

DYNAMATIC TECHNOLOGIES LIMITED

Registered Office: Dynamatic Park, Peenya, Bangalore - 560 058
Corporate Identity Number: L72200KA1973PLC002308
Phone Number: +91 80 2839 4933/34/35 Fax: +91 80 2839 5823
Email ID: investor.relations@dynamatics.net; website: www.dynamatics.com



NOTICE CALLING THE 41ST ANNUAL GENERAL MEETING

Notice is hereby given that the **41st (Forty First) Annual General Meeting ('AGM')** of the Members of Dynamatic Technologies Limited (the 'Company') will be held on **Thursday, the 11th (eleventh) day of August 2016 (two thousand and sixteen) at 10:00 (ten) AM IST** at the "Vivanta" by Taj, No. 2275, Tumkur Road, Yeshwantpur, Bangalore 560022, to transact the following businesses:

ORDINARY BUSINESS

1. To consider, approve and adopt the Audited Balance Sheet of the Company, as at 31st March, 2016, Profit and Loss Account for the year ended on that date, together with the reports of the Auditors and the Directors thereon.
2. To appoint a Director in place of Mr. Dietmar Hahn (DIN: 06414463), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To ratify the appointment of Statutory Auditors of the Company viz., Messrs. B S R & Co., LLP, Chartered Accountants, Bangalore (Firm registration number 101248W/W-100022) and to fix their remuneration by passing the following resolution as an

ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of section 139, 142 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, and pursuant to the recommendations of the Audit & Risk Management Committee of the Board of Directors and the resolutions passed by the Shareholders at their Annual General Meeting held on 14th August, 2014, the appointment of M/s. B S R & Co., LLP, Chartered Accountants (Firm registration number 101248W/W-100022) as Statutory Auditors of the Company to hold office till the conclusion of the 44th Annual General Meeting to be held in the calendar year 2019, subject to ratification of the appointment by the members at every Annual General Meeting be and is hereby ratified and that the Board of Directors be and are hereby authorized to fix the remuneration payable to them for the financial year ending 31st March, 2017 as may be determined by the Audit & Risk Management Committee in consultation with the Statutory Auditors, and that such remuneration may be paid on progressive billing basis as may be agreed upon between the Statutory Auditors and the Board of Directors."

SPECIAL BUSINESS

4. To ratify the remuneration agreed to be paid to M/s. Rao, Murthy and Associates, Cost Auditors of the Company, for the financial year 2016-17 and in this regard to consider and pass the following resolutions as **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of ₹4,50,000 (Four Lakhs Fifty Thousand only), excluding out of pocket expenses and applicable taxes, agreed to be paid to M/s. Rao Murthy and Associates, Cost Auditors appointed by the Board of Directors of the Company for the financial year 2016-17, be and is hereby ratified."

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

NOTES:

1. A member entitled to attend the AGM is entitled to appoint a proxy to attend the AGM instead of himself or herself and such proxy need not be a member of the company. In order to be effective the proxies should be received by the company at its registered office not less than 48 hours before the time fixed for holding the AGM.
2. A person can act as a proxy on behalf of not exceeding 50 (fifty) members and holding in aggregate not more than 10 (ten) percent of the total share capital of the Company.
3. Members / Proxies should bring the enclosed duly filled-in attendance slips to attend the AGM.
4. Corporate Members intending to send their authorized representatives to attend the AGM are requested to send a certified copy of the Board resolution to the Company, authorizing their representative to attend and vote on their behalf at the AGM.
5. Shareholders are requested to tender their attendance slips at the registration counters at the venue of the AGM and seek registration before entering the meeting hall. The Shareholders are also requested to produce valid identity proof such as PAN card, passport, aadhar card or driving license along with the attendance slip to enter the AGM hall.
6. Details of Director seeking re-appointment at the AGM of the Company is enclosed in the Notice. The Directors have furnished consent / declaration for their appointment / re-appointment as required under the Companies Act, 2013 and the rules made thereunder.
7. An Explanatory Statement in respect of item number 4 of the aforesaid Notice is annexed hereto in pursuance of Section 102 of the Companies Act, 2013.
8. Pursuant to the provisions of Section 91 of the Companies Act, 2013 and Regulation 42 of SEBI (LODR) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will be closed from **Friday, 5th August, 2016 to Thursday, 11th August, 2016 (both days inclusive)**.
9. Members may also note that, the Notice of AGM, instructions for e-voting, attendance slip, proxy form and Annual Report 2016, will be available on the investor portal of the Company's website at www.dynamatics.com. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at Dynamatic Park, Peenya, Bangalore - 560 058 between 11:00 a.m. and 1:00 p.m. on all working days up to the date of AGM.
10. A member is entitled to inspect the proxies lodged with the Company at any time during the business hours on all working days, except the date of AGM. The required statutory registers will be made available at the AGM Venue for inspection by the members.

