creditors other than micro and small enterprise		3,636.28	4,079.98
Other Financial Liabilities	17	7.77	7.69
Provisions	18	194.33	186.33
Current Tax Liabilities	19	-	98.21
Other Current Liabilities	20	274.72	54.01
TOTAL CURRENT LIABILITIES		14,878.96	13,280.98
TOTAL LIABILITIES		22,973.44	24,403.67
TOTAL - EQUITIES AND LIABILITIES		41,112.21	41,367.20

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

As per our Report of even date

For, B. K. PATEL & CO.

CHARTERED ACCOUNTANTS.

FRN :- 112647W

CA B. K. Patel

PARTNER

Membership No.032199

Place : Ahmedabad

Date : 30/05/2023

For : DYNEMIC PRODUCTS LIMITED

B. K. Patel

Managing Director

R. B. Patel

Director

Place : Ahmedabad

Date : 30/05/2023

D. B. Patel

Director

Ankit Shah

Chief Financial Officer

Varsha Mehta

Company Secretary

STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st March, 2023

(Amount in Rs. in Lakhs)

Particulars	Note	For the year ended on Friday, 31st March, 2023	For the year ended on Thursday, 31st March, 2022
Revenue from Operations	22	29,540.96	25,192.62
Other Income	23	34.34	27.84
Total Income		29,575.30	25,220.45
EXPENSES :			
Cost of Materials Consumed	24	16,122.01	13,140.78
Purchases of Stock-in-Trade	25	628.25	1,390.76
Changes in Inventories	26	(1,228.77)	(1,372.37)
Employee Benefits Expenses	27	1,816.78	1,310.10
Finance Costs	28	1,610.44	844.69
Depreciation & Amortisations	29	1,674.76	1,126.99
Other Expenses	30	9,345.99	6,451.32
Total Expenses		29,969.47	22,892.27
Profit Before Exceptional items and Tax		(394.17)	2,328.19
Exceptional Items		0.00	-
Profit Before Tax		(394.17)	2,328.19
Tax Expense	31		
Current Tax		0.00	94.81
Deferred Tax		(33.48)	802.92
Add/ (Less):- Taxation of earlier years (Refunds/Paid)		-	-
Total Tax Expense		(33.48)	897.73
Net Profit for the Year		(360.69)	1,430.45
Other Comprehensive Income			
Items that will not be Reclassified to Profit or Loss	36	(6.48)	(13.49)
Remeasurements on Post-employment Defined Benefit Plans			
Income Tax on Above	31	0.00	(3.40)
Total Other Comprehensive Income, Net of Tax		(6.48)	(16.88)
Total Comprehensive Income for the Year		(367.17)	1,413.57
Earnings per Equity Share (Nominal Value Rs. 10/- per Share)	32		
Basic		(3.14)	12.48
Basic (Restated)		(3.24)	12.50
Diluted		(3.14)	12.48
Diluted (Restated)		(3.24)	12.50

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

As per our Report of even date

For : DYNEMIC PRODUCTS LIMITED

For, B. K. PATEL & CO.
CHARTERED ACCOUNTANTS.
 FRN :- 112647W

B. K. Patel
 Managing Director

D. B. Patel
 Director

CA B. K. Patel
PARTNER
 Membership No.032199

R. B. Patel
 Director

Ankit Shah
 Chief Financial Officer

 Place : Ahmedabad
 Date : 30/05/2023

 Place : Ahmedabad
 Date : 30/05/2023

Varsha Mehta
 Company Secretary

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st March, 2023

(Amount in Rs. in Lakhs)

A. Equity Share Capital

Particulars	No. of Shares	Amount
Balance as at 1st April 2021	11,328,449	1,132.84
Changes in equity share capital during the year	-	-
Balance as at 31st March 2022	11,328,449	1,132.84
Changes in equity share capital during the year		
349938 Equity share fully paid up of Rs.10 each	349,938	34.99
15726 Equity share partly paid up of Rs.5 each	15,726	0.79
Balance as at 31st March 2023	11,694,113	1,168.63

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

Particulars	Share Premium	General Reserve	Retained Earnings	Total
As at 1st April, 2021	1,036.80	502.18	12,878.13	14,417.11
Changes in accounting policy/prior period errors	-	-	-	-
Profit for the Year	-	-	1,430.45	1,430.45
Other Comprehensive Income (Net of Tax) - Remeasurements on Post employment Defined Benefit Plans	-	-	(16.88)	(16.88)
Total Comprehensive Income for the Year	1,036.80	502.18	14,291.69	15,830.67
Dividends	-	-	-	-
As at 31st March, 2022	1,036.80	502.18	14,291.69	15,830.67
Equity shares under Rights Issue	-	-	-	-
Profit for the Year	-	-	(360.69)	(360.69)
Other Comprehensive Income (Net of Tax) - Remeasurements on Post employment Defined Benefit Plans	-	-	(6.48)	(6.48)
Total Comprehensive Income for the Year	1,036.80	502.18	13,924.52	15,463.50
Dividends	-	-	-	-
As at 31st March, 2023	1,036.80	502.18	13,924.52	15,463.50

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

As per our Report of even date

For : DYNEMIC PRODUCTS LIMITED

For, B. K. PATEL & CO.
CHARTERED ACCOUNTANTS.
 FRN :- 112647W

B. K. Patel
 Managing Director

D. B. Patel
 Director

CA B. K. Patel
PARTNER
 Membership No.032199

R. B. Patel
 Director

Ankit Shah
 Chief Financial Officer

Place : Ahmedabad
 Date : 30/05/2023

Place : Ahmedabad
 Date : 30/05/2023

Varsha Mehta
 Company Secretary

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st March, 2023

(Amount in Rs. in Lakhs)

Particulars	For the year ended on Friday, March 31, 2023	For the year ended on Thursday, March 31, 2022
A. Cash Flows from Operating Activities		
Profit before Tax	(394.17)	2,328.18
Adjustments for:		
Depreciation and Amortisation Expense	1,674.76	1,126.99
Finance Costs	1,610.44	844.69
Bad Debts/Advances/ Creditors Written Off	2.20	-
Interest Income Classified as Investing Cash Flows	(16.03)	(12.23)
(Gain)/Loss on Disposal of Property, Plant and Equipment (Net)	(0.10)	18.07
Foreign Exchange Differences (Net)	(260.83)	(255.18)
Operating Profit before Changes in Operating assets and Liabilities	2,616.26	4,050.52
Changes in Operating Assets and Liabilities		
Increase/(Decrease) in Trade Payables	1,032.74	2,713.31
Increase/(Decrease) in Other Financial Liabilities	0.29	262.22
Increase/(Decrease) in Provisions	8.00	16.38
Increase/(Decrease) in Other Current Liabilities	214.23	(63.12)
(Increase)/Decrease in Inventories	(1,308.83)	(1,588.79)
(Increase)/Decrease in Trade Receivables	(370.27)	(550.55)
(Increase)/Decrease in Loans	2.49	3.65
(Increase)/Decrease in Other Financial Assets	(214.81)	(898.22)
(Increase)/Decrease in Other Non-current Assets	37.28	66.65
(Increase)/Decrease in Other Current Assets	455.51	377.92
Cash Generated from Operations	(143.37)	339.45
Income Taxes Paid	(8.20)	(419.29)
NET CASH FROM OPERATING ACTIVITIES	2,464.69	3,970.69
B. Cash Flows from Investing Activities		
Payments for Acquisition of Property, Plant, Equipment	(92.93)	(5,433.02)
Proceeds on Disposal of Property, Plant and Equipment	0.10	11.37
Interest Received	16.03	12.23
Proceeds from Maturity of Deposits with Banks	13.49	-
Payments for Placing of Deposits with Banks	(20.01)	(89.70)
NET CASH USED IN INVESTING ACTIVITIES	(83.32)	(5,499.12)
C. Cash Flows from Financing Activities:		
Finance Costs Paid	(1,610.44)	(844.69)
Proceeds from Right issue (Net)	1,542.42	0.00
Proceeds from Long-term Borrowings	(2,260.88)	1,042.74
Short-term Borrowings - Receipts/(Payments)	(293.03)	1,025.69
NET CASH USED IN FINANCING ACTIVITIES	(2,621.93)	1,223.74
D. Exchange Differences on Translation of Foreign Currency	260.83	255.18
Cash and Cash Equivalents		
Net Cash (Outflow)/ Inflow	20.28	(49.51)
Cash and Cash Equivalents - Opening (Refer Note 8)	21.14	70.64
Cash and Cash Equivalents - Closing (Refer Note 8)	41.41	21.14

1) The above Standalone Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

2) Changes in liabilities arising from financing activities

(Amount in Rs. in Lakhs)

Particulars	01/04/2022	Cash Inflow	Other Adjtmnts	31/03/2023
Long-Term Borrowings (Including Current Matuaties of Long Term Debt)	12,109.19	(2,260.88)	-	9,848.31
Short-Term Borrowings	5,263.82	(315.53)	-	4,948.29
Total Borrowings	17,373.01	(2,576.41)	-	14,796.60
Finance Costs paid		(1,610.44)		(1,610.44)
Particulars	01/04/2021	Cash Inflow	Other Adjtmnts	31/03/2022
Long-Term Borrowings (Including Current Matuaties of Long Term Debt)	11,066.46	1,042.73	-	12,109.19
Short-Term Borrowings	4,215.63	1,048.19	-	5,263.82
Total Borrowings	15,282.09	2,090.92	-	17,373.01
Finance Costs paid		(844.69)		(844.69)

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

As per our Report of even date

For : DYNEMIC PRODUCTS LIMITED
For, B. K. PATEL & CO.
CHARTERED ACCOUNTANTS.

FRN :- 112647W

(B. K. Patel)

Managing Director

(D. B. Patel)

Director

CA B. K. Patel
PARTNER

Membership No.032199

(R. B. Patel)

Director

(Ankit Shah)

Chief Financial Officer

Place : Ahmedabad

Date : 30/05/2023

Place : Ahmedabad

Date : 30/05/2023

(Varsha Mehta)

Company Secretary

Notes to Standalone Financial Statements for the year ended 31st March, 2023

1. Company Background

Dynamic Products Limited (the 'Company') is a public limited company, incorporated with its CIN: L24100GJ1990PLC013886 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 Complex-1, Gandhinagar-Sarkhej Highway Road, Opp. New Gujarat High Court, Sola, Ahmedabad-380 063, 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 authorized for issue in accordance with the resolution passed in the meeting of Board of Directors of the Company held on 30th May, 2023.

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 through the year 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 accrual basis and under 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.
- All amounts disclosed in the standalone financial statements and notes have been present in INR and have been rounded off to the nearest Rupee in Lakhs as per the requirement of Schedule-III, unless otherwise stated.

(iii) Current versus Non-Current Classification

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

An asset is classified as current when it is:

- a) expected to be realized or intended to be sold or consumed in the normal operating cycle,
- b) held primarily for the purpose of trading,
- c) expected to be realized 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.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and

Notes to Standalone Financial Statements for the year ended 31st March, 2023

cash equivalents. The Company has identified twelve months as its operating cycle.

(iv) Significant accounting estimates, assumptions and judgements

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 recognized 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 judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the standalone financial statements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described hereinafter. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The areas involving critical estimates or judgments 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 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

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 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

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 optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

B) Summary of Significant accounting policies**1. Revenue Recognition**

Revenue from contract with customer is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue from contract with customer is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are exclusive of taxes & duties and net of returns, trade discounts, rebates. The inter-divisional transfer between Unit-1, 2 and 3 of the company are deducted from respective sales & purchases, It has no impact on profit or loss.

The Company recognizes 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 recognized when the significant risks and rewards of ownership of the products have passed to the buyer as per the terms of contract. The company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Sales is net of inter branch transfers. It has no impact on profit or loss.

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

Other Operating Revenues

Export entitlements under various schemes notified by government are recognized 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.

Rent income

Rental income is accounted on the basis of lease terms and is included in other income in the statement of profit and loss.

Interest Income

Interest income from debt instruments is recognized 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 recognized 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.

2. 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 recognized 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 derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Notes to Standalone Financial Statements for the year ended 31st March, 2023

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 equipment - 5 to 40 years

Furniture and Fixtures - 10 years

Vehicles - 8 to 10 years

Office Equipment - 3 to 6 years

Leasehold land is from GIDC and has not been amortized, 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.

a. Intangible Assets

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

Computer Software

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

Amortization Method and Period

Computer software are amortized 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. Amortization method and useful lives are reviewed periodically at each financial year end.

b. 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 recognized 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. Subsequently, if there is a change in the indication, since the last impairment was recognized, so that recoverable amount of an asset exceeds its carrying amount, an impairment recognized for an asset in prior accounting period is reversed 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).

c. Leases

The Company applied a single recognition and measurement approach for all leases for which it is the lessee, except for short-term leases and leases of low value assets. The Company recognised lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Company elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

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

Notes to Standalone Financial Statements for the year ended 31st March, 2023

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. Land (Leasehold) is carried at cost less amortization; Leasehold land is amortized on the straight line method over the period of lease.

d. Inventories

Inventories are stated at the lower of cost and net realizable 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 realizable 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.

e. 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 recognized for the amount by which the carrying amount of investments exceeds its recoverable amount.

f. 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 amortized 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 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.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as under, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting

Notes to Standalone Financial Statements for the year ended 31st March, 2023

period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

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:

1. Amortized 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 amortized cost. A gain or loss on a debt instrument that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired.

2. 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 recognized in the profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in 'Other Income'.

3. Fair value through Profit & Loss A/c

Assets that do not meet the criteria for amortized 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 recognized 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 recognized 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 given herein after 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 recognized 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 recognizes 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. 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

Notes to Standalone Financial Statements for the year ended 31st March, 2023

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-recognized 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-recognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized.

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-recognized 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 recognized to the extent of continuing involvement in the financial asset.

(v) 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 realized.

g. Derivative Instruments-

Company has no Derivative Instruments during the year.

h. 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 recognized amounts and there is an intention of the management to settle on a net basis or realize 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.

i. Trade Receivables

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

j. 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 Banks and 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.

k. 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 recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

l. Borrowings

Borrowings are recognized at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized 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

Notes to Standalone Financial Statements for the year ended 31st March, 2023

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 capitalized as a prepayment for liquidity services and amortized 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.

m. Financial Guarantee Contracts

Financial guarantee contracts are recognized 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 recognized less cumulative amortization, where appropriate.

n. Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized 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.

o. 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 in Lakhs (Rs. in Lakhs), 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 recognized in profit and loss.

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.

p. 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 recognized 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 recognized 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.

Notes to Standalone Financial Statements for the year ended 31st March, 2023

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.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized 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 recognized as expenses for the period in which the employee has rendered the service.

(iii) Other Long term Employee Benefits

The liabilities for leave which 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. Re-measurement as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The liabilities are presented as 'Employee Benefits Payable' within 'Other Non-Current Liabilities' in the Balance Sheet.

q. 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 balance sheet approach, 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 recognized 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 realized or the deferred tax liability is settled.

Deferred tax assets are recognized 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 utilize those temporary differences, tax credits and losses.

Deferred tax assets are not recognized 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 utilized.

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 utilized.

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 realize the asset and settle the liability simultaneously.

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

Notes to Standalone Financial Statements for the year ended 31st March, 2023

income or directly in equity, respectively.

r. Provisions and Contingencies

Provisions are recognized 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.

s. Dividend

The Company recognises a liability for dividends to equity holders of the Company when the dividend is authorised and the dividend is no longer at the discretion of the Company. As per the corporate laws in India, a dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

t. 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.

u. 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.

Notes to Standalone Financial Statements for the year ended 31st March, 2023
4 Property, Plant and Equipment
4.1 Reconciliation of Gross and Net Carrying Amount of Each Class of Assets

Particulars	(Amount in Rs. in Lakhs)					
	Leasehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments
Year ended 31st March, 2022						
Gross Carrying Amount						
Opening Balance	156.53	1,919.49	4,306.64	91.35	101.92	45.42
Additions	1,182.45	8,604.23	14,967.82	100.51	16.22	29.01
Disposals	-	-	67.75	-	-	-
Closing Balance	1,338.98	10,523.72	19,206.70	191.86	118.13	74.43
Accumulated Depreciation						
Opening Balance	-	643.46	2,393.69	82.91	52.62	34.22
For the Year	-	223.76	877.40	5.10	13.01	7.71
On Disposals	-	-	38.31	-	-	-
Closing Balance	-	867.23	3,232.78	88.01	65.63	41.93
Net Carrying Amount	1,338.98	9,656.49	15,973.93	103.85	52.50	32.50
Year ended 31st March, 2023						
Gross Carrying Amount						
Opening Balance	1,338.98	10,523.72	19,206.70	191.86	118.13	74.43
Additions	1.94	36.24	372.51	6.13	-	4.42
Disposals	-	-	7.36	-	-	0.53
Closing Balance	1,340.92	10,559.96	19,571.85	197.99	118.13	78.32
Accumulated Depreciation						
Opening Balance	-	867.23	3,232.78	88.01	65.63	41.93
For the Year	-	339.78	1,298.68	11.80	12.13	12.36
On Disposals	-	-	1.14	-	-	00.52
Closing Balance	-	1,207.01	4,530.32	99.81	77.76	53.77
Net Carrying Amount	1,340.92	9,352.95	15,041.53	98.17	40.37	24.55

Notes to Standalone Financial Statements for the year ended 31st March, 2023
(Amount in Rs. in Lakhs)
4.2 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			

- 4.3** The Company has taken borrowings from banks which carry charge over certain property, plant and equipment (Refer Note 42 for details).
- 4.4** Contractual obligations - Refer Note 35(a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- 4.5** Aggregate amount of depreciation has been included under 'Depreciation and Amortisation Expense' in the Statement of Profit and Loss (Refer Note 29).
- 4.6** Title deeds of immovable properties set out in Note 4.1 above, where applicable, are in the name of the Company.
- 4.7** There is no Capital work in progress in current year as well as in previous year.