11. Members are requested to quote their Folio Number / Client ID, in all correspondence and intimate any change in their residential addresses address to the Share Transfer Agent / Depository Participant promptly.
12. Members who have not registered their email addresses, may please update their current email addresses with the Company / Registrar & Transfer Agents / their respective Depository Participant(s).
13. Any Shareholder having any grievance on the e-voting or any other matter in relation to the AGM, can contact the Company / Registrar & Transfer Agent at the coordinates mentioned under the 'Investor Guide' of the general instructions for e-voting.
14. The Notice calling the 41st AGM, instructions for e-voting, attendance slip and proxy form along with ballot form and copy of the Annual Report 2015-16 is being sent by electronic mode to all Members whose email addresses are registered with the Company / Registrar & Transfer Agents / the Depository Participant(s) unless a Member has requested for a hard copy of the same. For Members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by permitted mode. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at investors.relations@dynamics.net or contact the Company / Registrar & Transfer Agent at the coordinates mentioned under the 'Investor Guide' of the general instructions for e-voting.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in dematerialized form are therefore requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Company.
16. **E-voting**

Pursuant to provisions of section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to the Members to cast their votes electronically on all resolutions set forth in the Notice convening the AGM. To encourage participation of the Shareholders who are unable to use the e-voting facility, the Company has enclosed a ballot form to the Notice calling the AGM, which may be used by the Shareholders to cast their vote and have the same posted to the Company's address using the enclosed business reply envelope, so as to reach the Company on or before **Wednesday, 10th August, 2016, 05:00 (five) pm (IST)**. Shareholders who have not cast their votes through e-voting or ballot method, may cast their vote at the AGM at the polling booths stationed for this purpose, at the AGM venue.

Once the vote on a resolution is cast by the Shareholder, the Shareholder shall not be allowed to change it subsequently. A Member can opt for only one mode of voting i.e. either through e-voting or by ballot or voting at the AGM. A Shareholder who has exercised his / her vote by e-voting or through ballot method shall not be allowed to vote at the AGM. If a Shareholder casts votes by both e-voting and ballot method, then voting done through e-voting shall prevail and voting through ballot shall be treated as invalid.

Notice and Annual Report has been posted / dispatched by post / email to those persons whose names are registered in the register of Members of the Company as a Member **as on 1st July, 2016**. Shareholders holding shares of the Company as on **4th August, 2016 (the 'Cut-off Date')** will be permitted

to attend the AGM, cast their vote electronically or through ballot form or vote at the AGM venue, as per their convenience. Persons who have become Members of the Company between **2nd July, 2016 and 4th August, 2016 (both days inclusive)**, can contact the Company, at the coordinates mentioned under the 'Investor Guide' of the general instructions for e-voting, for copy of the Notice calling the AGM, instructions for e-voting, attendance slip and proxy form along with ballot form and copy of the Annual Report 2016 or download the said documents from the investor portal of the Company's website at www.dynamics.com.

Persons who are not Members of the Company as on the Cut-off Date should treat this Notice calling the 41st AGM for information purposes only.

The e-voting facility would commence on **Monday, 8th August, 2016, 9:00 (nine) a.m. IST and end on Wednesday 10th August, 2016, 5:00 (five) p.m. IST**. The e-voting module shall be disabled by Karvy Computershare Private Limited, who would be managing the e-voting facility, after **10th August, 2016, 5:00 (five) p.m. IST**.

Mr. Vijayakumar, Practising Company Secretary (FCS 6418 – COP 8667) has been appointed as the Scrutinisers to scrutinize the e-voting process in a fair and transparent manner.

After counting the votes cast at the AGM, the Scrutinisers shall unlock the votes in the presence of at least two witnesses, not in the employment of the Company. The Scrutiniser shall upon unlocking the votes shall also make out a Scrutinisers' Report including therein the votes casted in favour or against each of the proposals, not later than 3 days from the date of conclusion of the AGM, forthwith to the Chairman of the Company.

The Results declared along with the report of the Scrutiniser shall be placed on the website of the Company and on the website of Karvy immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.

The Shareholders may please note that, no voting by show of hands or poll would be undertaken, pursuant to application of Section 108 read with Section 107 and other applicable provisions of Companies Act, 2013 and rules thereunder. Shareholders would however, be eligible to vote by ballot at the polling booths that would be stationed at the AGM venue.

17. Members desiring to dematerialise their physical shareholding in the Company may contact the investor relations team at investors.relations@dynamics.net
18. The details of unclaimed dividend have been made part of the Corporate Governance Report of the Annual Report. Such shareholders who have not claimed their dividends for the financial years 2008-09 (final dividend), 2009-10, 2010-11 and 2011-12 are advised to claim the same.

By Order of the Board



Naveen Chandra P

Head – Legal, Compliance and Company Secretary

Place : Bangalore

Date : 27th May, 2016

Additional information of Director seeking appointment as required under Regulation 36(3) of SEBI (LODR) Regulation, 2015:

A. Brief profile and expertise of the Director:- Mr. Dietmar Hahn is the Non-Executive Director of the Company. He is also the Managing Director of M/s. Eisenwerk Erla GmbH, Germany which is a subsidiary of the Company.

He has over two decades of rich experience in operations, sales and development, having worked in leadership positions at Eisenwerk Erla GmbH.

B. Disclosure of relationships between Directors inter-se:- NIL

C. Listed entities (other than Dynamatic Technologies Limited) in which Mr. Dietmar Hahn holds Directorship and Committee membership:- NIL

D. Shareholding in the Company:- NIL

EXPLANATORY STATEMENT
Pursuant to Section 102 of the Companies Act, 2013

Item number 4

The Board, on the recommendation of the Audit & Risk Management Committee, has approved appointment of M/s. Rao, Murthy and Associates as the Cost Auditors of the Company for the financial year 2016-17 at a remuneration of ₹4,50,000 (four lakhs and fifty thousand), excluding out of pocket expenses and applicable taxes.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the Members is sought for ratification of the remuneration payable to the Cost Auditors for financial year 2016-17 as an Ordinary Resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way concerned or interested, financially or otherwise, in the resolution set out at item number 4 of the Notice.

The Board recommends the Ordinary Resolution set out at item number 4 of the Notice for approval by the Shareholders.