5 Intangible Assets

Particulars	Amount
Year ended 31st March, 2022	
Gross Carrying Amount	
Opening Balance	26.47
Additions	0.00
Disposals	0.00
Closing Balance	26.47
Accumulated Depreciation	
Opening Balance	26.28
For the Year	0.00
On Disposals	0.00
Closing Balance	26.28
Net Carrying Amount	0.19
Year ended 31st March, 2023	
Gross Carrying Amount	
Opening Balance	26.47
Additions	0.00
Disposals	0.00
Closing Balance	26.47
Accumulated Depreciation	
Opening Balance	26.28
For the Year	0.00
On Disposals	0.00
Closing Balance	26.28
Net Carrying Amount	0.19

- 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, 2023
(Amount in Rs. in Lakhs)
6 Investments

Particulars	Face Value	Number	As At 31st March 2023	As At 31st March 2022
Unquoted:				
Non-current Investments				
Investments in Equity Instruments (At amortised cost)				
In Subsidiary Companies				
*Cerecon Bio Sciences Private Limited (Formerly known as Dynamic Overseas (India) Pvt Ltd)	100	20600	20.60	20.60
In Other Associates Body Corporates				
*Dynemic Holdings Pvt.Ltd.	10	1010000	101.00	101.00
In Other Body Corporates				
* 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
Investments in Mutual Funds				
IndiaReit Fund Scheme IV			-	1.81
TOTAL			131.22	133.03
Current Investments			-	-

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

6.2 Aggregate amount of Investments

Particulars	As At 31st March 2023	As At 31st March 2022
Aggregate amount of Unquoted Investments	131.22	131.22
Aggregate amount of Quoted Investments	0.00	1.81
Total Investments	131.22	133.03

7 Trade Receivables

Particulars	As At 31st March 2023	As At 31st March 2022
Current		
Unsecured Considered Good		
(a) Trade Receivables considered good - Secured;	0.00	0.00
(b) Trade Receivables considered good - Unsecured;	5,072.48	4,702.21
(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
TOTAL	5,072.48	4,702.21

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, 2023
(Amount in 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	5,058.40 (4,663.80)	14.07 (38.42)	- -	- -	- -	5,072.48 (4,702.21)
(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
Total	5,058.40 (4,663.80)	14.07 (38.42)	- -	- -	- -	5,072.48 (4,702.21)

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 2023	As At 31st March 2022
Total Dues with Due Dates of Payments as per above table 7.2	5,072.48	4,702.21
Outstanding Debtors where still the payment has not become Due	0	0
Outstanding Debtors still unbilled	0	0
Total Trade Receivables as shown in above Note 7	5,072.48	4,702.21

Note: Refer Note NO. 38 for Related parties transaction.

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.

8 Cash and Cash Equivalents

Particulars	As At 31st March 2023	As At 31st March 2022
Balances with Banks		
In Current Accounts	18.34	17.93
In Fixed Deposits	20.33	-
Cash on Hand	2.75	3.21
TOTAL	41.41	21.14

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.

8.2 Fixed deposit maturity less then 3 months included in Cash and Cash equivalents.

Notes to Standalone Financial Statements for the year ended 31st March, 2023
(Amount in Rs. in Lakhs)
9 Other Bank Balances

Particulars	As At 31st March 2023	As At 31st March 2022
Earmarked balances with banks		
- Unpaid Dividend Accounts	6.50	6.76
- Fixed Deposit held for guarantees (with original maturity of more than three months but less than twelve months) (Lodged with Government Authority/Others)	119.60	192.68
Accrued Interest on Fixed Deposits	-	46.19
TOTAL	126.10	245.63

9.1 Fixed deposits held for guarantees are not available for immediate use being in the nature of security offered.

10 Loans

Particulars	As At 31st March 2023	As At 31st March 2022
Non-current		
Loans to Employees		
(a)Loans Receivables considered good - Unsecured;	0.16	2.06
TOTAL	0.16	2.06
Current (At Amortised Cost)		
Loans to Employees		
(a)Loans Receivables considered good - Unsecured;	0.72	1.31
TOTAL	0.72	1.31

11 Other Financial Assets

Particulars	As At 31st March 2023	As At 31st March 2022
Non-current		
Unsecured, Considered Good :		
Security Deposits	1,654.13	1,464.82
Fixed Deposits with Banks**	135.94	17.03
(with Maturity of more than Twelve Months)		
(Lodged with Government Authority/Others)		
Accrued Interest on Fixed Deposits**	-	0.62
TOTAL	1,790.08	1,482.47
Current (At Amortised Cost)		
Unsecured, Considered Good :		
Security Deposits	25.49	-
Interest Accrued on Electricity Deposits	12.85	12.85
TOTAL	38.34	12.85

**Financial Assets carried at Amortised Cost

11.1 Fixed deposits held for guarantees are not available for immediate use being in the nature of security offered.

11.2 Security deposits are receivables from various government and non government authorities.

12 Inventories

Particulars	As At 31st March 2023	As At 31st March 2022
-At Lower of Cost and Net Realisable Value		
Raw Materials	1,314.91	1,367.12
Packing Material	25.84	19.57
ETP stock	7.88	2.77
Fuel- Non Coking stock	131.43	10.54
Trading Materials	21.34	23.97
Work in progress	862.06	424.63
Finished Goods	4,141.44	3,338.28
Finished Goods (Captive)	8.94	18.15
TOTAL	6,513.84	5,205.02

12.1 Refer Note 42 for Information on Inventories Pledged as Security

Notes to Standalone Financial Statements for the year ended 31st March, 2023
(Amount in Rs. in Lakhs)
13 Other Assets

Particulars	As At 31st March 2023	As At 31st March 2022
Non-current		
Unsecured, Considered Good :		
Capital Advances	214.63	234.63
Balances with Government Authorities @	3.80	3.80
Prepaid/Advance for Expenses	1.99	1.99
Advance to Suppliers/Service Providers (other than capital)	-	-
IT Refund Receivables (AY 12-13, 13-14 & 20-21)	74.06	91.34
TOTAL	294.48	331.76
Current		
Unsecured, Considered Good :		
Export Entitlements Receivable	113.73	263.39
Balances with Government Authorities @	624.49	1,072.07
Advance to Suppliers/Service Providers (other than capital)	13.66	-
Capital Advances	11.46	195.77
Prepaid/Advance for Expenses	112.07	95.95
IT Refund Receivables (AY 21-22)	321.08	24.82
Advance Income Tax Paid (Included TDS & TCS)	8.20	419.29
TOTAL	1,204.69	2,071.29

@ 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

Particulars	As At 31st March 2023	As At 31st March 2022
Authorised Share Capital		
13,000,000(Previous Year- 1,30,00,000) Equity Share of Rs. 10/- each	1,300.00	1,300.00
Issued and Subscribed share capital		
11,694,113(Previous Year- 1,13,28,449) Equity Share of Rs. 10/- each @	1,169.41	1,132.84
Subscribed and Partly paid up		
11,678,387(Equity Shares of Rs. 10/- each fully paid up) @	1,167.84	1,132.84
15,726 (Equity Shares of Rs. 5/- party paid up) @	0.79	-
TOTAL	1,168.63	1,132.84

@ Issued and subscribed capital has been increased by 3,65,664 equity shares as Right issue given at Rs.450/- per equity shares (Rs.10/- Face value and Rs.440/- share premium amount). Out of these equity shares 3,49,938 are fully paid up at Rs. 10/- and 15,726 equity shares are partly paid at Rs.5/- per share.

(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) Reconciliation of shares outstanding at the beginning and at the end of the Year

Particulars	No. of Shares	Amount
Balance as at 1st April 2021	11,328,449	1,132.84
Changes in equity share capital during the year	-	-
Balance as at 31st March 2022	11,328,449	1,132.84
Changes in equity share capital during the year		
349938 Equity share fully paid up of Rs.10 each	349,938	34.99
15726 Equity share partly paid up of Rs.5 each	15,726	0.79
Balance as at 31st March 2023	11,694,113	1,168.63

Notes to Standalone Financial Statements for the year ended 31st March, 2023
(c) Details of Shareholder holding more than 5% Equity Shares of the Company (Amount in Rs. in Lakhs)

Name of the Shareholders	As at 31st March 2023		As at 31st March 2022	
	Nos of Shares	% of Total Shares	Nos of Shares	% of Total Shares
Bhagwandas Kalidas Patel	1,267,541	10.84%	1,207,182	10.66%
Rameshkumar Bhagwandas Patel	713,993	6.11%	679,993	6.00%
Total	1,981,534	16.95%	1,887,175	16.66%

(d) 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 2023			As At 31st March 2022		
	Nos of Shares	% of Total Shares	% Change During the Year	Nos of Shares	% of Total Shares	% Change During the Year
Bhagwandas K Patel - HUF	71,925	0.62%	5.00%	68,500	0.60%	0.00%
Rajulaben J Patel	-	0.00%	(100.00%)	25,975	0.23%	2.00%
Bhagwandas Kalidas Patel	1,267,541	10.84%	5.00%	1,207,182	10.66%	0.00%
Jayantilal K Patel	43,802	0.37%	196.00%	14,785	0.13%	(43.00%)
Rameshkumar Bhagwandas Patel	713,993	6.11%	5.00%	679,993	6.00%	0.00%
Kirtikumar Bhagwandas Patel	121,758	1.04%	5.00%	115,960	1.02%	0.00%
Vimalaben Bhagawandas Patel	337,497	2.89%	6.00%	318,800	2.81%	11.00%
Mukeshbhai B Patel	120,310	1.03%	5.00%	114,581	1.01%	0.00%
Vishnubhai Bhagwanbhai Patel	89,671	0.77%	5.00%	85,401	0.75%	0.00%
Dixit Bhagwandas Patel	185,502	1.59%	10.00%	169,225	1.49%	0.00%
Dalchhiben Bhagwanbhai Patel	43,155	0.37%	5.00%	41,100	0.36%	0.00%
Kaminiben Vishnubhai Patel	51,528	0.44%	5.00%	49,074	0.43%	0.00%
Chetnaben M Patel	138,600	1.19%	5.00%	132,000	1.17%	0.00%
Mittal Dixit Patel	33,600	0.29%	5.00%	32,000	0.28%	0.00%
Kantilal Kalidas Patel	55,150	0.47%	0.00%	55,150	0.49%	0.00%
Hansaben Rameshbhai Patel	31,021	0.27%	5.00%	29,544	0.26%	0.00%
Bhagvatiben Kirtibhai Patel	45,638	0.39%	5.00%	43,465	0.38%	0.00%
Sachin R Patel	20,038	0.17%	5.00%	19,084	0.17%	0.00%
Dixit Bhagwandas Patel - HUF	12,180	0.10%	5.00%	11,600	0.10%	0.00%
Dynemic Holdings Private Limited	156,320	1.34%	0.00%	156,320	1.38%	2.00%
Total	3,539,229	30.27%		3,369,739	29.75%	

As per records of the Company, including its register of shareholder / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(e) For the period of 5 years immediately preceding the balance sheet date, aggregate number and class of shares allotted (a) as fully paid up pursuant to contract(s) without payment being received in cash -Nil, (Previous year - Nil) (b) as fully paid up by way of bonus shares -Nil (Previous year - Nil) and (c) shares bought back Nil (Previous year - Nil)

(f) There is no call unpaid by Directors or any Officers of the Company during the year.

Notes to Standalone Financial Statements for the year ended 31st March, 2023

(Amount in Rs. in Lakhs)

14.2 Other Equity

Particulars	As At 31st March 2023	As At 31st March 2022
Securities Premium Account		
Opening Balance	1,036.80	1,036.80
Add : Premium received on issue of equity shares	1,574.32	-
Less : Share issue expenses adjusted against Security Premium	67.68	-
Closing Balance	2,543.44	1,036.80
General Reserve		
Opening Balance	502.18	502.18
Less: Utilised / Transfer during the year	-	-
Closing Balance	502.18	502.18
Retained Earnings		
Opening Balance	14,291.69	12,878.13
Profit for the Year	(360.69)	1,430.45
Items of Other Comprehensive Income recognised directly in Retained Earnings		
Remeasurements on Post-employment Defined Benefit Plans, Net of Tax	(6.48)	(16.88)
Transfer to General Reserve	-	-
Closing Balance	13,924.52	14,291.70
Total Other Equity	16,970.14	15,830.68

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.

During the year Company has issued 3,65,664 equity shares as Right issue at Rs.450/- per equity shares (Rs.10/- Face value and Rs.440/- share premium amount) aggregating to Rs.1610.10 Lakhs.

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.

15 Borrowings

Particulars	As At 31st March 2023	As At 31st March 2022
Non-current Secured		
* HDFC Bank Ltd.- Car Loans	10.13	12.63
(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	2.70	2.50
Net Non Current Amount	7.43	10.13
* Citi Bank N.A.-- Term Loan FCTL-1	2,281.91	2,945.69
Defaults:- NIL		
Terms of Repayment - 20 Quarterly Intallments after 12 months moratorium		

Notes to Standalone Financial Statements for the year ended 31st March, 2023
(Amount in Rs. in Lakhs)

Particulars	As At 31st March 2023	As At 31st March 2022
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- 5.60%		
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- 5.30%		
Less: Current Maturities of Long-term Debt	913.83	800.00
* Citi Bank N.A.-- Term Loan FCTL-2	1,650.00	2,027.87
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- 4.00%		
Less: Current Maturities of Long-term Debt	550.00	500.00
Net Non Current Amount	2,468.08	3,673.56
* HDFC Bank-- Term Loan	2,400.00	3,200.00
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- 3_M_T_BILL + 4.40% or 11.40% p.a.		
Less: Current Maturities of Long-term Debt	800.00	800.00
* HDFC Bank Ltd (GECL) Loan-Term Loan-INR)	977.08	1,340.00
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- 3_M_T_BILL + 0.85% or 7.85% p.a.		
Less: Current Maturities of Long-term Debt	335.00	335.00
* HDFC Bank Ltd (GECL) Loan-Term Loan-INR)	2,529.19	2,583.00
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- 3_M_T_BILL + 1.20% or 8.20% p.a.		
Less: Current Maturities of Long-term Debt	645.75	0.00
Net Non Current Amount	4,125.52	5,988.00
TOTAL NON CURRENT AMOUNT	6,601.03	9,671.69

Notes to Standalone Financial Statements for the year ended 31st March, 2023
(Amount in Rs. in Lakhs)

Particulars	As At 31st March 2023	As At 31st March 2022
Current Secured		
Loans Repayable on Demand from Banks*		
Bill Discounting Facilities- PCFC		
* Citi Bank N.A.	2,008.28	2,038.69
* HDFC BANK	442.93	471.18
Cash Credit/Export Credit Facilities		
* Citi Bank N.A.	287.59	260.03
* Axis Bank Ltd.	692.13	799.81
* HDFC Bank Ltd (C/C A/C)	1,517.36	321.61
* HDFC BankLtd. (WCDL A/C)	-	1,350.00
Loans Repayable on Demand from Banks Total	4,948.29	5,241.32
Current Maturities of Long-term Debt		
* ICICI Bank Ltd.- Car Loans		
* HDFC Bank Ltd.- Car Loans	2.70	2.50
* Citi Bank N.A.-- Term Loan FCTL-1	913.83	800.00
* Citi Bank N.A.-- Term Loan FCTL-2	550.00	500.00
* HDFC Bank-- Term Loan	800.00	800.00
* HDFC Bank Ltd (GECL) Loan-Term Loan-INR	335.00	335.00
* HDFC Bank Ltd (GECL) Loan-Term Loan-INR	645.75	-
Current Maturities of Long-term Debt Total	3,247.27	2,437.50
Unsecured		
Loan from Directors	-	22.50
TOTAL CURRENT AMOUNT	8,195.56	7,701.32

15.1 Refer Note NO. 38 for Related parties transaction.

***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.

Notes to Standalone Financial Statements for the year ended 31st March, 2023
(Amount in Rs. in Lakhs)

- (e) Reconciliation of quarterly returns submitted to banks where borrowings have been availed based on security of current assets.

Quarter Ended	Particulars	Amount as per books of account	Amount as reported in the quarterly return/statement	Amount of difference	Reason for differences
Jun-22	Inventory	62.78	62.76	0.02	Trade Receivable submitted to Bank considering Net of Advance.
	Trade Receivables	44.90	44.00	0.90	
Sep-22	Inventory	65.77	65.75	0.02	
	Trade Receivables	55.00	52.94	2.06	
Dec-22	Inventory	56.34	56.09	0.25	
	Trade Receivables	59.14	58.33	0.81	
Mar-23	Inventory	65.14	65.14	-	
	Trade Receivables	50.72	50.72	-	

- 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.

16 Trade Payables

Particulars	As At 31st March 2023	As At 31st March 2022
Non-current		
Dues of Micro Enterprises and Small Enterprises (Refer Note 33)		-
Dues of Creditors other than Micro Enterprises and Small Enterprises	289.58	230.00
TOTAL	289.58	230.00
Current		
Dues of Micro Enterprises and Small Enterprises (Refer Note 33)	2,570.30	1,153.44
Dues of Creditors other than Micro Enterprises and Small Enterprises	3,636.28	4,079.98
TOTAL	6,206.58	5,233.43

- 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	2,570.30	-	-	-	2,570.30
	(1,153.44)	-	-	-	(1,153.44)
(ii) Others	3,636.28	289.58			3,925.87
	(4,079.98)	(114.61)	(78.37)	(37.02)	(4,309.98)
(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
Total FY 22-23	6,206.58	289.58	-	-	6,496.16
Total FY 21-22	(5,233.43)	(114.61)	(78.37)	(37.02)	(5,463.43)

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

Notes to Standalone Financial Statements for the year ended 31st March, 2023
(Amount in Rs. in Lakhs)

		As At 31st March 2023	As At 31st March 2022
	Particulars		
	Total Dues with Due Dates of Payments as per above table 16.2	6,496.16	5,463.43
	Outstanding Payables where still the payment has not become Due	0.00	0.00
	Outstanding Payables still unbilled	0.00	0.00
	Total Trade Payables as shown in above Note 16	6,496.16	5,463.43
17	Other Financial Liabilities		
	Particulars	As At 31st March 2023	As At 31st March 2022
	Non-current		
	Other Sundry Creditors Payable for Expenses	0.01	0.01
	Security Deposits- Employee Bonds	0.16	0.21
	TOTAL	0.17	0.22
	Current		
	Interest Accrued	0.00	0.00
	Unpaid Dividends (refer Note No.17.1 below)	6.50	6.76
	Security Deposits- Employee Bonds	1.27	0.93
	TOTAL	7.77	7.69
17.1	There are no due for transfer to the Investor Education and Protection Fund during the year as at the Balance Sheet date.		
18	Provisions		
	Particulars	As At 31st March 2023	As At 31st March 2022
	Non-current		
	Provisions for Employee Benefits (Refer Note 36)	49.86	33.47
	TOTAL	49.86	33.47
	Current		
	Provision For Expenses	8.51	144.75
	Provisions for Employee Salary & Benefits (Refer Note 36)	185.82	41.58
	TOTAL	194.33	186.33
19	Current Tax Liabilities		
	Particulars	As At 31st March 2023	As At 31st March 2022
	A. Tax Expense Recognised in Profit or Loss		
	Current Tax		
	Current Tax Liabilities	-	94.81
	B. Tax on Other Comprehensive Income		
	Current Tax		
	Remeasurements on Post-employment Defined Benefit Plans	-	3.40
	TOTAL	-	98.21
20	Other Current Liabilities		
	Particulars	As At 31st March 2023	As At 31st March 2022
	Dues Payable to Government Authorities @	17.19	54.01
	Advances from Customers	257.53	-
	TOTAL	274.72	54.01

@ 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 Deferred Tax Liabilities (Net)
Significant Movements Deferred Tax Assets and Liabilities during the year.