By Order of the Board



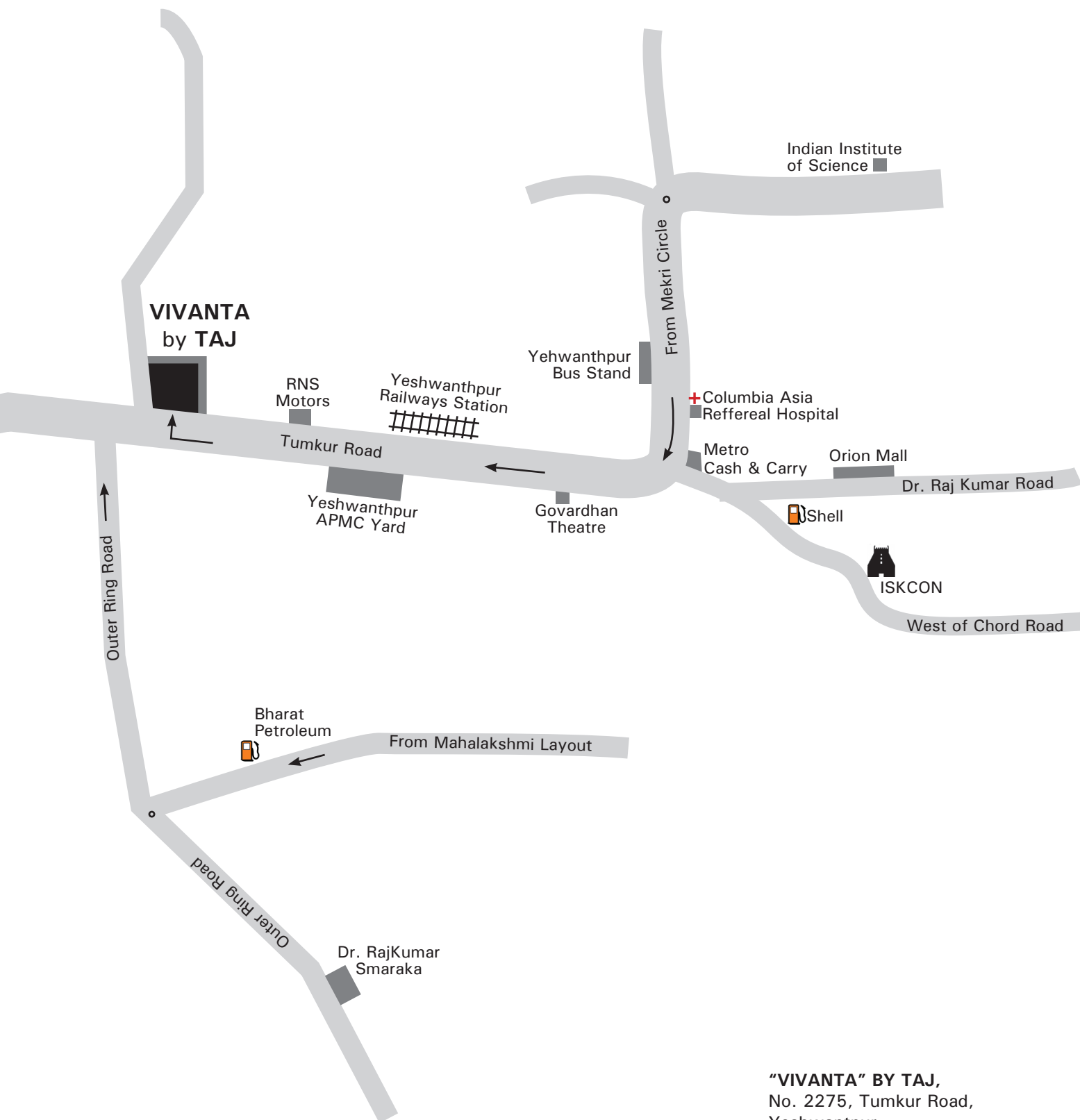
Naveen Chandra P

Head – Legal, Compliance and Company Secretary

Place : Bangalore

Date : 27th May, 2016

ROUTE MAP TO THE VENUE OF DYNAMATIC AGM 2016



"VIVANTA" BY TAJ,
No. 2275, Tumkur Road,
Yeshwantpur,
Bangalore 560 022

DYNAMATIC TECHNOLOGIES LIMITED

ANNUAL **REPORT**

2015-2016



BORN TO FLY



"Take up one idea. Make that one idea your life - think of it, dream of it, live on that idea. Let the brain, muscles, nerves, every part of your body, be full of that idea, and just leave every other idea alone. This is the way to success."

- Swami Vivekananda

Dear Fellow Shareholder,

On behalf of the Board of Directors of Dynamatic Technologies Limited and its subsidiaries, I take pleasure in presenting you with Audited Financial Statements for the year 2015-16.

During the year under review, your Company recorded Consolidated Net Revenue of ₹14,938 million with Consolidated EBIDTA of ₹1,411 million & Net Profit Before Tax of ₹209 million.

The graph on the right shows your Company's growth over the past 24 years, reflecting the expansion and evolution of its design and precision engineering capabilities into distinct business segments of Hydraulics, Automotive & Metallurgy and Aerospace & Defence.

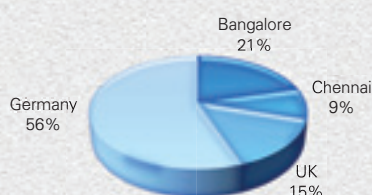
During the past year, the management has concentrated on execution of new aerospace orders, and the benefits of this are expected to accrue in the coming years.

The management continues to concentrate on margin improvement through optimisation of your Company's assets and capabilities.

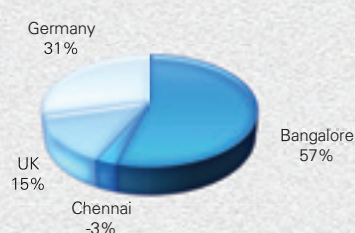
"Be patient. Everything comes to you in the right moment."

- The Buddha

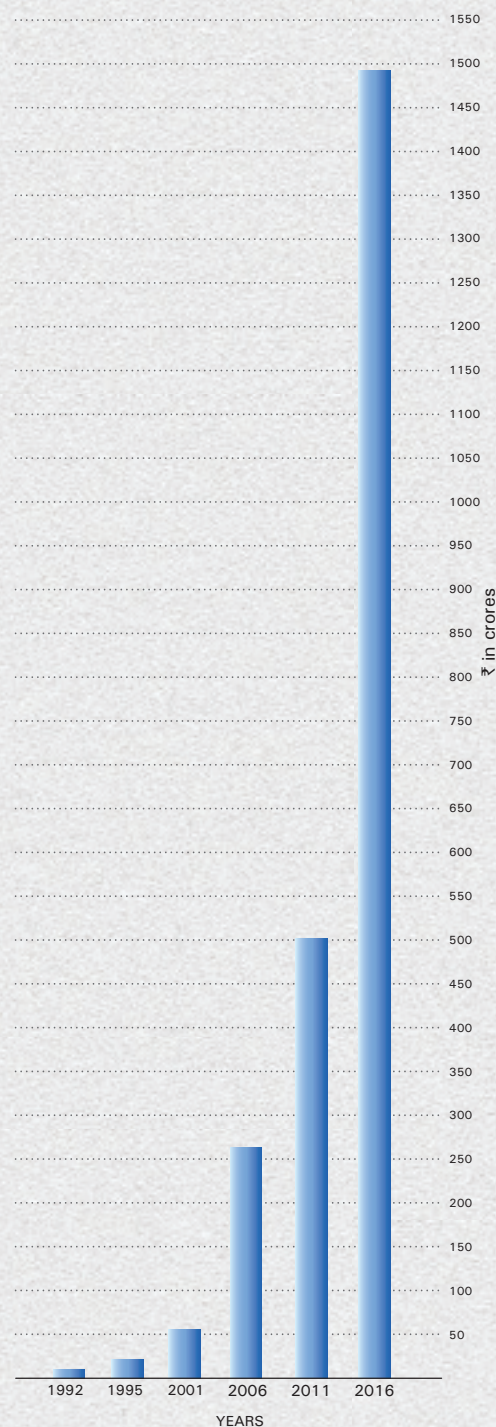
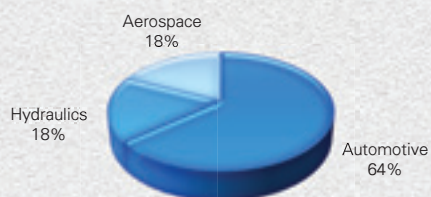
NET REVENUE



EBIDTA



SEGMENT WISE REVENUE



The aggregated sales for 2015-16 excludes the turnover recorded by your Company's wholly owned subsidiaries as well as Inter-Division/Company Sales of ₹143 crores from Dynametal®, Dynamatic Hydraulics™, Dynamatic Wind Farm, JKM Ferrotech Limited, India and Dynamatic Limited, UK.