Particulars	As At 31st March 2022	Recognised in Profit & Loss	As At 31st March 2023
Property, Plant and Equipment and Intangible Assets	1,187.31	50.02	1,237.33
Total Deferred Tax Liabilities	1,187.31	50.02	1,237.33
Unabsorbed Loss	-	(83.50)	(83.50)
Total Deferred Tax Assets	-	(83.50)	(83.50)
Net Deferred Tax Liabilities (Assets)	1,187.31	(33.48)	1,153.83
Particulars	As At 31st March, 2021	Recognised in Profit & Loss	As At 31st March 2022
Property, Plant and Equipment and Intangible Assets	384.39	802.92	1,187.31
Total Deferred Tax Liabilities	384.39	802.92	1,187.31

22 Revenue from Operations

Particulars	For the year ended Fri. March 31, 2023	For the year ended Thu. March 31, 2022
Sale of Products *		
Manufactured Goods		
Dyes & Intermediates	5,453.28	3,362.33
Sythetic Food Colours	22,575.23	19,754.26
Trading Goods	784.42	1,147.90
Net Product Sales	28,812.92	24,264.49
*(The above sales are net of (exclusive of) Inter Branch/ Unit Transfer)		
Other Operating Revenues		
Discounts Others	-	8.52
Export Incentive Income	440.50	599.97
Excise Refund Income	-	0.16
Foreign Exchange Gain & Loss- Exports & Imports	260.83	255.18
Quantity Discount	-	35.63
Rates & Quality Difference	1.42	1.33
Scrap Sale Income	25.29	27.33
Total Other Operating Revenues	728.04	928.12
Total Revenues from Operations	29,540.96	25,192.62

23 Other Income

Particulars	For the year ended Fri. March 31, 2023	For the year ended Thu. March 31, 2022
Apprentice Stipend Refund	0.62	0.34
Sundry Balances written Back	2.20	-
Dividend Received	0.19	0.35
Interest Income on		
- Fixed Deposits with Banks	16.03	12.23
- Staff Loan	0.12	0.30
- Income tax Refund	0.23	-
- Deposit with GEB & ETL	14.51	14.49
Insurance Claim	0.20	-
Office Rent Income	0.12	0.12
Profits on sale or w/o of assets	0.12	-
TOTAL	34.34	27.84

Notes to Standalone Financial Statements for the year ended 31st March, 2023
(Amount in Rs. in Lakhs)
24 Cost of Materials Consumed

Particulars	For the year ended Fri. March 31, 2023	For the year ended Thu. March 31, 2022
Opening Stock	1,367.12	1,158.94
Add: Purchases during the year *	16,069.81	13,348.95
	17,436.92	14,507.89
Less : Closing Stock	1,314.91	1,367.12
TOTAL	16,122.01	13,140.78

*(The above purchases are net of (exclusive of) Inter Branch/ Unit transfers)

25 Purchases of Stock-in-trade

Particulars	For the year ended Fri. March 31, 2023	For the year ended Thu. March 31, 2022
Chemical Items	628.25	1,390.76
TOTAL	628.25	1,390.76

26 Changes in Inventories

Particulars	For the year ended Fri. March 31, 2023	For the year ended Thu. March 31, 2022
OPENING INVENTORIES :		
Finished Goods	3,338.26	2,107.40
Finished Goods (Captive)	18.15	5.17
Trading Stocks	23.97	13.11
Work-in-Progress	424.63	306.96
TOTAL	3,805.01	2,432.64
CLOSING INVENTORIES :		
Finished Goods	4,141.44	3,338.26
Finished Goods (Captive)	8.94	18.15
Trading Stocks	21.34	23.97
Work-in-Progress	862.06	424.63
TOTAL	5,033.77	3,805.01
TOTAL	(1,228.77)	(1,372.37)

27 Employee Benefit Expenses

Particulars	For the year ended Fri. March 31, 2023	For the year ended Thu. March 31, 2022
Salary, Wages & Bonus	1,450.22	979.10
Salaries & Bonus to Directors	248.84	202.64
Incentive Commission to Other Staff	13.31	13.22
Commission to Managing Director	-	45.00
Refer Note No. 27.1		
Contribution to Provident Fund & Other Funds	83.93	57.48
Gratuity Insurance Premium (See Note 36)	20.48	12.66
TOTAL	1,816.78	1,310.10

27.1 Refer Note No.38 for Related Parties Transactions
28 Finance Costs

Particulars	For the year ended Fri. March 31, 2023	For the year ended Thu. March 31, 2022
Interest Expense on:		
- Term Loans	684.61	403.37
- Cash Credit and Working Capital Demand Loan	334.50	219.32
- Others	22.21	13.00
Foreign Exchange Difference regarded as an Adjustment to Borrowing Costs	510.39	127.48
Bank and Other Finance Charges	58.72	81.52
TOTAL	1,610.44	844.69

Notes to Standalone Financial Statements for the year ended 31st March, 2023
(Amount in Rs. in Lakhs)

28.1 Refer Note No.38 for Related Parties Transactions

29	Depreciation and Amortisation Expense		
	Particulars	For the year ended Fri. March 31, 2023	For the year ended Thu. March 31, 2022
	Depreciation on Property, Plant and Equipment (Refer Note 4.1)	1,674.76	1,126.99
	TOTAL	1,674.76	1,126.99
30	Other Expenses		
	Particulars	For the year ended Fri. March 31, 2023	For the year ended Thu. March 31, 2022
	Other Manufacturing Expenses (Refer Note 30.1)	7,860.84	5,461.48
	Repairs and Maintenance Expenses (Refer Note 30.2)	554.05	309.10
	Administrative and Other Expenses (Refer Note 30.3)	931.10	680.74
	TOTAL	9,345.99	6,451.32
30.1	Other Manufacturing Expenses		
	Particulars	For the year ended Fri. March 31, 2023	For the year ended Thu. March 31, 2022
	<u>PACKING MATERIAL CONSUMED</u>		
	Op. Stock	19.57	24.59
	Add: Purchases during the year	562.78	423.50
		582.35	448.09
	Less : Closing stock	25.84	19.57
	Total	556.51	428.53
	<u>E.T.P MATERIAL CONSUMED</u>		
	Op. Stock	2.77	0.04
	Add: Purchases during the year	122.86	46.85
		125.63	46.89
	Less : Closing stock	7.88	2.77
	Total	117.75	44.12
	<u>POWER & FUEL CONSUMED</u>		
	Electric Power & Burning	1,432.32	780.27
	Fuel Purchased & Consumed	1,357.07	426.91
	Gas Consumption Charges	1,655.34	1,443.97
	Total	4,444.73	2,651.16
	<u>OTHER MFGS. EXPENSES</u>		
	Consumable Stores	178.01	144.16
	ETP Expense	553.49	466.92
	Factory & Other Expenses	114.63	122.83
	Forwarding & Handling Charges	773.99	833.74
	Labour & Job Charges	881.04	596.69
	Transportations Expenses	240.69	173.35
	Total	2,741.85	2,337.68
	TOTAL	7,860.84	5,461.48
30.2	Repairs and Maintenance Expenses		
	Particulars	For the year ended Fri. March 31, 2023	For the year ended Thu. March 31, 2022
	Building & Premises Repairing	34.22	34.29
	Consumable Stores (Plant, MEE & Electricals)	268.70	141.72
	Repairing & Maintenance- Others	11.99	14.71
	Machinery Parts, Repairs & Maintenance	239.14	118.37
	TOTAL	554.05	309.10

Notes to Standalone Financial Statements for the year ended 31st March, 2023
(Amount in Rs. in Lakhs)
30.3 Administrative and Other Expenses

Particulars	For the year ended Fri. March 31, 2023	For the year ended Thu. March 31, 2022
Angadia & Courier Exp	19.29	14.69
Consultancy & Professional Fees	64.23	65.21
Cost Audit Fees	0.93	0.90
Corporate Social Responsibility Expenses (Refer Note No.:30.4)	62.30	64.00
Donation to Charitable Institutes	-	3.83
Exhibition Exp.	22.02	0.25
FDA Approval Fees	102.47	78.69
Insurance Premium	65.69	64.42
Lab-Testing Expense	16.09	13.23
Loss/Profits on sale/w/o of assets	0.02	18.07
Office Electric Bill Exp.	3.47	3.05
Other Administrative & Establishment Exps	126.74	99.07
Legal & Other Fees	67.41	39.89
Loss on Sales Investments	0.10	-
Payments to Auditors (Refer Note No: 30.5)	8.51	9.50
Sales Promotion Exps	13.02	4.50
Security Exp	69.95	55.13
Stationery & Printing Expense	18.89	14.25
Sitting Fees to Directors	1.68	1.20
Selling Commission	76.52	46.56
Telephone Exps-Others	2.08	1.87
Travelling & Conveyance	121.95	45.33
Water Charges	67.75	37.10
TOTAL	931.10	680.74

30.3.1 Refer Note No.38 for Related Parties Transactions

30.4 Corporate Social Responsibility Expenditure:

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects as specified in Schedule VII of the Companies Act, 2013

A CSR committee has been formed by the company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

Particulars	As At 31st March, 2023	As At 31st March, 2022
a) Amount required to be spent as per Section 135 of the Companies Act,2013 for the year	62.29	63.40
b) Amount of expenditure incurred as approved by Board	62.30	64.00
c) Shortfall/ (Excess) at the end of the year	(0.01)	(0.60)
d) Total of previous years shortfall	Nil	Nil
e) Reason for shortfall	NA	NA
f) Nature of CSR activities	Promoting Education	Promoting Education
g) Details of related party transactions e.g.,contribution to a trust controlled by the company in relation to CSR expenditure	62.30	0.00
h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	NA	N.A

Notes to Standalone Financial Statements for the year ended 31st March, 2023
(Amount in Rs. in Lakhs)
30.5 Payments to Auditors comprise

	Particulars	For the year ended Fri. March 31, 2023	For the year ended Thu. March 31, 2022
	(i) Statutory Auditors As Auditor As Audit Fee -Financial Statements For Service Tax/ GST	8.51 -	8.00 1.44
31	Income Tax Expense		
	Particulars	As At 31st March 2023	As At 31st March 2022
	A. Tax Expense recognised in Profit or Loss		
	Current Tax		
	Current Tax on Profits for the Year	-	98.21
	Adjustment for Current Tax of Earlier Years	-	-
		-	98.21
	Deferred Tax		
	Origination and Reversal of Temporary Differences (Due to effect of Depreciation)	(33.48)	802.92
	Income Tax Expense	(33.48)	901.13
	B. Tax on Other Comprehensive Income		
	Current Tax		
	Remeasurements on Post-employment Defined Benefit Plans	-	3.40
31.1	Numerical Reconciliation of Income Tax Expense to Prima Facie Tax Payable		
	Particulars	As At 31st March 2023	As At 31st March 2022
	Profit before Income Tax Expense	(394.17)	2,328.19
	Enacted Statutory Income Tax Rate in India applicable to the Company	25.17%	25.17%
	Computed Expected Income Tax Expense	-	585.96
	Adjustments:-		
	Effect of expenses that are not deductible in determining taxable profit	(33.48)	315.17
	TOTAL	(33.48)	901.13
32	Earnings per Equity Share		
	Particulars	As At 31st March 2023	As At 31st March 2022
	(A) Basic		
	(i) Number of Equity Shares at the Beginning of the Year	11,328,449	11,328,449
	(ii) Number of Equity Shares at the End of the Year	11,694,113	11,328,449
	(iii) Weighted Average Number of Equity Shares Outstanding during the Year	11,340,499	11,328,449
	(iv) Face Value of Each Equity Share (Rs.)	10.00	10.00
	(v) Profit after Tax Available for Equity Shareholders Profit for the Year	(367.17)	1,413.57
	(vi) Basic Earnings per Equity Share (Rs.)	(3.14)	12.48
	(vi) Basic Earnings per Equity Share (Restated)	(3.24)	12.50
	(B) Diluted		
	(ii) Diluted Earnings per Equity Share (Rs.)	(3.14)	12.48
	(ii) Diluted Earnings per Equity Share (Rs.) (Restated)	(3.24)	12.50

Notes to Standalone Financial Statements for the year ended 31st March, 2023
(Amount in Rs. in Lakhs)
33 Information relating to Micro and Small Enterprises (MSEs)

PARTICULARS		As At 31st March 2023	As At 31st March 2022
(1) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	Principal Amount	2,570.30	1,153.44
	Interest Amount	-	-
(2) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Principal Amount	-	-
	Interest Amount	-	-
(3) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified		-	-
(4) The amount of interest accrued and remaining unpaid at the end of each accounting year			
(5) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the Purpose of disallowance of a deductible expenditure			

Note: The above information has been determined based on vendors identified by the Company and confirmed by the vendors, Whenever it is not confirmed, it is presented as other than Micro, or Small Enterprise.

34 Contingencies -

Particulars	As At 31st March 2023	As At 31st March 2022
A) Claims against the Company not acknowledged as debts: Taxes, duties and other demands (under appeal/dispute)		
(i) 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	67.71
(ii) 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
(iii) Penalty u/s 270A of Income Tax Act 1961, for AY 2017-18, appeal is pending with CIT Appeals-I	35.13	35.13

35 Commitments

	As At 31st March 2023	As At 31st March 2022
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	0.71
(b) Guarantees - Bank Guarantees/ Letter of Credits	240.50	317.40

Notes to Standalone Financial Statements for the year ended 31st March, 2023
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:

(Amount in Rs. in Lakhs)

Particulars	As At 31st March 2023	As At 31st March 2022
(a) Reconciliation of Opening and Closing Balances of the Present Value of Defined Benefit Obligations:-		
Present Value of Obligation at the beginning of the year	221.78	194.86
Current Service Cost	17.70	12.22
Past Service Cost	-	-
Interest Cost	16.26	13.50
Remeasurements Losses	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	(0.04)
Actuarial Losses arising from Changes in Financial Assumptions	(4.09)	(8.40)
Actuarial Losses arising from Changes in Experience Adjustments	9.07	20.69
Benefits Paid	(12.39)	(11.05)
Present Value of Obligation at the end of the year	248.32	221.78
(b) Reconciliation of the Opening and Closing Balances of the Fair Value of Plan Assets:		
Fair Value of Plan Assets at the beginning of the year	189.33	188.55
Interest Income	13.88	13.07
Remeasurements Gains	-	-
Actuarial Losses arising from Changes in Experience Adjustments	-	-
Return on Plan Assets (excluding amount included in Net Interest Cost)	(1.51)	(1.24)
Contributions by Employer	12.22	-
Benefits Paid	(12.39)	(11.05)
Fair Value of Plan Assets at the end of the year	201.52	189.33
(c) Reconciliation of the Present Value of the defined benefits Obligation and the Fair Value of Plan Assets - Amount Recognized in the Balance Sheet:		
(Present Value of Obligation at the end of the year)	(248.32)	(221.78)
Fair Value of Plan Assets at the end of the year	201.52	189.33
Fund Status (Surplus/ Deficit)	(46.80)	(32.46)
Net (Liabilities)/ Assets Recognised in the Balance Sheet	(46.80)	(32.46)
(d) Actual Return on Plan Assets	13.88	13.07
(e) Expense Recognisable in Profit or Loss :		
Current Service Cost	17.70	12.22
Net Interest Cost	2.38	0.44
Expenses Recognised in Profit or Loss for Current Period@	20.08	12.66

Notes to Standalone Financial Statements for the year ended 31st March, 2023
(Amount in Rs. in Lakhs)

Particulars	As At 31st March 2023	As At 31st March 2022
(f) Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period		
Actuarial (Gains)/Losses on Obligation For the Period	4.97	12.25
Return on Plan Assets, Excluding Interest Income	1.51	1.24
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	6.48	13.49
(g) Balance Sheet Reconciliation		
Opening Net Liability	32.46	6.31
Expenses Recognized in Statement of Profit or Loss	20.08	12.66
Expenses Recognized in OCI	6.48	13.49
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	-
(Benefit Paid Directly by the Employer)	-	-
(Employer's Contribution)	(12.22)	-
Net Liability/(Asset) Recognized in the Balance Sheet	46.80	32.46
(h) Category of Plan Assets:		
Funded with LICI	100.00%	100.00%
Insurance fund	201.52	189.33
Total	201.52	189.33
(i) Maturity profile of Defined Benefits Obligations:		
1st Following Year	26.37	31.19
2nd Following Year	24.74	5.24
3rd Following Year	6.65	24.54
4th Following Year	7.27	6.05
5th Following Year	19.85	6.65
Sum of Years 6 To 10	105.59	99.10
Sum of Years 11 and above	462.20	365.45
(j) Actuarial Assumptions:		
Expected Returns on Plan Assets	7.50%	7.33%
Rate of Discounting	7.50%	7.33%
Rate of Salary Increase	7.00%	7.00%
Rate of Employee Turnover	2.00%	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
(k) Other Details:		
No of Members in Service	503	301
Per Month Salary For Members in Service	67.15	43.28
Weighted Average Duration of the Defined Benefit Obligation	11	11
Average Expected Future Service	20	18
Defined Benefit Obligation (DBO) - Total	248.32	221.78
Defined Benefit Obligation (DBO) - Due but Not Paid	-	-
(l) Net Interest Cost for Next Year		
Present Value of Benefit Obligation at the End of the Period	248.32	221.78
(Fair Value of Plan Assets at the End of the Period)	(201.52)	(189.33)
Net Liability/(Asset) at the End of the Period	46.80	32.46
Interest Cost	18.62	16.26
(Interest Income)	(15.11)	(13.88)
Net Interest Cost for Next Year	3.51	2.38

Notes to Standalone Financial Statements for the year ended 31st March, 2023
(Amount in Rs. in Lakhs)

Particulars	As At 31st March 2023	As At 31st March 2022
(m) Expenses Recognized in the Statement of Profit or Loss for Next Year		
Current Service Cost	28.07	17.70
Net Interest Cost	3.51	2.38
(Expected Contributions by the Employees)	0.00	0.00
Expenses Recognised	31.58	20.08
(n) Sensitivity Analysis		
Defined Benefit Obligation on Current Assumptions	248.32	221.78
Delta Effect of +1% Change in Rate of Discounting	(21.83)	(18.76)
Delta Effect of -1% Change in Rate of Discounting	25.90	22.11
Delta Effect of +1% Change in Rate of Salary Increase	22.76	19.18
Delta Effect of -1% Change in Rate of Salary Increase	(20.73)	(17.37)
Delta Effect of +1% Change in Rate of Employee Turnover	1.31	1.36
Delta Effect of -1% Change in Rate of Employee Turnover	(1.55)	(1.55)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the Defined Benefit Obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

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. 76.52 Lakhs (Previous Year Rs. 49.98 Lakhs) 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. 60.68 Lakhs, and Rs. 42.59 Lakhs at 31st March, 2023, and 31st March, 2022 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:
Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Notes to Standalone Financial Statements for the year ended 31st March, 2023

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow stringent regulatory

- During the year, there were no plan amendments, curtailments and settlements.

37 Segment Information

Description of Segments and Principal Activities

The activities of the company during the year was to manufacturing of Dyes & Intermediates. Considering the nature of business and operation as well as based on reviews of operating results by chief operating decision maker to make decision about resource allocation and performances measurement, there is only one reporting segment in accordance with the requirement of Ind As - 108 - " Operating Segments".