*₹10 million = ₹1 crore

Your Company has continually focussed on building high quality global delivery systems for world-class customers including Airbus, Boeing, Bell Helicopter, Daimler, BMW, Audi, VW, Hyundai, John-Deere, CNH, JCB, Cummins, BorgWarner and Honeywell.

Towards this objective, your Company has had to support customers in terms of quality, cost, delivery and their geographical goals. Customer objectives, in turn, have been aligned with shareholder expectations, and the aspirations of Company employees in a manner that is both value-creating as well as sustainable.



Ms. Shelley Lavender, President, Boeing Military Aircraft at Dynamatic Park, Bangalore

Your Company owns and operates state-of-the-art design and manufacturing facilities in India, Germany and United Kingdom. These facilities have complimentary competencies, cost structures and customer relationships. We design our business models in order to maximise value for all stakeholders*.

Germany and the United Kingdom are mature advanced economies, while India is the world's fastest growing emerging economy. The Government of India's strategic MAKE IN INDIA mission, provides your Company with a unique opportunity to both expand its global business footprint as well as to build a new 'Make for India' Aerospace & Defence business.

"Change is the law of life and those who look only to the past or present are certain to miss the future."

- John F. Kennedy



"MAKE IN INDIA is already happening, here and now..." - Pierre de Bausset, President, Airbus Group India Private Limited, during his tour of Dynamatic Park.

*Case Study overleaf



"Our duty is to encourage everyone in his struggle to live up to his own highest idea, and strive at the same time to make the ideal as near as possible to the Truth."

- Swami Vivekananda

At a time when advanced economies are experiencing a decline in their working-age populations, India has a large pool of young people who are coming to the job market. The challenge before us is to impart them with necessary skills to produce world-class products.



Apprentices being trained to produce high quality artisanal aeronautic parts at the Dynamatic Training Center, Bangalore

Your Company has a long history of skill development, and has taken this on as an important mission: aligning our corporate needs with national policy. In addition to its own training facilities in India, Germany and the United Kingdom, Dynamatic Technologies has partnered with the Ministry of Skill Development and Entrepreneurship, Government of India and with the Department of Employment & Training, Government of Karnataka, for Skill Upgradation at the Industrial Training Institute (ITI), Devanahalli, and to participate in the management of the ITI on a Public Private Partnership basis, just 8 kms from New Bangalore International Airport.



Mr. G Parasurami Reddy, Chairman, Dynamatic Skill Development Initiative, accepting Chairmanship of the Industrial Training Institute, Devanahalli.



Shri Manohar Parrikar, Hon'ble Raksha Mantri, Government of India, launching the newly formed National Strategic Manufacturing Sector Skill Council on 22 February 2016, along with Udayant Malhoutra, Chairman of the Sector Skill Council.

Imparting and nurturing talent, expanding employment opportunities, creating the skills valued by our customers, growing our business for shareholders, and expanding economic activity wherever we are present; this is a long and difficult process, but one that leads to creation of stakeholder wealth on a sustainable basis.

Throughout the history of Dynamatic Technologies Limited, it has faced challenging times head on, seeking to benefit from the opportunities that accompany environmental risk. It has done so by being open to change, evolving into something bigger and better each time. The leadership team at Dynamatic is committed to securing the Company's market leadership, technological competence and brand equity.

On behalf of our Board of Directors and Senior Management, I thank you for your continued support.

Udayant Malhoutra

Chief Executive Officer & Managing Director



Dynamatic evaluates its employees purely on the basis of merit, free from bias.

A skill matrix provides each employee with transparent information on their evaluations.

CASE STUDY

Global Sole Supplier of Flap-Track-Beam Assemblies to Airbus



Map not to scale. For illustrative purposes only.