38 Related Party Disclosures:

38.1 List of related parties

- (i) Subsidiary Company
* Cerecon Bio Sciences Private Limited (Formerly known as Dynamic Overseas (India) Pvt.Ltd.)
- (ii) Associates :-
* Dynemic 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
Ms. Varsha Mehta Company Secretary
Ms. Amisha Patel Chief Financial Officer (up to 12.09.2022)
Mr. Ankit Shah Chief Financial Officer (w.e.f. 13.09.2022)
- (iv) Independent Directors :-
Mr. Jagdish S. Shah
Mr. Shankarlal B. Mundra
Mrs. Rashmi K. Otavani
- (v) Relatives of Key Managerial Personnel :-
Mr. Sachin R. Patel
Mr. Mukesh B. Patel
Mrs. Chetna M. Patel
- (vi) Parties where KMP or Director have substantial interest :-
Dynemic Foundation

38.2 Transactions with related parties :-

(Amount in Rs. in Lakhs)

Sr. No.	Particulars	Name of Person / Entity	For the year ended 31/03/2023	For the year ended 31/03/2022
1	Remuneration / Salary Expense	Mr. B. K. Patel	85.48	71.26
		Mr. Rameshbhai B. Patel	85.05	67.55
		Mr. Dixit B. Patel	78.32	63.84
		Ms. Varsha Mehta	12.29	10.32
		Ms. Amisha Patel	5.19	9.85
		Mr. Ankit Shah	7.75	0.00
		Mr. Sachin R. Patel	2.80	2.51
		Mr. Mukesh B. Patel	17.22	15.82
2	Sitting Fees	Mr. Jagdish S. Shah	0.56	0.40
		Mr. Shankarlal B. Mundra	0.56	0.40
		Mrs. Rashmi K. Otavani	0.56	0.40

Notes to Standalone Financial Statements for the year ended 31st March, 2023
(Amount in Rs. in Lakhs)

3	Sale of Goods & Services	Cerecon Bio Sciences Pvt. Ltd.	182.25	0.00
		Dynemic Holdings Pvt Ltd	0.12	0.12
4	Purchase of Goods & Services	Cerecon Bio Sciences Pvt. Ltd.	0.00	47.65
5	Commission Paid	Mr. B. K. Patel	0.00	45.00
		Mr. Mukesh B. Patel	10.68	10.13
		Mrs. Chetna M. Patel	9.22	12.46
6	CSR Expense	Dynemic Foundation	62.30	0.00
7	Loan Taken	Mr. B. K. Patel	104.00	7.50
		Mr. Rameshbhai B. Patel	146.50	7.50
		Mr. Dixit B. Patel	48.00	7.50
8	Loan Repaid	Mr. B. K. Patel	111.52	0.00
		Mr. Rameshbhai B. Patel	154.00	0.00
		Mr. Dixit B. Patel	55.50	0.00
9	Interest Expense on Loan	Mr. B. K. Patel	1.75	0.06
		Mr. Rameshbhai B. Patel	6.20	0.06
		Mr. Dixit B. Patel	0.71	0.07

38.3 Outstanding Balance :-

Sr. No.	Particulars	Name of Person / Entity	For the year ended 31/03/2023	For the year ended 31/03/2022
1	Remuneration / Salary Expense	Mr. B. K. Patel	4.59	10.10
		Mr. Rameshbhai B. Patel	0.84	10.53
		Mr. Dixit B. Patel	4.06	10.30
		Ms. Varsha Mehta	0.61	0.68
		Ms. Amisha Patel	0.00	0.46
		Mr. Ankit Shah	0.96	0.00
		Mr. Sachin R. Patel	0.22	0.20
		Mr. Mukesh B. Patel	1.12	0.78
2	Sitting Fees	Mr. Jagdish S. Shah	0.00	0.00
		Mr. Shankarlal B. Mundra	0.00	0.00
		Mrs. Rashmi K. Otavani	0.00	0.00
3	Sale of Goods & Services	Cerecon Bio Sciences Pvt. Ltd.	0.00	0.00
		Dynemic Holdings Pvt Ltd	0.00	0.00
4	Commission	Mr. B. K. Patel	0.00	27.87
		Mr. Mukesh B. Patel	7.35	6.97
		Mrs. Chetna M. Patel	0.00	0.00
5	Loan	Mr. B. K. Patel	0.00	7.50
		Mr. Rameshbhai B. Patel	0.00	7.50
		Mr. Dixit B. Patel	0.00	7.50

38.4 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	31st March 2023	31st March 2022
	Carrying Amount/ Fair Value	Carrying Amount/ Fair Value
Financial Assets		
Assets Carried at Fair Value through Profit or Loss		
Investments		
Equity Instruments	0.00	0.00
Mutual Funds	0.00	0.00
Other Financial Assets	0.00	0.00
Assets Carried at Amortised Cost		
Investments		
Equity Instruments	131.22	131.22
Mutual Funds	-	1.81
Trade Receivables	5,072.48	4,702.21
Cash and Cash Equivalents	41.41	21.14
Other Bank Balances	126.10	245.63
Loans	0.88	3.37
Other Financial Assets	1,828.42	1,495.32
Total Financial Assets	7,200.52	6,600.70
Financial Liabilities		
Liabilities Carried at Amortised Cost		
Borrowings (including current maturities and interest accrued)	14,796.60	17,373.01
Trade Payables	6,496.16	5,463.43
Other Financial Liabilities	7.94	7.91
Total Financial Liabilities	21,300.70	22,844.35

(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, 2023. 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

Notes to Standalone Financial Statements for the year ended 31st March, 2023

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 : Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level-2 : Inputs are other than quoted prices included within Level-1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level-3 : Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on the assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

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 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, 2023, and 31st March, 2022 is the carrying amounts as disclosed in Note 39.

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, 2023 and 31st March, 2022. Of the total trade receivables Rs. 5072.48 Lakhs as at 31st March, 2023 and Rs. 4702.21 Lakhs as at 31st March, 2022 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:

Notes to Standalone Financial Statements for the year ended 31st March, 2023
(Amount in Rs. in Lakhs)

Period (in days)	31st March 2023	31st March 2022
01-90	5,058.40	4,663.80
91-180	-	-
More than 180	14.07	38.42

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 2023	31st March 2022
Floating Rate		
Expiring within one year (working capital facilities)	151.71	8.68

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.

(Amount in Rs. in Lakhs)

Contractual Maturities of Financial Liabilities	Within 1 year	Between 1 and 3 year	Total
31st March, 2023			
Borrowings	8,195.56	6,601.03	14,796.60
Trade Payables	6,206.58	289.58	6,496.16
Other Financial Liabilities	7.77	0.17	7.94
Total	14,409.91	6,890.79	21,300.70
31st March, 2022			
Borrowings	7,701.32	9,671.69	17,373.01
Trade Payables	5,233.43	230.00	5,463.43
Other Financial Liabilities	7.69	0.22	7.91
Total	12,942.43	9,901.92	22,844.35

(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.

Notes to Standalone Financial Statements for the year ended 31st March, 2023
(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:
(Amount in Rs. in Lakhs)

	31st March 2023			31st March 2022		
	USD	EURO	POUND	USD	EURO	POUND
Financial Assets						
Trade Receivables	3,201.59	251.97	-	3,516.76	114.13	-
Bank Balance in EEFC Account	1.55	-	-	1.18	-	-
Other Financial Assets						
Derivative Assets						
Foreign Exchange Forward Contracts						
Net Exposure to Foreign Currency Risk (Assets)	3,203.14	251.97	-	3,517.94	114.13	-
Financial Liabilities						
Borrowings (including Current maturities)	6,331.91	-	-	10,683.43	-	-
Trade Payables	636.11	-	-	640.68	-	-
Other Financial Liabilities						
Derivative Assets						
Foreign Exchange Forward Contracts						
Net Exposure to Foreign Currency Risk (Liabilities)	6,968.02	-	-	11,324.11	-	-
Net Exposure to Foreign Currency Risk (Assets -Liabilities)	(3,764.87)	251.97	-	(7,806.17)	114.13	-

(b) Sensitivity

The sensitivity of profit or loss to changes in the foreign exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	Impact on Profit before tax	
	31st March 2023	31st March 2022
USD Sensitivity		
INR/USD -Increase by 7%*	(263.54)	(546.43)
INR/USD -Decrease by 7%*	263.54	546.43
Euro Sensitivity		
INR/EUR-Increase by 7%*	17.64	7.99
INR/EUR-Decrease by 7%*	(17.64)	(7.99)

* 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 Standalone Financial Statements for the year ended 31st March, 2023
(Amount in Rs. in Lakhs)
(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:

Particulars	Rs. In Lakhs	
	As At 31st March 2023	As At 31st March 2022
Variable Rate Borrowings	4,948.29	5,241.32
Fixed Rate Borrowings	9,848.31	12,109.19
Total Borrowings	14,796.60	17,350.51

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
31st March 2023			
Cash Credit/Packing Credit Facilities	6.23%	4,948.29	33.44%
31st March 2022			
Cash Credit/Packing Credit Facilities	2.58%	5,241.32	30.21%

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.

Particulars	Impact on Profit before tax	
	As At 31st March 2023	As At 31st March 2022
Variable Rate Borrowings		
Interest Rates - Increase by 100 basis points (100 bps) *	49.48	52.41
Interest Rates - Decrease by 100 basis points (100 bps) *	49.48)	(52.41)
Fixed Rate Borrowings		
Interest Rates - Increase by 100 basis points (100 bps) *	98.48	121.09
Interest Rates - Decrease by 100 basis points (100 bps) *	(98.48)	(121.09)

* Holding all other variables constant

(iii) 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.

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.

Notes to Standalone Financial Statements for the year ended 31st March, 2023
(Amount in Rs. in Lakhs)
The following table summarises the capital of the Company:
Rs. In Lakhs

Particulars	As At 31st March 2023	As At 31st March 2022
Total Borrowings	14,796.60	17,350.51
Less: Cash and cash equivalents	167.51	266.76
Net Debt	14,629.08	17,083.74
Equity	18,138.77	16,963.52
Total Capital (Equity+ Net Debt)	32,767.85	34,047.27
Net Debt to Equity ratio	44.64%	50.18%

No changes were made to the objectives, policies or processes for managing capital during the years ended 31st March, 2023 and 31st March, 2022.

(b) Dividends on Equity Shares

Particulars	As At 31st March 2023	As At 31st March 2022
Dividend Declared and Paid during the year	NIL	NIL
Proposed Dividend Not Recognised at the End of the Reporting Period	NIL	NIL

42 Assets Pledged/ Hypothecated as Security

Particulars	As At 31st March 2023	As At 31st March 2022
Current		
First Charge		
Financial Assets		
Trade Receivables under Bill Discounting (Refer below)	2,008.28	2,038.69
Other Trade Receivables	(2,008.28)	(2,038.69)
Non-financial Assets	-	-
Inventories	6,513.84	5,205.02
Sub-total	6,513.84	5,205.02
Non-current		
First Charge/Second Charge		
Leasehold Land	1,340.92	1,338.98
Buildings	9,352.95	9,656.49
Plant and Equipments	15,041.53	15,973.93
Furniture and Fixtures	98.17	103.85
Office Equipments	24.56	32.50
Vehicles	40.37	52.50
Sub-total	25,898.49	27,158.25
Total	32,412.34	32,363.27

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

Notes to Standalone Financial Statements for the year ended 31st March, 2023
(Amount in Rs. in Lakhs)
44 Ratios Analysis:-

Name of Ratio	Numerator	Denominator	31st March 2023	31st March 2022	% changes over previous year	Reasons for more than 25% changes
(a) Current Ratio,	Current assets	Current Liabilities	0.87	0.92	(5.37%)	NA
(b) Debt-Equity Ratio	Total Debt	Total Equity	1.27	1.44	(11.96%)	NA
(c) Debt Service Coverage Ratio	PAT + Depreciation + Term Loan Interest	Term Loan Interest + Term Loan Repayment	0.68	1.04	(34.75%)	See Note #
(d) Return on Equity Ratio	PAT	Average Equity	(2.06%)	8.80%	(123.36%)	See Note #
(e) Inventory turnover ratio	Total Revenue from Operation	Average Inventory	5.04	5.71	(11.73%)	NA
(f) Trade Receivables turnover ratio	Total Revenue from Operation	Average Trade Receivables	6.04	5.69	6.21%	NA
(g) Trade payables turnover ratio	Total Purchases	Average Trade Payables	0.78	0.74	5.91%	NA
(h) Net capital turnover ratio	Total Revenue from Operation	Net Working Capital	(15.70%)	(24.66%)	(36.33%)	See Note #
(i) Net profit ratio	Net Profit (PAT)	Total Revenue from Operation	(1.22%)	5.68%	(121.50%)	See Note #
(j) Return on Capital employed	Earnings Before Interest and Taxes (EBIT)	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	4.67%	11.34%	(58.81%)	See Note #
(k) Return on investment	Income generated from invested funds	Average of Investment & Fixed Deposits	5.51%	4.41%	24.93%	NA

Note:-# During the FY 2021-22, Company has started the production at Unit 3 at Dahej and has transferred Capital working process to respective assets in the middle of the year and has claimed depreciation thereon and during the FY 2022-23 company has claimed full year depreciation. And also Increase in Interest repayment which was taken for Unit 3 at Dahej and under utilisation of Production capacity of Unit 3 on account of teething problem.

45 Issue of Shares

During the year the Company has received Rs.1610.10 Lakhs on Right Issue basis to meet Incremental working Capital requirement.

The total issue expenses incurred 67.68 lakhs (excluding taxes) has been adjusted against securities premium.

The Company has utilised net proceeds to meet its working capital requirement and there is no unutilised funds.

46 Event Occurring after The Balance Sheet Date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of financial statement to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As on date of signing this statements there were no material subsequent events to be recognized or reported that are not already disclosed.

47 Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

48 No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder during the year under audit.

Notes to Standalone Financial Statements for the year ended 31st March, 2023

- 49** Company has not been declared willful defaulter by any bank or financial Institution or other lender during the year under audit.
- 50** Company has no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period during the year under audit.
- 51** Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 52** During the year, Company has no relation of any kind or transactions with any of the Struck off Companies.
- 53** The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- 54** The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) any funds to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- 55** The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- 56** The financial statements of the Company for the year ended 31st March, 2023 have been reviewed by the audit committee and approved by the Board of Directors in its meeting held on 30th May, 2023.
- 57** The figures for the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable with current year's figures.

 As per our report of even date

For, B. K. PATEL & CO.
CHARTERED ACCOUNTANTS.
 FRN :- 112647W

CA B. K. Patel
PARTNER
 Membership No.032199

Place : Ahmedabad
 Date : 30/05/2023

For : DYNEMIC PRODUCTS LIMITED

B. K. Patel
 Managing Director

D. B. Patel
 Director

R. B. Patel
 Director

Ankit Shah
Chief Financial Officer

Place : Ahmedabad
 Date : 30/05/2023

Varsha Mehta
 Company Secretary

INDEPENDENT AUDITOR'S REPORT

To
The Members of,
Dynemic Products Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of Dynemic Products Limited ("Holding Company") and its subsidiary Company (Holding Company and its subsidiary together referred to as "the Group"), its associate, which comprise the consolidated Balance Sheet as at March 31, 2023, the consolidated statement of Profit and Loss, including other comprehensive Income, the consolidated Statement of Changes in Equity, the consolidated Cash Flows Statement for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements, give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023 and their consolidated loss, their consolidated total comprehensive income, their consolidated statements of changes in equity and their consolidated statement of cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context described hereunder.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated 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 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 financial statements;

- 1) Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of Ind AS 115 "Revenue from Contracts with Customers":-

Key audit matters	How our audit addressed the key audit matter
Company recognises revenue from sales of goods in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers, measured at the value of the consideration received or receivable in the ordinary course of its activities. Revenue from sale of goods is recognised net of discounts, rebates and taxes at the time of transfer of goods. 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.	Our audit procedure with respect to above key audit matter included following; <ol style="list-style-type: none"> a) Reading and evaluation of the company's policies regarding revenue recognition and assessment of its compliance with the requirements of Ind AS 115 "Revenue from contracts with customers" b) Assessed the internal controls with respect to determination of timing of revenue recognition more specifically in case of export sales (wherein the control transfers to customer after significant time from supply of goods from factory). c) Duly verified the trail of documents with respect to export of the goods during cut- off date and ascertained that it was correctly recognized in compliance with transfer of control of goods as defined in Ind AS 115.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, 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 will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

The other information is expected to be made available to us after the date of this auditor's report. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Subsidiaries and Jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its subsidiaries and joint venture entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its subsidiaries and joint venture entity are responsible for assessing the ability of the Group and of its subsidiaries and joint venture entity 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group and Associate.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated 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 financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 Companies Act, 2013, 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 ability of the Group and its subsidiaries and joint venture entity 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 consolidated 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 Group and its subsidiaries and joint venture entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entity or business activities within the Group and its subsidiaries and joint venture entity to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 provided 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 financial statements of the current period 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

- (a) The accompanying Consolidated Financial Statements include the financial statements and other financial information of 1 subsidiary and 1 Associate Company, whose financial statements include total assets of Rs.114.41 lakhs as at March 31, 2023, total revenues of Rs.236.11 lakhs, total net profit after tax of Rs.17.68 lakhs for the year ended on March 31, 2023, which have been audited by us.
- (b) Our opinion on the consolidated 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 / financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, 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 of the aforesaid consolidated financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (d) In our opinion, the aforesaid consolidated 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 On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

- (f) With respect to the adequacy of internal financial controls over financial reporting of the Group 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, 2023 has been paid/provided by the Holding Company to their 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 Auditors' 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 and based on the consideration of the report on separate financial statements as also the other financial information of the group company, as noted in the 'Other Matters' paragraph:
 - i. As informed to us, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
 - ii. The Group and its associate entity did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company and.
 - iv) (a) the respective management of the Company and its subsidiary and Associate has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) the respective management of the Company and its subsidiaries and joint venture has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
 - v) No dividend has been declared and paid by the group and associate during the year.
 - vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable only w.e.f. April 1, 2023 for the Holding Company and its subsidiary incorporated in India, hence reporting under this clause is not applicable.
- 2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company, its subsidiary Company and its Associate Company included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For, **B. K. PATEL & CO**
CHARTERED ACCOUNTANTS
Firm Regn No. 112647W

Place : Ahmedabad
Date : 30/05/2023

B. K. Patel
PARTNER
Membership No.032199
UDIN: 23032199BGSCFG1053

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

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Dynemic Products Limited 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 Financial Statements of Group which includes Associate as of and for the year ended March 31, 2023, we have audited the internal financial controls over with reference to consolidated financial statements of the Holding Company, its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and its Associate, 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 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 Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 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 Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Holding Company, its subsidiary company and associate company, which are companies incorporated in India, internal financial controls over financial reporting with reference to these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under Section 143(10) of the Act, 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 with reference to these Consolidated Financial Statements 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 with reference to these Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Consolidated Financial Statements, 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 auditors' judgement, including the assessment of the risks of material misstatement of the 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 reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these Consolidated Financial Statements.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial control over financial reporting with reference to these Consolidated Financial Statements 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 with reference to these Consolidated Financial Statements 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 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 financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Consolidated Financial Statements, 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 with reference to these Consolidated Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Consolidated Financial Statements 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 and based on the consideration of our reports of, as referred to in Other Matters paragraph below, the Holding Company, its subsidiary company and associate company, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these Consolidated Financial Statements and such internal financial controls over financial reporting with reference to these Consolidated Financial Statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding 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 report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Financial Statements is of the Holding Company.

For, **B. K. PATEL & CO**
CHARTERED ACCOUNTANTS
Firm Regn No. 112647W

B. K. Patel
PARTNER
Membership No.032199
UDIN: 23032199BGSCFG1053

Place : Ahmedabad
Date : 30/05/2023

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2023

(Amount in Rs. in Lakhs)

Particulars	Note	As at 31st March, 2023	As at 31st March, 2022
ASSETS :			
NON-CURRENT ASSETS :			
Property, Plant & Equipments & Intangible Assets			
Property, Plant & Equipments	4	25,902.01	27,161.85
Goodwill	5	29.11	29.11
Intangible Assets	5	0.19	0.19
Investments accounted for using equity method	6	89.35	88.70
Financial Assets:			
Investments	6	9.62	11.43
Trade Receivables	7	-	-
Loans	10	0.16	2.06
Other Financial Assets	11	1,866.29	1,557.50
Other Non Current Assets	13	294.48	331.76
TOTAL NON CURRENT ASSETS		28,191.21	29,182.61
CURRENT ASSETS:			
Inventories	12	6,513.84	5,205.02
Financial Assets:-			
Investments	6		
Trade Receivables	7	5,072.48	4,702.20
Cash and cash equivalents	8	72.84	36.76
Other Bank Balances	9	126.10	245.63
Loans	10	0.72	1.31
Other Financial Assets	11	38.34	12.85
Other Current Assets	13	1,207.93	2,072.49
TOTAL CURRENT ASSETS		13,032.26	12,276.26
TOTAL -ASSETS		41,223.47	41,458.88
EQUITIES AND LAIBILITIES:			
EQUITY			
Equity Share Capital	14.1	1,168.63	1,132.84
Other Equity	14.2	17,121.15	15,914.96
EQUITY ATTRIBUTABLE TO OWNERS		18,289.77	17,047.80
Non Controlling Interest		7.03	6.72
TOTAL EQUITY		18,296.81	17,054.52
LIABILITIES			
NON CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	15	6,601.03	9,671.69
Trade Payables	16	-	-
Total outstanding dues of micro and small enterprise		-	-
Total outstanding dues of creditors other than micro and small enterprise		289.58	230
Provisions	18	49.86	33.47
Other Financial Liabilities	17	0.17	0.22
Deferred Tax Liabilities(Net)	21	1,104.49	1,187.98
TOTAL NON CURRENT LIABILITIES		8,045.14	11,123.37
CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	15	8,195.56	7,701.32
Trade Payables	16		
Total outstanding dues of micro and small enterprise		2,570.30	1,153.44
Total outstanding dues of creditors other than micro and small enterprise		3,636.28	4,079.99
Other Financial Liabilities	17	7.77	7.69
Provisions	18	194.73	186.33
Current Tax Liabilities	19	2.17	98.21
Other Current Liabilities	20	274.72	54.01
TOTAL CURRENT LIABILITIES		14,881.53	13,280.99
TOTAL LIABILITIES		22,926.67	24,404.36
TOTAL - EQUITIES AND LIABILITIES		41,223.47	41,458.88

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

As per our Report of even date

 For : **DYNEMIC PRODUCTS LIMITED**

 For, **B. K. PATEL & CO.**
CHARTERED ACCOUNTANTS.

FRN :- 112647W

B. K. Patel
 Managing Director

D. B. Patel
 Director

CA B. K. Patel
PARTNER

Membership No.032199

R. B. Patel
 Director

Ankit Shah
 Chief Financial Officer

Place : Ahmedabad

Place : Ahmedabad

Date : 30/05/2023

Date : 30/05/2023

Varsha Mehta
 Company Secretary

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2023 (Amount in Rs. in Lakhs)

Particulars	Note	For the year ended on Friday, March 31, 2023	For the year ended on Thursday, March 31, 2022
Revenue from Operations	22	29,590.85	25,192.62
Other Income	23	38.31	29.55
TOTAL INCOME		29,629.16	25,222.17
EXPENSES :			
Cost of Materials Consumed	24	16,122.01	13,140.78
Purchases of Stock-in-Trade	25	628.25	1,389.95
Changes in Inventories	26	(1,228.77)	(1,372.37)
Employee Benefits Expenses	27	1,817.43	1,310.75
Finance Costs	28	1,610.75	844.70
Depreciation & Amortisations	29	1,674.85	1,127.08
Other Expenses	30	9,376.69	6,453.14
TOTAL EXPENSES		30,001.21	22,894.02
Profit Before Share Of Profit / (Loss) Of Associates And Joint Ventures, Exceptional Item And Tax		(372.05)	2,328.15
Share of Profit / (Loss) of Associates and Joint Ventures		0.65	(0.25)
Profit Before Tax		(371.40)	2,327.89
Tax Expense	31		
Current Tax		5.75	94.81
Deferred Tax		(83.50)	802.93
Net Profit for the Year		(293.66)	1,430.15
Other Comprehensive Income			
Items that will not be Reclassified to Profit or Loss	36	(6.48)	(13.49)
Remeasurements on Post-employment Defined Benefit Plans			
Income Tax on Above	31	0.00	(3.40)
Total Other Comprehensive Income, Net of Tax		(6.48)	(16.88)
Total Comprehensive Income for the Year		(300.14)	1,413.27
Profit Attributable to:			
Owners of the Company		(293.97)	1,429.76
Non Controlling Interest		0.31	(0.01)
		(293.66)	1,429.75
Other Comprehensive Income Attributable to:			
Owners of the Company		(6.48)	(16.88)
Non Controlling Interest		0.00	0.00
		(6.48)	(16.88)
Total Comprehensive Income Attributable to:			
Owners of the Company		(300.45)	1,412.86
Non Controlling Interest		0.31	(0.01)
		(300.14)	1,412.85
Earnings per Equity Share (Nominal Value Rs. 10/- per Share)	32		
Basic		(2.57)	12.47
Basic (Restated)		(2.65)	12.49
Diluted		(2.57)	12.47
Diluted (Restated)		(2.65)	12.49

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

As per our Report of even date

 For, **B. K. PATEL & CO.**
CHARTERED ACCOUNTANTS.

FRN :- 112647W

CA B. K. Patel
PARTNER

Membership No.032199

Place : Ahmedabad

Date : 30/05/2023

For : DYNEMIC PRODUCTS LIMITED
B. K. Patel

Managing Director

D. B. Patel

Director

R. B. Patel

Director

Ankit Shah

Chief Financial Officer

Place : Ahmedabad

Date : 30/05/2023

Varsha Mehta

Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st March, 2023

(Amount in Rs. in Lakhs)

A. Equity Share Capital

Particulars	No. of Shares	Amount
Balance as at 1st April 2021	11,328,449.00	1,132.84
Changes in equity share capital during the year		-
Balance as at 31st March 2022	11,328,449	1,132.84
Changes in equity share capital during the year	-	-
349938 Equity share fully paid up of Rs.10 each	349,938	34.99
15726 Equity share partly paid up of Rs.5 each	15,726	0.79
Balance as at 31st March 2023	11,694,113	1,168.63

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

Particulars	Share Premium	General Reserve	Retained Earnings	Total
As at 1st April, 2021	1,036.80	502.18	12,963.09	14,502.07
Changes in accounting policy/prior period errors	-	-	-	-
Restated balance at the beginning of the previous reporting period	-	-	-	-
Equity shares under Rights Issue	-	-	-	-
Profit for the Year	-	-	1,429.76	1,429.76
Other Comprehensive Income (Net of Tax)	-	-	(16.88)	(16.88)
Total Comprehensive Income for the Year	1,036.80	502.18	14,375.96	15,914.94
Dividends	-	-	-	-
Any other change (to be specified)	-	-	-	-
As at 31st March, 2022	1,036.80	502.18	14,375.96	15,914.94
Changes in accounting policy/prior period errors	-	-	-	-
Restated balance at the beginning of the previous reporting period	-	-	-	-
Equity shares under Rights Issue	1,506.64	-	-	1,506.64
Profit for the Year	-	-	(293.66)	(293.66)
Other Comprehensive Income (Net of Tax)	-	-	(6.48)	(6.48)
Total Comprehensive Income for the Year	2,543.44	502.18	14,075.82	17,121.45
Dividends	-	-	-	-
Transfer to retained earnings	-	-	-	-
Any other change (to be specified)	-	-	-	-
As at 31st March, 2023	2,543.44	502.18	14,075.82	17,121.45

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

As per our Report of even date

For : DYNEMIC PRODUCTS LIMITED

 For, B. K. PATEL & CO.
 CHARTERED ACCOUNTANTS.
 FRN :- 112647W

 B. K. Patel
 Managing Director

 D. B. Patel
 Director

 CA B. K. Patel
 PARTNER
 Membership No.032199

 R. B. Patel
 Director

 Ankit Shah
 Chief Financial Officer

 Place : Ahmedabad
 Date : 30/05/2023

 Place : Ahmedabad
 Date : 30/05/2023

 Varsha Mehta
 Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2023 (Amount in Rs. in Lakhs)

Particulars	For the year ended on Friday, March 31, 2023	For the year ended on Thursday, March 31, 2022
A. Cash Flows from Operating Activities		
Profit before Tax	(371.40)	2,327.49
Adjustments for:		
Share of net (profit)/loss of Associates	(0.65)	0.25
Depreciation and Amortisation Expense	1,674.85	1,127.08
Finance Costs	1,610.75	844.70
Bad Debts/Advances/ Creditors Written Off	2.20	-
Provision for Doubtful Debts	-	-
Interest Income Classified as Investing Cash Flows	(19.99)	(13.94)
Net Gain on Investments Carried at Fair Value through Profit or Loss	-	-
Fair Value Gains on Derivatives Not Designated as Hedges (Unrealised)	-	-
Liabilities No Longer Required Written Back	-	-
Provision for Doubtful Debts Written Back	-	-
Allowance Made for Expected Credit Losses on Trade Receivables	-	-
(Gain)/Loss on Disposal of Property, Plant and Equipment (Net)	(0.10)	18.07
Write Downs of Inventories to Net Realisable Value	-	-
Foreign Exchange Differences (Net)	(260.83)	(255.18)
Operating Profit before Changes in Operating assets and Liabilities	2,634.81	4,048.48
Changes in Operating Assets and Liabilities		
Increase/(Decrease) in Trade Payables	1,032.73	2,713.31
Increase/(Decrease) in Other Financial Liabilities	0.29	262.23
Increase/(Decrease) in Provisions	8.00	16.38
Increase/(Decrease) in Other Current Liabilities	214.22	(63.12)
(Increase)/Decrease in Inventories	(1,308.83)	(1,588.79)
(Increase)/Decrease in Trade Receivables	(370.27)	(550.55)
(Increase)/Decrease in Loans	2.49	3.65
(Increase)/Decrease in Other Financial Assets	(215.99)	(898.16)
(Increase)/Decrease in Other Non-current Assets	37.28	66.65
(Increase)/Decrease in Other Current Assets	453.88	377.90
Cash Generated from Operations	(146.20)	339.49
Income Taxes Paid	(11.78)	(419.38)
NET CASH FROM OPERATING ACTIVITIES	2,476.84	3,968.59
B. Cash Flows from Investing Activities		
Payments for Acquisition of Property, Plant, Equipment	(92.93)	(5,433.02)
Proceeds on Disposal of Property, Plant and Equipment	0.10	11.37
Payments for Purchase of Investments	-	-
Proceeds from Sale/Redemption of Investments	-	-
Interest Received	19.99	13.94
Proceeds from Maturity of Deposits with Banks	13.49	80.00
Payments for Placing of Deposits with Banks	(20.01)	(164.70)
NET CASH USED IN INVESTING ACTIVITIES	(79.35)	(5,492.41)
C. Cash Flows from Financing Activities:		
Dividend Paid	-	-
Dividend Distribution Tax Paid	-	-
Finance Costs Paid	(1,610.75)	(844.70)
Proceeds from Right issue (Net)	1,542.42	-
Proceeds from Long-term Borrowings	(2,260.88)	1,042.74
Short-term Borrowings - Receipts/(Payments)	(293.03)	1,025.69
NET CASH USED IN FINANCING ACTIVITIES	(2,622.24)	1,223.73
D. Exchange Differences on Translation of Foreign Currency	260.83	255.18
Cash and Cash Equivalents		
Net Cash (Outflow)/ Inflow	36.07	(44.92)
Cash and Cash Equivalents - Opening (Refer Note 8)	36.76	81.67
Cash and Cash Equivalents - Closing (Refer Note 8)	72.84	36.76

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2023

1) The above Standalone Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

2) Changes in liabilities arising from financing activities

(Amount in Rs. in Lakhs)				
Particulars	01/04/2022	Cash Inflow	Other Adujments	31/03/2023
Long-Term Borrowings (Including Current Matuaties of Long Term Debt)	12,109.19	(2,260.88)	-	9,848.31
Short-Term Borrowings	5,263.82	(315.53)	-	4,948.29
Total Borrowings	17,373.01	(2,576.41)	-	14,796.60
Finance Costs paid		(1,610.75)		(1,610.75)
Particulars	01/04/2021	Cash Inflow	Other Adujments	31/03/2022
Long-Term Borrowings (Including Current Matuaties of Long Term Debt)	11,066.46	1,042.73	-	12,109.19
Short-Term Borrowings	4,215.63	1,048.19	-	5,263.82
Total Borrowings	15,282.09	2,090.92	-	17,373.01
Finance Costs paid		(844.70)		(844.70)

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

As per our Report of even date

For : DYNEMIC PRODUCTS LIMITED

For, B. K. PATEL & CO.
CHARTERED ACCOUNTANTS.
 FRN :- 112647W

B. K. Patel
 Managing Director

D. B. Patel
 Director

CA B. K. Patel
PARTNER
 Membership No.032199

R. B. Patel
 Director

Ankit Shah
 Chief Financial Officer

Place : Ahmedabad
 Date : 30/05/2023

Place : Ahmedabad
 Date : 30/05/2023

Varsha Mehta
 Company Secretary

1. Group Background

The consolidated financial statements comprise financial statements of **Dynemic Products Limited (the holding company) and its subsidiaries (holding and subsidiary companies collectively, the Group) for the year ended 31st March 2023**. **Dynemic Products Limited** (the 'Parent Company') is a public limited company, incorporated with its CIN: L24100GJ1990PLC013886 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 authorized for issue in accordance with the resolution of the Company's Board of Directors on 30th May, 2023.

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 through the year 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) Basis of Measurement

The consolidated financial statements have been prepared on accrual basis and under 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.
- All amounts disclosed in the consolidated financial statements and notes have been present in INR and have been rounded off to the nearest Rupee in Lakhs as per the requirement of Schedule-III, unless otherwise stated.

(iii) Current versus Non-Current Classification

The Group presents assets and liabilities in the Balance Sheet based on current/non-current classification classification in accordance with Ind AS-1.

An asset is classified as current when it is:

- a) expected to be realized or intended to be sold or consumed in the normal operating cycle,
- b) held primarily for the purpose of trading,
- c) expected to be realized 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.

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(b) Principal of Consolidation:-

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 recognized as "Goodwill" being an assets in the consolidated financial statements.
- (iii) Minority interest in the net assets of standalone 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 unrealized 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) Significant accounting estimates, assumptions and judgements

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 recognized 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 judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the consolidated financial statements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described hereinafter. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

The areas involving critical estimates or judgments 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

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

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.

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.

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 optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

(d) Summary of Significant accounting policies

1. Revenue Recognition

Revenue from contract with customer is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue from contract with customer is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are exclusive of taxes & duties and net of returns, trade discounts, rebates. The inter-divisional transfer between Unit-1, 2 and 3 of the company are deducted from respective sales & purchases, It has no impact on profit or loss.

The Group recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group 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 recognized when the significant risks and rewards of ownership of the products have passed to the buyer as per the terms of contract. The group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Sales is net of inter branch transfers. It has no impact on profit or loss.

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

Other Operating Revenues

Export entitlements under various schemes notified by government are recognized 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.

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

Rent income

Rental income is accounted on the basis of lease terms and is included in other income in the statement of profit and loss.

Interest Income

Interest income from debt instruments is recognized 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 recognized 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.

2. 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 recognized 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. The carrying amount of any component accounted for as a separate asset is derecognized 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 equipment - 5 to 40 years

Furniture and Fixtures - 10 years

Vehicles - 8 to 10 years

Office Equipment - 3 to 6 years

Leasehold land is from GIDC and has not been amortized, 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.

3. Intangible Assets

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

Computer Software

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

Notes to Consolidated Financial Statements for the year ended 31st March, 2023
Amortization Method and Period

Computer software are amortized 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. Amortization method and useful lives are reviewed periodically at each financial year end.

4. 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 recognized 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. Subsequently, if there is a change in the indication, since the last impairment was recognized, so that recoverable amount of an asset exceeds its carrying amount, an impairment recognized for an asset in prior accounting period is reversed 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).

5. Leases

The Group applied a single recognition and measurement approach for all leases for which it is the lessee, except for short-term leases and leases of low value assets. The Group recognised lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Group elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

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. Land (Leasehold) is carried at cost less amortization; Leasehold land is amortized on the straight line method over the period of lease.

6. Inventories

Inventories are stated at the lower of cost and net realizable 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 realizable 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.

7. Investments
a. 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 recognized for the amount by which the carrying amount of investments exceeds its recoverable amount.

b. Investments (other than Investments in Subsidiaries) 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 amortized cost.

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

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.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as under, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

8. 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:

1. Amortized 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 amortized cost. A gain or loss on a debt instrument that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired.

2. 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 recognized in the profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in 'Other Income'.

3. Fair value through Profit & Loss A/c

Assets that do not meet the criteria for amortized 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 recognized in profit or loss and presented net in the Statement of Profit and Loss within 'Other Income' in the period in which it arises.

9. Equity Instruments

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

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 recognized in 'Other Income' in the Statement of Profit and Loss.

10. Impairment**a) 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 given herein after 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 recognized from initial recognition of the receivables.

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

The Group 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 Group recognizes 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 Group 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. 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.

11. De-recognition of Financial Assets

A financial asset is de-recognized 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-recognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized.

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-recognized 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 recognized to the extent of continuing involvement in the financial asset.

12. 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 realized.

a. Derivative Instruments-

Group has no Derivative Instruments during the year.

b. 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 recognized amounts and there is an intention of the management to settle on a net

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

basis or realize 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.

13. Trade Receivables

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

14. 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 Banks and 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.

15. 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 recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

16. Borrowings

Borrowings are recognized at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized 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 capitalized as a prepayment for liquidity services and amortized 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.

17. Financial Guarantee Contracts

Financial guarantee contracts are recognized 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 recognized less cumulative amortization, where appropriate.

18. Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized 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.

19. 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 in Lakhs (Rs. in Lakhs), 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 recognized in profit and loss.

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

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.

20. 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 recognized 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 recognized 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.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized 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 recognized as expenses for the period in which the employee has rendered the service.

(iii) Other Long term Employee Benefits

The liabilities for leave which 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. Re-measurement as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The liabilities are presented as 'Employee Benefits Payable' within 'Other Non-Current Liabilities' in the Balance Sheet.

21. 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 balance sheet approach, 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 recognized 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

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

by the end of the reporting period and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets are recognized 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 utilize those temporary differences, tax credits and losses.

Deferred tax assets are not recognized 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 utilized.

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 utilized.

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 realize the asset and settle the liability simultaneously.

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

22. Provisions and Contingencies

Provisions are recognized 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.

23. Dividend

The Group recognises a liability for dividends to equity holders of the Group when the dividend is authorised and the dividend is no longer at the discretion of the Group. As per the corporate laws in India, a dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

24. 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
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

25. 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.