A Global Delivery System established by Dynamatic Technologies, has enabled us to leapfrog into the global ranks of elite Tier-1 suppliers to Airbus.

Complementary 'Best-Value' Advantages

United Kingdom	India
Advanced Robotic 5-Axis machining	Advanced 3D Engineering skills
Qualified raw material suppliers	Artisanal craftsmanship
Low cost of Capital	Low cost of manpower

Dynamatic Technologies is the single source manufacturer of Flap-Track-Beam assemblies for Airbus single aisle aircraft (A318, A319, A320 & A321). We are just about to start commercial production of Flap-Track-Beam assemblies for Airbus wide bodied aircraft (A330) on a single source basis.

Dynamatic manufactures complex parts at its factories in Bristol & Swindon, UK, in stage I machining, and completes stage II manufacturing with artisanal craftsmanship and final assembly at its facilities in Bangalore, India, providing Airbus with global best-value Aerostructures. It has developed a unique value proposition based on a combination of advantages that the India & UK collectively enjoy.



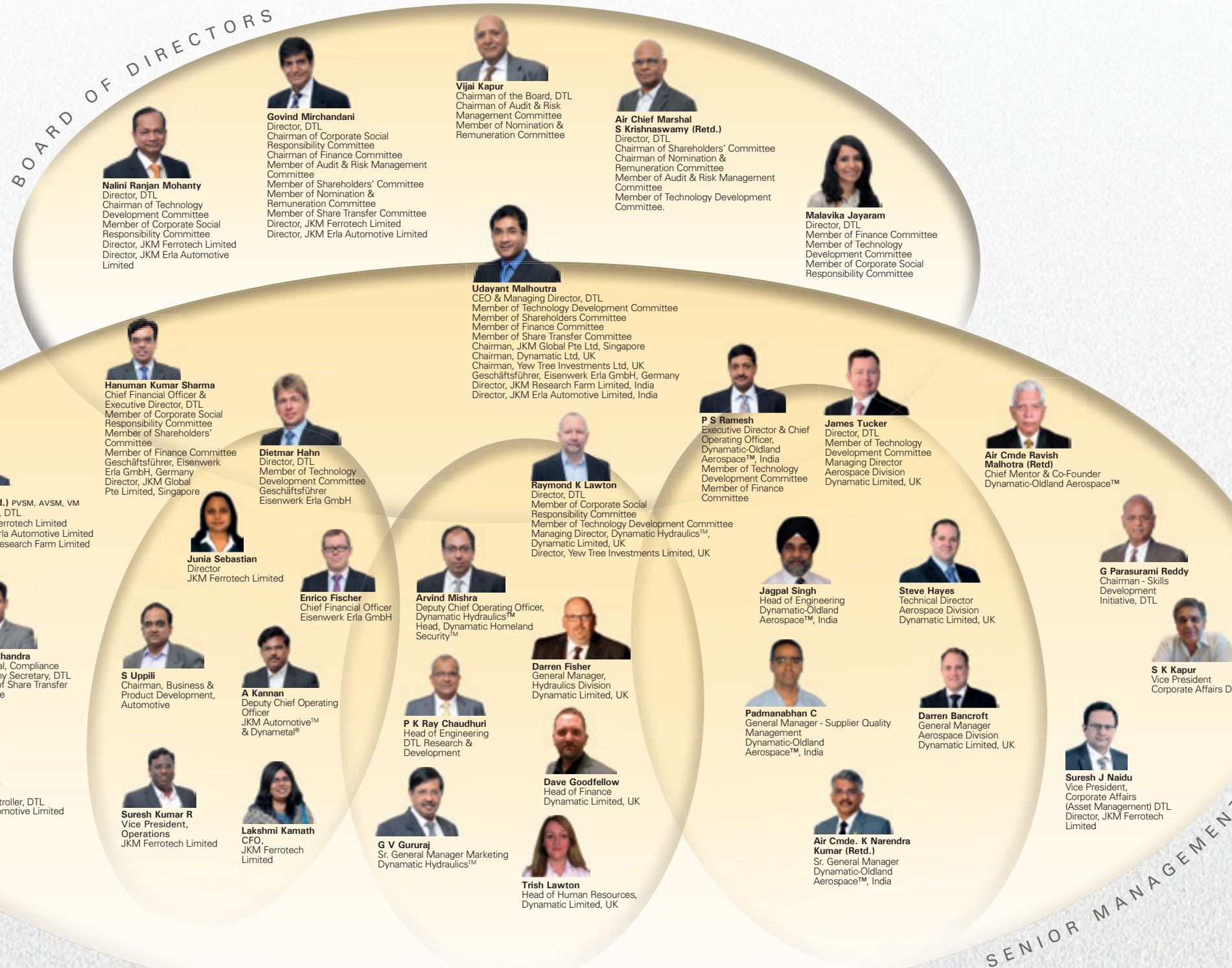
Complex 5 Axis Machining at Dynamatic-Oldland, Bristol, UK