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

Group Information

For disclosures mandated by Schedule III of the Companies Act 2013, by way of additional information, refer below;

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	Proportion of ownership interest held by the group		Principal Business Activity
		2022-23	2021-22	
		98.10%	98.10%	Trading of Dyes Intermediates, & other chemicals Now changed to manufacturing and trading of Medical equipments, bulk drugs, and other Pharmaceutical items and ts allied products.
2) Dynamic Holdings Private Limited	India	49.22%	49.22%	Investments in shares & securities

Name of Entity	As at 31st March, 2023		For the year ended 31st March, 2023		For the year ended 31st March, 2023		(Amount in Rs. in Lakhs)	
	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	
	% in Consolidated Assets	Rs. In Lakhs	% in Consolidated Assets	Rs. In Lakhs	% in Consolidated Assets	Rs. In Lakhs	% in Consolidated Assets	Rs. In Lakhs
Parent								
Dynemic Products Limited	99.40%	18,138.77	104.59%	(360.69)	100.00%	(6.48)	104.50%	(367.17)
Subsidiary								
1) Cerecon Bio Sciences Private Limited (Formerly known as Dynamic Overseas (India) Pvt Ltd)	0.60%	108.80	-4.59%	15.81	0.00%	0.00	-4.50%	15.81
Sub Total		18,247.57		(344.88)		(6.48)		(351.36)
Inter Company elimination and Consolidation adjustments		49.24		51.22		0.00		51.22
Grand Total		18,296.81		(293.66)		(6.48)		(300.14)
Minority Interest		7.03		0.31		0.00		0.31

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

Name of Entity		As at 31st March, 2022		For the year ended 31st March, 2022		For the year ended 31st March, 2022		(Amount in Rs. in Lakhs)	
		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	
		% in Consolidated Assets	R. In Lakhs	% in Consolidated Assets	R. In Lakhs	% in Consolidated Assets	R. In Lakhs	% in Consolidated Assets	R. In Lakhs
Parent									
Dynemic Products Limited		99.45%	16,963.52	100.03%	1,430.45	100.00%	(16.88)	100.03%	1,413.57
Subsidiary									
1) Cerecon Bio Sciences Private Limited (Formerly known as Dynamic Overseas (India) Pvt Ltd)		0.55%	92.98	-0.03%	(0.44)	0.00%	0.00	-0.03%	(0.44)
Sub Total			17,056.51		1,430.01		(16.88)		1,413.13
Inter Company elimination and Consolidation adjustments			(1.99)		0.14		0.00		0.14
Grand Total			17,054.52		1,430.15		(16.88)		1,413.27
Minority Interest			6.72		(0.01)		0.00		(0.01)

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

4	Property, Plant and Equipment	Reconciliation of Gross and Net Carrying Amount of Each Class of Assets							(Amount in Rs. in Lakhs)		
4.1	Particulars	Leasehold Land	Buildings	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Other Assets	Total		
	Year ended 31st March, 2022										
	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		
	Closing Balance	1338.98	10529.83	19206.70	191.86	118.13	74.43	0.00	31459.94		
	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		
	Closing Balance	0.00	869.73	3232.78	88.01	65.63	41.93	0.00	4298.09		
	Net Carrying Amount	1338.98	9660.10	15973.93	103.85	52.50	32.50	0.00	27161.85		
	Year ended 31st March, 2023										
	Gross Carrying Amount										
	Opening Balance	1,338.98	10,529.83	19,206.70	191.86	118.13	74.43	-	31,459.94		
	Additions	1.94	36.24	372.51	6.13	-	4.42	-	421.23		
	Disposals	-	-	7.36	-	-	0.53	-	7.89		
	Closing Balance	1,340.92	10,566.07	19,571.85	197.99	118.13	78.32	-	31,873.28		
	Accumulated Depreciation										
	Opening Balance	-	869.73	3,232.78	88.01	65.63	41.93	-	4,298.09		
	For the Year	-	339.87	1,298.68	11.80	12.13	12.36	-	1,674.85		
	On Disposals	-	-	1.14	-	-	0.52	-	1.66		
	Closing Balance	-	1,209.60	4,530.32	99.81	77.76	53.77	-	5,971.27		
	Net Carrying Amount	1,340.92	9,356.47	15,041.53	98.17	40.37	24.55	-	25,902.01		

Notes to Consolidated Financial Statements for the year ended 31st March, 2023
(Amount in Rs. in Lakhs)
4.2 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			

- 4.3** The Company has taken borrowings from banks which carry charge over certain property, plant and equipment (Refer Note 42 for details).
- 4.4** Contractual obligations - Refer Note 35(a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- 4.5** Aggregate amount of depreciation has been included under 'Depreciation and Amortisation Expense' in the Statement of Profit and Loss (Refer Note 29).
- 4.6** Title deeds of immovable properties set out in Note 4.1 above, where applicable, are in the name of the Company.
- 4.7** There is no Capital work in progress in current year as well as in previous year.

5 Intangible Assets and Goodwill

Particulars	Intangible Assets	Goodwill
Year ended 31st March, 2022		
Gross Carrying Amount		
Opening Balance	26.47	29.11
Additions	-	-
Disposals	-	-
Closing Balance	26.47	29.11
Accumulated Depreciation		
Opening Balance	26.28	-
For the Year	-	-
On Disposals	-	-
Closing Balance	26.28	-
Net Carrying Amount	0.19	29.11
Year ended 31st March, 2023		
Gross Carrying Amount		
Opening Balance	26.47	29.11
Additions	-	-
Disposals	-	-
Closing Balance	26.47	29.11
Accumulated Depreciation		
Opening Balance	26.28	-
For the Year	-	-
On Disposals	-	-
Closing Balance	26.28	-
Net Carrying Amount	0.19	29.11

- 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 2023	As At 31st March 2022
	Unquoted:				
	Non-current Investments				
	Investments in Equity Instruments				
	INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD				
	In Other Associates Body Corporates				
	*Dynemic Holdings Pvt.Ltd.	10	1010000	101.00	101.00
	(At Original Cost)				
	Add/Less:- Share of Accumulated Profit/Loss			(11.65)	(12.30)
	Net Investment in Associate			89.35	88.70
	Other Non Current Investments				
	Investments in Equity Instruments				
	In Other Body Corporates				
	* 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
	Investments in Mutual Funds				
	IndiaReit Fund Scheme IV			-	1.81
	TOTAL			9.62	11.43
	Current Investments			0.00	0.00
	TOTAL			98.97	100.13

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

6.2 **Aggregate amount of Investments**

Particulars	As At 31st March 2023	As At 31st March 2022
Aggregate amount of Unquoted Investments	9.62	11.43
Aggregate amount of Quoted Investments	-	-
Total Investments	9.62	11.43

7 **Trade Receivables**

Particulars	As At 31st March 2023	As At 31st March 2022
Current		
Unsecured Considered Good		
(a) Trade Receivables considered good - Secured;	0.00	0.00
(b) Trade Receivables considered good - Unsecured;	5,072.48	4,702.21
(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
TOTAL	5,072.48	4,702.21

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, 2023
(Amount in 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	5,058.40 (4,663.80)	14.07 (38.42)	- -	- -	- -	5,072.48 (4,702.21)
(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
Total	5,058.40 (4,663.80)	14.07 (38.42)	- -	- -	- -	5,072.48 (4,702.21)

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 2023	As At 31st March 2022
Total Dues with Due Dates of Payments as per above table 7.2	5,072.48	4,702.21
Outstanding Debtors where still the payment has not become Due	0	0
Outstanding Debtors still unbilled	0	0
Total Trade Receivables as shown in above Note 7	5,072.48	4,702.21

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

8 Cash and Cash Equivalents

Particulars	As At 31st March 2023	As At 31st March 2022
Balances with Banks		
In Current Accounts	49.22	33.10
In Fixed Deposits	20.33	-
Cash on Hand	3.29	3.66
TOTAL	72.84	36.76

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.

8.2 Fixed deposit maturity less than 3 months included in Cash and Cash equivalents.

Notes to Consolidated Financial Statements for the year ended 31st March, 2023
(Amount in Rs. in Lakhs)
9 Other Bank Balances

Particulars	As At 31st March 2023	As At 31st March 2022
- Unpaid Dividend Accounts	6.50	6.76
- Fixed Deposit held for guarantees (with original maturity of more than three months but less than twelve months) (Lodged with Government Authority/Others)	119.60	192.68
Accrued Interest on Fixed Deposits	-	46.19
TOTAL	126.10	245.63

9.1 Fixed deposits held for guarantees are not available for immediate use being in the nature of security offered.

10 Loans

Particulars	As At 31st March 2023	As At 31st March 2022
Non-current		
Loans to Employees		
(a)Loans Receivables considered good - Unsecured;	0.16	2.06
TOTAL	0.16	2.06
Current (At Amortised Cost)		
Loans to Employees		
(a)Loans Receivables considered good - Unsecured;	0.72	1.31
TOTAL	0.72	1.31

11 Other Financial Assets

Particulars	As At 31st March 2023	As At 31st March 2022
Non-current		
Unsecured, Considered Good :		
Security Deposits	1,654.13	1,464.82
Fixed Deposits with Banks**	210.94	92.03
(with Maturity of more than Twelve Months)		
(Lodged with Government Authority/Others)		
Accrued Interest on Fixed Deposits**	1.21	0.65
	1,866.29	1,557.50
Current (At Amortised Cost)		
Unsecured, Considered Good :		
Security Deposits	25.49	-
Interest Accrued on Electricity Deposits	12.85	12.85
TOTAL	38.34	12.85

*Financial Assets carried at Fair Value through Profit and Loss

**Financial Assets carried at Amortised Cost

11.1 Fixed deposits held for guarantees are not available for immediate use being in the nature of security offered.

11.2 Security deposits are receivables from various government and non government authorities.

12 Inventories

Particulars	As At 31st March 2023	As At 31st March 2022
-At Lower of Cost and Net Realisable Value		
Raw Materials	1,314.91	1,367.12
Packing Material	25.84	19.57
ETP stock	7.88	2.77
Fuel- Non Coking stock	131.43	10.54
Trading Materials	21.34	23.97
Work in progress	862.06	424.63
Finished Goods	4,141.44	3,338.28
Finished Goods (Captive)	8.94	18.15
TOTAL	6,513.84	5,205.02

12.1 Refer Note 42 for Information on Inventories Pledged as Security

Notes to Consolidated Financial Statements for the year ended 31st March, 2023
(Amount in Rs. in Lakhs)
13 Other Assets

Particulars	As At 31st March 2023	As At 31st March 2022
Non-current		
Unsecured, Considered Good :		
Capital Advances	214.63	234.63
Balances with Government Authorities @	3.80	3.80
Prepaid/Advance for Expenses	1.99	1.99
Advance to Suppliers/Service Providers (other than capital)	-	-
IT Refund Receivables (AY 12-13, 13-14 & 20-21)	74.06	91.34
TOTAL	294.48	331.76
Current		
Unsecured, Considered Good :		
Export Entitlements Receivable	115.31	263.39
Balances with Government Authorities @	626.15	1,073.06
Advance to Suppliers/Service Providers (other than capital)	13.66	0.01
Capital Advances	11.46	195.77
Prepaid/Advance for Expenses	112.07	95.95
IT Refund Receivables (AY 21-22)	321.08	24.82
Advance Income Tax Paid (Included TDS & TCS)	8.20	419.50
TOTAL	1,207.93	2,072.50

@ 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

Particulars	As At 31st March 2023	As At 31st March 2022
Authorised Share Capital		
13,000,000(Previous Year- 1,30,00,000) Equity Share of Rs. 10/- each	1,300.00	1,300.00
Issued and Subscribed share capital		
11,694,113(Previous Year- 1,13,28,449) Equity Share of Rs. 10/- each @	1,169.41	1,132.84
Subscribed and Partly paid up		
11,678,387(Equity Shares of Rs. 10/- each fully paid up) @	1,167.84	1,132.84
15,726 (Equity Shares of Rs. 5/- party paid up) @	0.79	-
TOTAL	1,168.63	1,132.84

@ There were no changes in Authorised Capital during the years ended 31st March, 2023 and 31st March, 2022

@ Issued and subscribed capital has been increased by 365664 share as Right issue given at 450/- per shares (10/- Face value and 440/- share premium amount). Out of 349938 fully paid at Rs. 10/- and 15726 shares partly paid at Rs. 5/- per share.

(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) Reconciliation of shares outstanding at the beginning and at the end of the Year

Particulars	No. of Shares	Amount
Balance as at 1st April 2021	11,328,449	1,132.84
Changes in equity share capital during the year	-	-
Balance as at 31st March 2022	11,328,449	1,132.84
Changes in equity share capital during the year		
349938 Equity share fully paid up of Rs.10 each	349,938	34.99
15726 Equity share partly paid up of Rs.5 each	15,726	0.79
Balance as at 31st March 2023	11,694,113	1,168.63

Notes to Consolidated Financial Statements for the year ended 31st March, 2023
(Amount in Rs. in Lakhs)
(c) Details of Shareholder holding more than 5% Equity Shares of the Company

Name of the Shareholders	As at 31st March 2023		As at 31st March 2022	
	Nos of Shares	% of Total Shares	Nos of Shares	% of Total Shares
Bhagwandas Kalidas Patel	1,267,541	10.84%	1,207,182	10.66%
Rameshkumar Bhagwandas Patel	713,993	6.11%	679,993	6.00%
Total	1,981,534	16.95%	1,887,175	16.66%

(d) 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 2023			As At 31st March 2022		
	Nos of Shares	% of Total Shares	% Change During the Year	Nos of Shares	% of Total Shares	% Change During the Year
Bhagwandas K Patel - HUF	71,925	0.62%	0.02%	68,500	0.60%	0.00%
Patel Dashrathbhai Prahladbhai	-	0.00%	0.00%	-	0.00%	(0.23%)
Rajulaben J Patel	-	0.00%	(0.23%)	25,975	0.23%	0.00%
Dashrathbhai Prahladbhai Patel	-	0.00%	0.00%	-	0.00%	(4.59%)
Bhagwandas Kalidas Patel	1,267,541	10.84%	0.18%	1,207,182	10.66%	0.00%
Jayantilal K Patel	43,802	0.37%	0.24%	14,785	0.13%	(0.10%)
Rameshkumar Bhagwandas Patel	713,993	6.11%	0.11%	679,993	6.00%	0.00%
Kirtikumar Bhagwandas Patel	121,758	1.04%	0.02%	115,960	1.02%	0.00%
Vimalaben Bhagawandas Patel	337,497	2.89%	0.08%	318,800	2.81%	0.27%
Mukeshbhai B Patel	120,310	1.03%	0.02%	114,581	1.01%	0.00%
Vishnubhai Bhagwanbhai Patel	89,671	0.77%	0.02%	85,401	0.75%	0.00%
Dixit Bhagwandas Patel	185,502	1.59%	0.10%	169,225	1.49%	0.00%
Dalchhiben Bhagwanbhai Patel	43,155	0.37%	0.01%	41,100	0.36%	0.00%
Kaminiben Vishnubhai Patel	51,528	0.44%	0.01%	49,074	0.43%	0.00%
Mahendrabhai Kalidas Patel	-	0.00%	0.00%	-	0.00%	(0.11%)
Chetnaben M Patel	138,600	1.19%	0.02%	132,000	1.17%	0.00%
Mittal Dixit Patel	33,600	0.29%	0.01%	32,000	0.28%	0.00%
Palak D Patel	-	0.00%	0.00%	-	0.00%	(0.36%)
Lilaben Dasharathbhai Patel	-	0.00%	0.00%	-	0.00%	(0.92%)
Kantilal Kalidas Patel	55,150	0.47%	(0.02%)	55,150	0.49%	0.00%
Hansaben Rameshbhai Patel	31,021	0.27%	0.01%	29,544	0.26%	0.00%
Bhagvatiben Kirtibhai Patel	45,638	0.39%	0.01%	43,465	0.38%	0.00%
Sachin R Patel	20,038	0.17%	0.00%	19,084	0.17%	0.00%
Dixit Bhagwandas Patel - HUF	12,180	0.10%	0.00%	11,600	0.10%	0.00%
Dynemic Holdings Private Limited	156,320	1.34%	(0.04%)	156,320	1.38%	0.00%
Total	3,539,229	30.29%	0.57%	3,369,739	29.72%	(6.04%)

As per records of the Company, including its register of shareholder / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(e) For the period of 5 years immediately preceding the balance sheet date, aggregate number and class of shares allotted (a) as fully paid up pursuant to contract(s) without payment being received in cash -Nil, (Previous year - Nil) (b) as fully paid up by way of bonus shares -Nil (Previous year - Nil) and (c) shares bought back Nil (Previous year - Nil)

(f) There is no call unpaid by Directors or any Officers of the Company during the year.

Notes to Consolidated Financial Statements for the year ended 31st March, 2023
(Amount in Rs. in Lakhs)
14.2 Other Equity

Particulars	As At 31st March 2023	As At 31st March 2022
Securities Premium Account		
Opening Balance	1,036.80	1,036.80
Add : Premium received on issue of equity shares	1,574.32	-
Less : Share issue expenses adjusted against Security Premium	67.68	-
Closing Balance	2,543.44	1,036.80
General Reserve		
Opening Balance	502.18	502.18
Less: Utilised / Transfer during the year	-	-
Closing Balance	502.18	502.18
Retained Earnings		
Opening Balance	14,375.98	12,963.09
Profit for the Year	(293.97)	1,429.76
Items of Other Comprehensive Income recognised directly in Retained Earnings		
Remeasurements on Post-employment Defined Benefit Plans, Net of Tax	(6.48)	(16.87)
Transfer to General Reserve	-	-
Closing Balance	14,075.52	14,375.98
Total Other Equity	17,121.15	15,914.96

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.

During the year Company has issued 3,65,664 equity shares as Right issue at Rs.450/- per equity shares (Rs.10/- Face value and Rs.440/- share premium amount) aggregating to Rs.1610.10 Lakhs.

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.

15 Borrowings

Particulars	As At 31st March 2023	As At 31st March 2022
Non-current		
Secured		
* HDFC Bank Ltd.- Car Loans	10.13	12.63
(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	2.70	2.50
Net Non Current Amount	7.43	10.13
* Citi Bank N.A.-- Term Loan FCTL-1	2,281.91	2,945.69
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- 5.60% 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- 5.30% Less: Current Maturities of Long-term Debt	913.83	800.00
* Citi Bank N.A.-- Term Loan FCTL-2 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- 4.00% Less: Current Maturities of Long-term Debt	1,650.00	2,027.87
Net Non Current Amount	2,468.08	3,673.56
* HDFC Bank-- Term Loan 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- 3_M_T_BILL + 4.40% or 11.40% p.a. Less: Current Maturities of Long-term Debt	800.00	800.00
* HDFC Bank Ltd (GECL) Loan-Term Loan-INR 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- 3_M_T_BILL + 0.85% or 7.85% p.a. Less: Current Maturities of Long-term Debt	977.08	1,340.00
* HDFC Bank Ltd (GECL) Loan-Term Loan-INR 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- 3_M_T_BILL + 1.20% or 8.20% p.a. Less: Current Maturities of Long-term Debt	335.00	335.00
* HDFC Bank Ltd (GECL) Loan-Term Loan-INR 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- 3_M_T_BILL + 1.20% or 8.20% p.a. Less: Current Maturities of Long-term Debt	2,529.19	2,583.00
Net Non Current Amount	4,125.52	5,988.00
TOTAL NON CURRENT AMOUNT	6,601.03	9,671.69

Notes to Consolidated Financial Statements for the year ended 31st March, 2023
(Amount in Rs. in Lakhs)

Current Secured		
Loans Repayable on Demand from Banks*		
Bill Discounting Facilities- PCFC		
* Citi Bank N.A.	2,008.28	2,038.69
* HDFC BANK	442.93	471.18
Cash Credit/Export Credit Facilities		
* Citi Bank N.A.	287.59	260.03
* Axis Bank Ltd.	692.13	799.81
* HDFC Bank Ltd (C/C A/C)	1,517.36	321.61
* HDFC BankLtd. (WCDL A/C)	-	1,350.00
Loans Repayable on Demand from Banks Total	4,948.29	5,241.32
Current Maturities of Long-term Debt		
* ICICI Bank Ltd.- Car Loans		
* HDFC Bank Ltd.- Car Loans	2.70	2.50
* Citi Bank N.A.-- Term Loan FCTL-1	913.83	800.00
* Citi Bank N.A.-- Term Loan FCTL-2	550.00	500.00
* HDFC Bank-- Term Loan	800.00	800.00
* HDFC Bank Ltd (GECL) Loan-Term Loan-INR)	335.00	335.00
* HDFC Bank Ltd (GECL) Loan-Term Loan-INR)	645.75	-
Current Maturities of Long-term Debt Total	3,247.27	2,437.50
Unsecured		
Loan from Directors	-	22.50
TOTAL CURRENT AMOUNT	8,195.56	7,701.32

15.1 Refer Note NO. 38 for Related parties transaction.

***Secured -**

- (a) 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 ;
- (b) 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.
- (c) 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.
- (d) By personal guarantee of directors Shri Bhagwandas K Patel, Shri Ramesh B Patel, & Shri Dixit B Patel.

- (e) Reconciliation of quarterly returns submitted to banks where borrowings have been availed based on security of current assets.

Quarter Ended	Particulars	Amount as per books of account	Amount as reported in the quarterly return/statement	Amount of difference	Reason for differences
Jun-22	Inventory	62.78	62.76	0.02	Trade Receivable submitted to Bank considering Net of Advance.
	Trade Receivables	44.90	44.00	0.90	
Sep-22	Inventory	65.77	65.75	0.02	
	Trade Receivables	55.00	52.94	2.06	
Dec-22	Inventory	56.34	56.09	0.25	
	Trade Receivables	59.14	58.33	0.81	
Mar-23	Inventory	65.14	65.14	-	
	Trade Receivables	50.72	50.72	-	

- 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.

16 Trade Payables

Particulars	As At 31st March 2023	As At 31st March 2022
Non-current		
Dues of Micro Enterprises and Small Enterprises (Refer Note 33)	-	-
Dues of Creditors other than Micro Enterprises and Small Enterprises	289.58	230.00
TOTAL	289.58	230.00
Current		
Dues of Micro Enterprises and Small Enterprises (Refer Note 33)	2,570.30	1,153.44
Dues of Creditors other than Micro Enterprises and Small Enterprises	3,636.28	4,079.98
TOTAL	6,206.58	5,233.43

- 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	2,570.30	-	-	-	2,570.30
	(1,153.44)	-	-	-	(1,153.44)
(ii) Others	3,636.28	289.58			3,925.87
	(4,079.98)	(114.61)	(78.37)	(37.02)	(4,309.98)
(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
Total FY 22-23	6,206.58	289.58	-	-	6,496.16
Total FY 21-22	(5,233.43)	(114.61)	(78.37)	(37.02)	(5,463.44)

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.

Notes to Consolidated Financial Statements for the year ended 31st March, 2023
(Amount in Rs. in Lakhs)

		As At 31st March 2023	As At 31st March 2022
	Particulars		
	Total Dues with Due Dates of Payments as per above table 16.2	6,496.16	5,463.44
	Outstanding Payables where still the payment has not become Due	0.00	0.00
	Outstanding Payables still unbilled	0.00	0.00
	Total Trade Payables as shown in above Note 16	6,496.16	5,463.44
17	Other Financial Liabilities		
	Particulars	As At 31st March 2023	As At 31st March 2022
	Non-current		
	Other Sundry Creditors Payable for Expenses	0.01	0.01
	Security Deposits- Employee Bonds	0.16	0.21
	TOTAL	0.17	0.22
	Current		
	Interest Accrued	0.00	0.00
	Unpaid Dividends (refer Note No.17.1 below)	6.50	6.76
	Security Deposits- Employee Bonds	1.27	0.93
	TOTAL	7.77	7.69
17.1	There are no due for transfer to the Investor Education and Protection Fund during the year as at the Balance Sheet date.		
18	Provisions		
	Particulars	As At 31st March 2023	As At 31st March 2022
	Non-current		
	Provisions for Employee Benefits (Refer Note 36)	49.86	33.47
	TOTAL	49.86	33.47
	Current		
	Provision For Expenses	8.91	144.75
	Provisions for Employee Salary & Benefits (Refer Note 36)	185.82	41.58
	TOTAL	194.73	186.33
19	Current Tax Liabilities		
	Particulars	As At 31st March 2023	As At 31st March 2022
	A. Tax Expense Recognised in Profit or Loss		
	Current Tax		
	Current Tax Liabilities	2.17	94.81
	B. Tax on Other Comprehensive Income		
	Current Tax		
	Remeasurements on Post-employment Defined Benefit Plans	-	3.40
	TOTAL	2.17	98.21
20	Other Current Liabilities		
	Particulars	As At 31st March 2023	As At 31st March 2022
	Dues Payable to Government Authorities @	17.19	54.01
	Advances from Customers	257.53	-
	TOTAL	274.72	54.01

@ 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 Deferred Tax Liabilities (Net)
Significant Movements Deferred Tax Assets and Liabilities during the year.

Particulars	As At 31st March 2022	Recognised in Profit & Loss	As At 31st March 2023
Property, Plant and Equipment and Intangible Assets	1,187.98	0.01	1,187.99
Total Deferred Tax Liabilities	1,187.98	0.01	1,187.99
Unabsorbed Loss	-	(83.50)	(83.50)
Total Deferred Tax Assets	-	(83.50)	(83.50)
Net Deferred Tax Liabilities (Assets)	1,187.98	(83.50)	1,104.49
Particulars	As At 31st March, 2021	Recognised in Profit & Loss	As At 31st March 2022
Property, Plant and Equipment and Intangible Assets	384.39	803.59	1,187.98
Total Deferred Tax Liabilities	384.39	803.59	1,187.98

22 Revenue from Operations

Particulars	For the year ended Fri. March 31, 2023	For the year ended Thu. March 31, 2022
Sale of Products *		
Manufactured Goods		
Dyes & Intermediates	5,453.28	3,362.33
Sythetic Food Colours	22,575.23	19,754.26
Trading Goods	826.60	1,147.90
Net Product Sales	28,855.11	24,264.49
*(The above sales are net of (exclusive of) Inter Branch/ Unit Transfer)		
Other Operating Revenues		
Discounts Others	-	8.52
Export Incentive Income	446.65	599.97
Excise Refund Income	-	0.16
Foreign Exchange Gain & Loss- Exports & Imports	262.39	255.18
Quantity Discount	-	35.63
Rates & Quality Difference	1.42	1.33
Scrap Sale Income	25.29	27.33
Total Other Operating Revenues	735.74	928.12
Total Revenue from Operations	29,590.85	25,192.62

23 Other Income

Particulars	For the year ended Fri. March 31, 2023	For the year ended Thu. March 31, 2022
Apprentice Stipend Refund	0.62	0.34
Sundry Balances written Back	2.20	-
Dividend Received	0.19	0.35
Interest Income on		
- Fixed Deposits with Banks	19.99	13.94
- Staff Loan	0.12	0.30
- Income tax Refund	0.24	0.01
- Deposit with GEB & ETL	14.51	14.49
Insurance Claim	0.20	-
Office Rent Income	0.12	0.12
Profits on sale or w/o of assets	0.12	-
TOTAL	38.31	29.55

24 Cost of Materials Consumed

Particulars	For the year ended Fri. March 31, 2023	For the year ended Thu. March 31, 2022
Opening Stock	1,367.12	1,158.94
Add: Purchases during the year *	16,069.81	13,348.95
	17,436.92	14,507.89
Less : Closing Stock	1,314.91	1,367.12
TOTAL	16,122.01	13,140.78

*(The above purchases are net of (exclusive of) Inter Branch/ Unit transfers)

25 Purchases of Stock-in-trade

Particulars	For the year ended Fri. March 31, 2023	For the year ended Thu. March 31, 2022
Chemical Items	628.25	1,389.95
TOTAL	628.25	1,389.95

26 Changes in Inventories

Particulars	For the year ended Fri. March 31, 2023	For the year ended Thu. March 31, 2022
OPENING INVENTORIES :		
Finished Goods	3,338.26	2,107.40
Finished Goods (Captive)	18.15	5.17
Trading Stocks	23.97	13.11
Work-in-Progress	424.63	306.96
TOTAL	3,805.01	2,432.64
CLOSING INVENTORIES :		
Finished Goods	4,141.44	3,338.26
Finished Goods (Captive)	8.94	18.15
Trading Stocks	21.34	23.97
Work-in-Progress	862.06	424.63
TOTAL	5,033.77	3,805.01
TOTAL	(1,228.77)	(1,372.37)

27 Employee Benefit Expenses

Particulars	For the year ended Fri. March 31, 2023	For the year ended Thu. March 31, 2022
Salary, Wages & Bonus	1,450.87	979.75
Salaries & Bonus to Directors	248.84	202.64
Incentive Commission to Other Staff	13.31	13.22
Commission to Managing Director	-	45.00
Refer Note No. 27.1		
Contribution to Provident Fund & Other Funds	83.93	57.48
Gratuity Insurance Premium (See Note 36)	20.48	12.66
TOTAL	1,817.43	1,310.75

27.1 Refer Note No.38 for Related Parties Transactions
28 Finance Costs

Particulars	For the year ended Fri. March 31, 2023	For the year ended Thu. March 31, 2022
Interest Expense on:		
- Term Loans	693.28	414.68
- Cash Credit and Working Capital Demand Loan	334.50	219.32
- Others	13.55	1.69
Foreign Exchange Difference regarded as an Adjustment to Borrowing Costs	510.39	127.48
Bank and Other Finance Charges	59.04	81.53
TOTAL	1,610.75	844.70

28.1 Refer Note No.38 for Related Parties Transactions

29 Depreciation and Amortisation Expense

Particulars	For the year ended Fri. March 31, 2023	For the year ended Thu. March 31, 2022
Depreciation on Property, Plant and Equipment (Refer Note 4.1)	1,674.85	1,127.08
TOTAL	1,674.85	1,127.08

30 Other Expenses

Particulars	For the year ended Fri. March 31, 2023	For the year ended Thu. March 31, 2022
Other Manufacturing Expenses (Refer Note 30.1)	7,888.07	5,461.48
Repairs and Maintenance Expenses (Refer Note 30.2)	530.10	289.04
Administrative and Other Expenses (Refer Note 30.3)	958.51	702.61
TOTAL	9,376.69	6,453.14

30.1 Other Manufacturing Expenses

Particulars	For the year ended Fri. March 31, 2023	For the year ended Thu. March 31, 2022
<u>PACKING MATERIAL CONSUMED</u>		
Op. Stock	19.57	24.59
Add: Purchases during the year	562.78	423.50
	582.35	448.09
Less : Closing stock	25.84	19.57
Total	556.51	428.53
<u>E.T.P MATERIAL CONSUMED</u>		
Op. Stock	2.77	0.04
Add: Purchases during the year	122.86	46.85
	125.63	46.89
Less : Closing stock	7.88	2.77
Total	117.75	44.12
<u>POWER & FUEL CONSUMED</u>		
Electric Power & Burning	1,432.32	780.27
Fuel Purchased & Consumed	1,357.07	426.91
Gas Consumption Charges	1,655.34	1,443.97
Total	4,444.73	2,651.16
<u>OTHER MFGS. EXPENSES</u>		
Consumable Stores	178.01	144.16
ETP Expense	553.49	466.92
Factory Expense	118.43	128.90
Forwarding & Handling Charges	797.42	833.74
Labour Charges	881.04	590.62
Transportation	240.69	173.35
Total	2,769.08	2,337.68
TOTAL	7,888.07	5,461.48

30.2 Repairs and Maintenance Expenses

Particulars	For the year ended Fri. March 31, 2023	For the year ended Thu. March 31, 2022
Building Repairing	12.35	18.41
Computer Maintenance & Consumables	3.98	3.71
Consumable Stores (Plant, MEE & Electricals)	259.08	137.10
Electrical Parts & Maintenance	9.63	3.50
Furniture, Office Repairing & Maintenance	1.80	1.85
Lab. Equipment Parts & Repairing	-	1.12
Machinery Parts Repairs & Maintenance	239.14	118.37
Vehicle Repairing (Director)	2.39	3.39
Vehicle Repairing Exp	1.72	1.58
TOTAL	530.10	289.04

30.3 Administrative and Other Expenses

Particulars	For the year ended Fri. March 31, 2023	For the year ended Thu. March 31, 2022
Angadia & Courier Exp	19.29	14.69
Consultancy, Legal & Professional Fees	65.25	65.54
Certification & Analysis Fees	0.02	0.02
Cost Audit Fees	0.93	0.90
Corporate Social Responsibility Expenses (Refer Note No.:30.4)	62.30	65.00
Donation to Charitable Institutes	-	2.83
Exhibition Exp.	22.02	0.25
FDA Approval Fees	102.47	78.69
Insurance Premium	65.71	64.44
Lab-Testing Exp	16.09	13.23
Loss/Profits on sale/w/o of assets	0.02	18.07
Loss on Sales Investments	0.10	-
Office Electric Bill Expense	4.49	3.94
Other Administrative & Establishment Expense	300.71	177.88
Regi. Certification, Renewal & Filing Fees	17.45	19.53
Payments to Auditors (Refer Note No: 30.5)	8.91	9.50
Sales Promotion Exps	13.02	4.50
Security Exp	69.95	55.13
Stationery & Printing Expense	18.89	14.25
Sitting Fees to Directors	1.68	1.20
Selling Commission	76.81	46.56
Telephone Exps-Others	1.19	1.10
Travelling & Conveyance	23.48	8.28
Water Charges	67.75	37.10
TOTAL	958.51	702.61

30.4 Corporate Social Responsibility Expenditure:

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects as specified in Schedule VII of the Companies Act, 2013

A CSR committee has been formed by the company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

Particulars	As At 31st March 2023	As At 31st March 2022
a) Amount required to be spent as per Section 135 of the Companies Act, 2013 for the year	62.29	63.40
b) Amount of expenditure incurred as approved by Board	62.30	64.00
c) Shortfall/ (Excess) at the end of the year	(0.01)	(0.60)
d) Total of previous years shortfall	Nil	Nil
e) Reason for shortfall	NA	NA
f) Nature of CSR activities	Promoting Education	Promoting Education
g) Details of related party transactions e.g., contribution to a trust controlled by the company in relation to CSR expenditure	62.30	0.00
h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	N.A	N.A

30.5 Payments to Auditors comprise

Particulars	For the year ended Fri. March 31, 2023	For the year ended Thu. March 31, 2022
(i) Statutory Auditors		
As Auditor		
As Audit Fee -Financial Statements	8.91	8.00
For Service Tax/ GST	-	1.44
(ii) Cost Auditors		
As Fee	0.93	0.93

31 Income Tax Expense

Particulars	As At 31st March 2023	As At 31st March 2022
A. Tax Expense recognised in Profit or Loss		
Current Tax		
Current Tax on Profits for the Year	5.75	98.21
Adjustment for Current Tax of Earlier Years	-	-
	5.75	98.21
Deferred Tax		
Origination and Reversal of Temporary Differences (Due to effect of Depreciation)	(83.50)	802.93
Income Tax Expense	(77.75)	901.14
B. Tax on Other Comprehensive Income		
Current Tax		
Remeasurements on Post-employment Defined Benefit Plans	-	3.40

31.1 Numerical Reconciliation of Income Tax Expense to Prima Facie Tax Payable

Particulars	As At 31st March 2023	As At 31st March 2022
Profit before Income Tax Expense	(371.40)	2,327.89
Enacted Statutory Income Tax Rate in India applicable to the Company	25.17%	25.17%
Computed Expected Income Tax Expense	-	585.88
Adjustments:-		
Effect of expenses that are not deductible in determining taxable profit	(77.75)	315.25
TOTAL	(77.75)	901.14

32 Earnings per Equity Share

Particulars	As At 31st March 2023	As At 31st March 2022
(A) Basic		
(i) Number of Equity Shares at the Beginning of the Year	113,284,490	113,284,490
(ii) Number of Equity Shares at the End of the Year	116,862,500	113,284,490
(iii) Weighted Average Number of Equity Shares	116,862,500	113,284,490
Outstanding during the Year		
(iv) Face Value of Each Equity Share (Rs.)	10.00	10.00
(v) Profit after Tax Available for Equity Shareholders Profit for the Year	(300.14)	1,412.85
(vi) Basic Earnings per Equity Share (Rs.)	(2.57)	12.47
(vi) Basic Earnings per Equity Share (Restated)	(2.65)	12.49
(B) Diluted		
(ii) Diluted Earnings per Equity Share (Rs.)	(2.57)	12.47
(ii) Diluted Earnings per Equity Share (Rs.) (Restated)	(2.65)	12.49

33 Information relating to Micro and Small Enterprises (MSEs)

PARTICULARS	As At 31st March 2023	As At 31st March 2022
(1) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	Principal Amount 2,570.30 Interest Amount -	1,153.44 -
(2) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Principal Amount - Interest Amount -	- -
(3) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified	-	-
(4) The amount of interest accrued and remaining unpaid at the end of each accounting year		
(5) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the Purpose of disallowance of a deductible expenditure		

Note: The above information has been determined based on vendors identified by the Company and confirmed by the vendors, Whenever it is not confirmed, it is presented as other than Micro, or Small Enterprise.