Win-Win Globalisation:
Airworthy containers filled with Complex Machined parts travel eastwards, and return filled with artisanally assembled Flap-Track-Beams.



Assembly of Flap-Track-Beams for Airbus A320 Single Aisle Aircraft at Dynamatic-Oldland, Bangalore, India

C O R P O R A T E S T R U C T U R E



DIRECTORSHIPS AND AUDITOR DETAILS IN SUBSIDIARIES

DYNAMATIC LIMITED, UK Chairman Mr. Udayant Malhoutra Director Mr. Michael John Handley Managing Director, Dynamatic Hydraulics™, Dynamatic Limited, UK Mr. Raymond Keith Lawton Director & Chief Technology Officer, Dynamatic Hydraulics™, Dynamatic Limited, UK Mr. Ian Patterson Managing Director, Aerospace Division, Dynamatic Limited, UK Mr. James Tucker Auditors KPMG LLP, UK Chartered Accountants & Statutory Auditors	YEW TREE INVESTMENTS LIMITED, UK Chairman Mr. Udayant Malhoutra Director Mr. Raymond Keith Lawton Auditors KPMG LLP, Bristol JKM ERLA AUTOMOTIVE LIMITED Director Mr. Udayant Malhoutra Director Mr. Nalini Ranjan Mohanty Director Mr. Govind Mirchandani Director Air Marshal S P Singh (Retd.) Auditors B S R & Co., LLP Chartered Accountants Bangalore
EISENWERK ERLA GmbH, GERMANY Chairman Mr. Udayant Malhoutra Managing Director Mr. Dietmar Hahn Director Mr. Hanuman Sharma Auditors KMPG AG, Germany Chartered Accountant & Statutory Auditors	JKM FERROTECH LIMITED Director Mr. Nalini Ranjan Mohanty Director Mr. Govind Mirchandani Director Ms. Junia Sebastian Director Air Marshal S P Singh (Retd.) Director Mr. Suresh J Naidu Auditors B S R & Co., LLP Chartered Accountants, Bangalore
JKM GLOBAL PTE LIMITED, SINGAPORE Chairman Mr. Udayant Malhoutra Director Mrs. Pramilla Malhoutra Director Mr. Hanuman Sharma Director Mr. Chai Chung Hoong Auditors KMPG LLP, Singapore	JKM RESEARCH FARM LIMITED Director Mr. Udayant Malhoutra Director Mrs. Pramilla Malhoutra Director Air Marshal S P Singh (Retd.) Auditors M/s. Prasad & Kumar, Chartered Accountants Bangalore
JKM ERLA HOLDINGS GmbH, GERMANY Chairman Mr. Udayant Malhoutra Director Mr. Dietmar Hahn Auditors KMPG AG, Germany Chartered Accountant & Statutory Auditors	

Your Company's Organisational Structure is based on a network of highly talented people who have been empowered to deliver results. A concerted effort has been made to remove hierarchy in everything we do.

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BUSINESS REVIEW REPORT

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JKM Ferrotech Limited, India	
JKM Research Farm Limited, India	