34 Contingencies -

	As At 31st March 2023	As At 31st March 2022
A) Claims against the Company not acknowledged as debts: Taxes, duties and other demands (under appeal/dispute)		
(i) 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	67.71
(ii) Deemed Dividend U/s 2(22)(e) of Income Tax Act 1961, for AY 2012-13, appeal is pendng with CIT Appeals-I	12.92	12.92
(iii) Penalty u/s 270A of Income Tax Act 1961, for AY 2017-18, appeal is pendng with CIT Appeals-I	35.13	35.13

35 Commitments

	As At 31st March 2023	As At 31st March 2022
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	0.71
(b) Guarantees - Bank Guarantees/ Letter of Credits	240.50	317.40

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:

(Amount in Rs. in Lakhs)

	As At 31st March 2023	As At 31st March 2022
(a) Reconciliation of Opening and Closing Balances of the Present Value of Defined Benefit Obligations:-		
Present Value of Obligation at the beginning of the year	221.78	194.86
Current Service Cost	17.70	12.22
Past Service Cost	-	-
Interest Cost	16.26	13.50
Remeasurements Losses		
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	(0.04)
Actuarial Losses arising from Changes in Financial Assumptions	(4.09)	(8.40)
Actuarial Losses arising from Changes in Experience Adjustments	9.07	20.69
Benefits Paid	(12.39)	(11.05)
Present Value of Obligation at the end of the year	248.32	221.78
(b) Reconciliation of the Opening and Closing Balances of the Fair Value of Plan Assets at the beginning of the year	189.33	188.55
Interest Income	13.88	13.07
Remeasurements Gains		
Actuarial Losses arising from Changes in Experience Adjustments		
Return on Plan Assets (excluding amount included in Net Interest Cost)	(1.51)	(1.24)
Contributions by Employer	12.22	-
Benefits Paid	(12.39)	(11.05)
Fair Value of Plan Assets at the end of the year	201.52	189.33
(c) Reconciliation of the Present Value of the defined benefits Obligation and the Fair Value of Plan Assets:		
Present Value of Obligation at the end of the year	248.32	221.78
Fair Value of Plan Assets at the end of the year	201.52	189.33
Liabilities Recognised in the Balance Sheet	46.80	32.46

(d) Actual Return on Plan Assets	12.37	11.83
(e) Expense recognised in the Other Comprehensive Income:		
Remeasurements Losses (Net)	(8.11)	(16.88)
(f) Expense Recognisable in Profit or Loss :		
Current Service Cost	17.70	12.22
Net Interest Cost	2.38	0.44
Past Service Cost	-	-
Total @	20.08	12.66
(f) Expense Recognised in Profit or Loss :	20.08	12.66
@ Recognised under 'Contribution to Provident and Other Funds' in Note 27.		
(g) Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period		
Actuarial (Gains)/Losses on Obligation For the Period	4.97	12.25
Return on Plan Assets, Excluding Interest Income	1.51	1.24
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	6.48	13.49
Net (Income)/Expense For the Period Recognized in OCI I Profit Loss Ac	6.48	13.49
(h) Balance Sheet Reconciliation		
Opening Net Liability	32.46	6.31
Expenses Recognized in Statement of Profit or Loss	20.08	12.66
Expenses Recognized in OCI	6.48	13.49
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	-
(Benefit Paid Directly by the Employer)	-	-
(Employer's Contribution)	(12.22)	-
Net Liability/(Asset) Recognized in the Balance Sheet	46.80	32.46
(i) Category of Plan Assets:		
Funded with LIC	100.00%	100.00%
Insurance fund	201.52	189.33
Total	201.52	189.33
(i) Maturity profile of Defined Benefits Obligations:		
1st Following Year	26.37	31.19
2nd Following Year	24.74	5.24
3rd Following Year	6.65	24.54
4th Following Year	7.27	6.05
5th Following Year	19.85	6.65
Sum of Years 6 To 10	105.59	99.10
Sum of Years 11 and above	462.20	365.45
(j) Actuarial Assumptions:		
Expected Returns on Plan Assets	7.50%	7.33%
Rate of Discounting	7.50%	7.33%
Rate of Salary Increase	7.00%	7.00%
Rate of Employee Turnover	2.00%	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

(k) Other Details:		
No of Members in Service	503	301
Per Month Salary For Members in Service	67.15	43.28
Weighted Average Duration of the Defined Benefit Obligation	11	11
Average Expected Future Service	20	18
Defined Benefit Obligation (DBO) - Total	248.32	221.78
Defined Benefit Obligation (DBO) - Due but Not Paid	-	-
(l) Net Interest Cost for Next Year		
Present Value of Benefit Obligation at the End of the Period	248.32	221.78
(Fair Value of Plan Assets at the End of the Period)	(201.52)	(189.33)
Net Liability/(Asset) at the End of the Period	46.80	32.46
Interest Cost	18.62	16.26
(Interest Income)	(15.11)	(13.88)
Net Interest Cost for Next Year	3.51	2.38
(m) Expenses Recognized in the Statement of Profit or Loss for Next Year		
Current Service Cost	28.07	17.70
Net Interest Cost	3.51	2.38
(Expected Contributions by the Employees)	0.00	0.00
Expenses Recognised	31.58	20.08
(n) Sensitivity Analysis		
Defined Benefit Obligation on Current Assumptions	248.32	221.78
Delta Effect of +1% Change in Rate of Discounting	(21.83)	(18.76)
Delta Effect of -1% Change in Rate of Discounting	25.90	22.11
Delta Effect of +1% Change in Rate of Salary Increase	22.76	19.18
Delta Effect of -1% Change in Rate of Salary Increase	(20.73)	(17.37)
Delta Effect of +1% Change in Rate of Employee Turnover	1.31	1.36
Delta Effect of -1% Change in Rate of Employee Turnover	(1.55)	(1.55)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the Defined Benefit Obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

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. 76.52 Lakhs (Previous Year Rs. 49.98 Lakhs) 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

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

towards this obligation was Rs. 60.68 Lakhs, and Rs. 42.59 Lakhs at 31st March, 2023, and 31st March, 2022 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:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow stringent regulatory

- During the year, there were no plan amendments, curtailments and settlements.

37 Segment Information

Description of Segments and Principal Activities

The activities of the company during the year was to manufacturing of Dyes & Intermediates. Considering the nature of business and operation as well as based on reviews of operating results by chief operating decision maker to make decision about resource allocation and performances measurement, there is only one reporting segment in accordance with the requirement of Ind As - 108 - "Operating Segments".

38.1 Related Party Disclosures:

(i) Subsidiary Company

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

(ii) Associates :-

* Dynemic 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
Ms. Varsha Mehta	Company Secretary
Ms. Amisha Patel	Chief Financial Officer (up to 12.09.2022)
Mr. Ankit Shah	Chief Financial Officer (w.e.f. 13.09.2022)

(iv) Independent Directors :-

Mr. Jagdish S. Shah
 Mr. Shankarlal B. Mundra
 Mrs. Rashmi K. Otavani

(v) Relatives of Key Managerial Personnel :-

Mr. Sachin R. Patel
 Mr. Mukesh B. Patel
 Mrs. Chetna M. Patel

(vi) Parties where KMP or Director have substantial interest :-

Dynemic Foundation

38.2 Transactions with related parties :-

Sr. No.	Particulars	Name of Person / Entity	For the year ended 31/03/2023	For the year ended 31/03/2022
1	Remuneration / Salary Expense	Mr. B. K. Patel	85.48	71.26
		Mr. Rameshbhai B. Patel	85.05	67.55
		Mr. Dixit B. Patel	78.32	63.84
		Ms. Varsha Mehta	12.29	10.32
		Ms. Amisha Patel	5.19	9.85
		Mr. Ankit Shah	7.75	0.00
		Mr. Sachin R. Patel	2.80	2.51
		Mr. Mukesh B. Patel	17.22	15.82
2	Sitting Fees	Mr. Jagdish S. Shah	0.56	0.40
		Mr. Shankarlal B. Mundra	0.56	0.40
		Mrs. Rashmi K. Otavani	0.56	0.40
3	Sale of Goods & Services	Cerecon Bio Sciences Pvt. Ltd.	182.25	0.00
		Dynemic Holdings Pvt Ltd	0.12	0.12
4	Purchase of Goods & Services	Cerecon Bio Sciences Pvt. Ltd.	0.00	47.65
5	Commission Paid	Mr. B. K. Patel	0.00	45.00
		Mr. Mukesh B. Patel	10.68	10.13
		Mrs. Chetna M. Patel	9.22	12.46
6	CSR Expense	Dynemic Foundation	62.30	0.00
7	Loan Taken	Mr. B. K. Patel	104.00	7.50
		Mr. Rameshbhai B. Patel	146.50	7.50
		Mr. Dixit B. Patel	48.00	7.50
8	Loan Repaid	Mr. B. K. Patel	111.52	0.00
		Mr. Rameshbhai B. Patel	154.00	0.00
		Mr. Dixit B. Patel	55.50	0.00
9	Interest Expense on Loan	Mr. B. K. Patel	1.75	0.06
		Mr. Rameshbhai B. Patel	6.20	0.06
		Mr. Dixit B. Patel	0.71	0.07

38.3 Outstanding Balance :-

Sr. No.	Particulars	Name of Person / Entity	For the year ended 31/03/2023	For the year ended 31/03/2022
1	Remuneration / Salary Expense	Mr. B. K. Patel	4.59	10.10
		Mr. Rameshbhai B. Patel	0.84	10.53
		Mr. Dixit B. Patel	4.06	10.30
		Ms. Varsha Mehta	0.61	0.68
		Ms. Amisha Patel	0.00	0.46
		Mr. Ankit Shah	0.96	0.00
		Mr. Sachin R. Patel	0.22	0.20
		Mr. Mukesh B. Patel	1.12	0.78
2	Sitting Fees	Mr. Jagdish S. Shah	0.00	0.00
		Mr. Shankarlal B. Mundra	0.00	0.00
		Mrs. Rashmi K. Otavani	0.00	0.00
3	Sale of Goods & Services	Cerecon Bio Sciences Pvt. Ltd.	0.00	0.00
		Dynemic Holdings Pvt Ltd	0.00	0.00
4	Commission	Mr. B. K. Patel	0.00	27.87
		Mr. Mukesh B. Patel	7.35	6.97
		Mrs. Chetna M. Patel	0.00	0.00
5	Loan	Mr. B. K. Patel	0.00	7.50
		Mr. Rameshbhai B. Patel	0.00	7.50
		Mr. Dixit B. Patel	0.00	7.50

38.4 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	31st March 2023	31st March 2022
	Carrying Amount/ Fair Value	Carrying Amount/ Fair Value
Financial Assets		
Assets Carried at Fair Value through Profit or Loss		
Investments		
Equity Instruments	0.00	0.00
Mutual Funds	0.00	0.00
Other Financial Assets	0.00	0.00
Assets Carried at Amortised Cost		
Investments		
Equity Instruments	9.62	9.62
Mutual Funds	-	1.81
Trade Receivables	5,072.48	4,702.21
Cash and Cash Equivalents	72.84	36.76
Other Bank Balances	126.10	245.63
Loans	0.88	3.37
Other Financial Assets	1,904.63	1,570.36
Total Financial Assets	7,186.55	6,569.76
Financial Liabilities		
Liabilities Carried at Amortised Cost		
Borrowings (including current maturities and interest accrued)	8,195.56	7,701.32
Trade Payables	289.58	230.00
Other Financial Liabilities	7.94	7.91
Total Financial Liabilities	8,203.51	7,709.23

(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, 2023. 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.

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

(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 : Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level-2 : Inputs are other than quoted prices included within Level-1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level-3 : Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on the assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

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 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, 2023, and 31st March, 2022 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, 2023 and 31st March, 2022. Of the total trade receivables Rs. 5072.48 Lakhs as at 31st March, 2023 and Rs. 4702.21 Lakhs as at 31st March, 2022 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)	31st March 2023	31st March 2022
01-90	5,058.40	4,663.80
91-180	-	-
More than 180	14.07	38.42

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 2023	31st March 2022
Floating Rate		
Expiring within one year (working capital facilities)	151.71	8.68

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	Within 1 year	Between 1 and 3 year	Total
31st March, 2023			
Borrowings	8,195.56	6,601.03	14,796.60
Trade Payables	-	-	-
Other Financial Liabilities	7.77	0.17	7.94
Total	8,203.33	6,601.21	14,804.54
31st March, 2022			
Borrowings	7,701.32	9,671.69	17,373.01
Trade Payables	-	-	-
Other Financial Liabilities	7.69	0.22	7.91
Total	7,709.00	9,671.92	17,380.92

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

(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.

(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:
(Amount in Rs. in Lakhs)

	31st March 2023			31st March 2022		
	USD	EURO	POUND	USD	EURO	POUND
Financial Assets						
Trade Receivables	3,201.59	251.97	-	3,516.76	114.13	-
Bank Balance in EEFC Account	1.55	-	-	1.18	-	-
Other Financial Assets						
Derivative Assets						
Foreign Exchange Forward Contracts						
Net Exposure to Foreign Currency Risk (Assets)	3,203.14	251.97	-	3,517.94	114.13	-
Financial Liabilities						
Borrowings (including Current maturities)	6,331.91	-	-	10,683.43	-	-
Trade Payables	636.11	-	-	640.68	-	-
Other Financial Liabilities						
Derivative Assets						
Foreign Exchange Forward Contracts						
Net Exposure to Foreign Currency Risk (Liabilities)	6,968.02	-	-	11,324.11	-	-
Net Exposure to Foreign Currency Risk (Assets -Liabilities)	(3,764.87)	251.97	-	(7,806.17)	114.13	-

(b) Sensitivity

The sensitivity of profit or loss to changes in the foreign exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	Impact on Profit before tax	
	31st March 2023	31st March 2022
USD Sensitivity		
INR/USD -Increase by 7%*	(263.54)	(546.43)
INR/USD -Decrease by 7%*	263.54	546.43
Euro Sensitivity		
INR/EUR-Increase by 7%*	17.64	7.99
INR/EUR-Decrease by 7%*	(17.64)	(7.99)

* 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:

Particulars	As At 31st March 2023	As At 31st March 2022
Variable Rate Borrowings	4,948.29	5,241.32
Fixed Rate Borrowings	9,848.31	12,109.19
Total Borrowings	14,796.60	17,350.51

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
31st March 2023			
Cash Credit/Packing Credit Facilities	6.23%	4,948.29	33.44%
31st March 2022			
Cash Credit/Packing Credit Facilities	2.58%	5,241.32	30.21%

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.

Particulars	Impact on Profit before tax	
	As At 31st March 2023	As At 31st March 2022
Variable Rate Borrowings		
Interest Rates - Increase by 100 basis points (100 bps) *	49.48	52.41
Interest Rates - Decrease by 100 basis points (100 bps) *	49.48)	(52.41)
Fixed Rate Borrowings		
Interest Rates - Increase by 100 basis points (100 bps) *	98.48	121.09
Interest Rates - Decrease by 100 basis points (100 bps) *	(98.48)	(121.09)

* Holding all other variables constant

(iii) 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.

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:

Particulars	As At 31st March 2023	As At 31st March 2022
Total Borrowings	14,796.60	17,350.51
Less: Cash and cash equivalents	198.94	282.38
Net Debt	14,597.66	17,068.12
Equity	18,289.77	17,047.80
Total Capital (Equity+ Net Debt)	32,887.43	34,115.93
Net Debt to Equity ratio	44.39%	50.03%

No changes were made to the objectives, policies or processes for managing capital during the years ended 31st March, 2023 and 31st March, 2022.

(b) Dividends on Equity Shares

Particulars	As At 31st March 2023	As At 31st March 2022
Dividend Declared and Paid during the year	NIL	NIL
Proposed Dividend Not Recognised at the End of the Reporting Period	NIL	NIL

42 Assets Pledged/ Hypothecated as Security

Particulars	As At 31st March 2023	As At 31st March 2022
Current		
First Charge		
Financial Assets		
Trade Receivables under Bill Discounting (Refer below)	2,008.28	2,038.69
Other Trade Receivables	(2,008.28)	(2,038.69)
Non-financial Assets	-	-
Inventories	6,513.84	5,205.02
Sub-total	6,513.84	5,205.02
Non-current		
First Charge/Second Charge		
Leasehold Land	1,340.92	1,338.98
Buildings	9,356.47	9,660.10
Plant and Equipments	15,041.53	15,973.93
Furniture and Fixtures	98.17	103.85
Office Equipments	24.55	32.50
Vehicles	40.37	52.50
Sub-total	25,902.01	27,161.85
Total	32,415.85	32,366.87

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 Ratios Analysis:-

Name of Ratio	Numerator	Denominator	31st March 2023	31st March 2022	% changes over previous year	Reasons for more than 25% changes
(a) Current Ratio,	Current assets	Current Liabilities	0.88	0.92	(5.26%)	NA
(b) Debt-Equity Ratio	Total Debt	Total Equity	1.25	1.43	(12.43%)	NA
(c) Debt Service Coverage Ratio	PAT + Depreciation + Term Loan Interest	Term Loan Interest + Term Loan Repayment	0.70	0.87	(19.40%)	NA
(d) Return on Equity Ratio	PAT	Average Equity	(1.66%)	8.75%	(118.99%)	See Note #
(e) Inventory turnover ratio	Total Revenue from Operation	Average Inventory	5.05	5.71	(11.58%)	NA
(f) Trade Receivables turnover ratio	Total Revenue from Operation	Average Trade Receivables	6.05	5.70	6.20%	NA
(g) Trade payables turnover ratio	Total Purchases	Average Trade Payables	0.78	1.00	(21.30%)	NA
(h) Net capital turnover ratio	Total Revenue from Operation	Net Working Capital	(16.00%)	(25.07%)	(36.18%)	See Note #
(i) Net profit ratio	Net Profit (PAT)	Total Revenue from Operation	(0.99%)	5.68%	(117.48%)	See Note #
(j) Return on Capital employed	Earnings Before Interest and Taxes (EBIT)	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	4.74%	11.31%	(58.06%)	See Note #
(k) Return on investment	Income generated from invested funds	Average of Investment & Fixed Deposits	7.68%	7.36%	4.37%	NA

Note:-# During the FY 2021-22, Company has started the production at Unit 3 at Dahej and has transferred Capital working process to respective assets in the middle of the year and has claimed depreciation thereon and during the FY 2022-23 company has claimed full year depreciation. And also Increase in Interest repayment which was taken for Unit 3 at Dahej and under utilisation of Production capacity of Unit 3 on account of teething problem.

45 Issue of Shares

During the year the Company has received Rs.1610.10 Lakhs on Right Issue basis to meet Incremental working Capital requirement.

The total issue expenses incurred 67.68 lakhs (excluding taxes) has been adjusted against securities premium.

The Company has utilised net proceeds to meet its working capital requirement and there is no unutilised funds.

46 Event Occurring after The Balance Sheet Date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of financial statement to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As on date of signing this statements there were no material subsequent events to be recognized or reported that are not already disclosed.

47 Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

Notes to Consolidated Financial Statements for the year ended 31st March, 2023

- 48 No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder during the year under audit.
- 49 Company has not been declared willful defaulter by any bank or financial Institution or other lender during the year under audit.
- 50 Company has no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period during the year under audit.
- 51 Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 52 During the year, Company has no relation of any kind or transactions with any of the Struck off Companies.
- 53 The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- 54 The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) any funds to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- 55 The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- 56 The financial statements of the Company for the year ended 31st March, 2023 have been reviewed by the audit committee and approved by the Board of Directors in its meeting held on 30th May, 2023.
- 57 The figures for the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable with current year's figures.

 As per our Report of even date

 For : **DYNEMIC PRODUCTS LIMITED**
For, B. K. PATEL & CO.
CHARTERED ACCOUNTANTS.
 FRN :- 112647W

B. K. Patel
 Managing Director

D. B. Patel
 Director

CA B. K. Patel
PARTNER
 Membership No.032199

R. B. Patel
 Director

Ankit Shah
 Chief Financial Officer

 Place : Ahmedabad
 Date : 30/05/2023

 Place : Ahmedabad
 Date : 30/05/2023

Varsha Mehta
 Company Secretary

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DYNEMIC PRODUCTS LIMITED

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