

27th

*Annual Report
2015-2016*



DYNAMIC INDUSTRIES LIMITED

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



BOARD OF DIRECTORS



HARIN D. MAMLATDARNA
CHAIRMAN & WHOLE TIME DIRECTOR

DEEPAK N. CHOKSHI
VICE CHAIRMAN & MANAGING DIRECTOR

DINESH J. JAIN
WHOLE TIME DIRECTOR

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

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

MS. VIRAJ D. SHAH
(NON-EXECUTIVE DIRECTOR / INDEPENDENT)

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



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

BANKERS
HDFC BANK LTD.
Vatva Branch
Vatva, Ahmedabad.

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



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

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

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NOTICE

Notice is hereby given that 27th (Twenty Seventh) Annual General Meeting of Dynamic Industries Limited will be held at the registered office of the Company situated at Plot No. 5501/2, Phase-III, Nr. Trikampura Cross Road, G. I. D. C. Vatva, Ahmedabad – 382445 on Saturday, 13th Day of August, 2016 at 11:30 A.M. to transact following business:

ORDINARY BUSINESS :

1. To receive, consider, and adopt the Financial Statements of the Company for the year ended 31st March, 2016 including audited Balance Sheet as at 31st March, 2016 and Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To declare a dividend of ₹ 1.00 (10%) per Equity Share of the nominal value of ₹ 10.00 each for the year ended 31st March, 2016.
3. To re-appoint Mr. Harin D. Mamlatdarna (DIN: 00536250), who is liable to retire by rotation and being eligible, offers himself for re-appointment.
4. To ratify the appointment of M/s. G. K. Choksi & Co., Chartered Accountants, Ahmedabad (Firm Reg. No. 101895W) as approved by Members at the 25th Annual General Meeting as Statutory Auditors of the Company, to hold office until the conclusion of 28th Annual General Meeting, and to fix their remuneration for the financial year ending 31st March, 2017 and to pass, with or without modification, the following resolution as an Ordinary Resolution.

"RESOLVED THAT, pursuant to provisions of section 139, 142 of the Companies Act 2013 and all other applicable provisions, if any (including any statutory modification or re-enactment thereof for the time being in force) the appointment of M/s G. K. Choksi & Co., Chartered Accountants, Ahmedabad (Firm Reg. No. 101895W) be and is hereby ratified to hold the office as auditors till the conclusion of 28th Annual General Meeting to conduct audit for the financial year 2016-17 with such remuneration as may be mutually decided between board of directors and auditors."

By Order of the Board

-Sd/-

HARIN D. MAMLATDARNA
Chairman & Whole Time Director
DIN : 00536250

Place : Ahmedabad
Date : 30th May, 2016

DYNAMIC INDUSTRIES LIMITED

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten (10) percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. The instrument of Proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.
2. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board Resolution together with the specimen signatures of their authorized representatives to attend and vote on their behalf at the Meeting.
3. The Board of Directors has recommended for consideration of the Members, a dividend of ₹ 1.00 (10%) per equity share of the nominal value of ₹ 10 each for the year ended 31st March, 2016.
4. The Register of Members and the Share Transfer books of the Company will remain closed from Friday, 12th August, 2016 to Saturday, 13th August, 2016 for purpose of Dividend, if declared. Dividend will be payable, if declared, on or before Monday, 12th September, 2016 to those members whose names are registered as such in the Register of Members of the Company as on Friday, 12th August, 2016 and to the Beneficiary holders as per the beneficiary list as on Friday, 12th August, 2016 provided by the NSDL and CDSL.
5. In accordance with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company has fixed Saturday, 6th August, 2016 as the “cut-off date” to determine the eligibility to vote by electronic means or in the general meeting. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. Saturday, 6th August, 2016, shall be entitled to avail the facility of remote e-voting as well as voting in the general meeting.
6. Shareholders may be aware that the Companies Act, 2013, permits service of the Notice of the Annual General Meeting through electronic mode. Electronic copy of the Annual Report including Notice of the 27th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Admission Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes. However, those members who desire to have a physical copy may request for the same to the RTA. For members who have not registered their email IDs, physical copies of the Annual Report are being sent in the permitted mode.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to RTA of the Company.
8. The shareholders who are holding shares in demat form and have not yet registered their e-mail IDs with their Depository Participant are requested to register their e-mail address at the earliest, to enable the Company to use the same for serving documents to them electronically, hereinafter. Shareholders holding shares in physical form may kindly provide their e-mail address to the RTA. The Annual Report of the Company would also be made available on the Company's website www.dynaind.com.
9. **Voting through Electronic means** In compliance with Section 108 and other applicable provisions of the Companies Act, 2013, if any, read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), the Company is pleased to provide its Shareholders with the facility of “remote e-voting” (e-voting from a place other than venue of the AGM), to enable them to cast their votes at the 27th Annual General Meeting (AGM) and the business at the 27th AGM may be transacted through such voting. The Company has entered into an agreement with Central Depository Services (India) Ltd. (CDSL) for facilitating e-voting to enable all its Shareholders to cast their vote electronically. The facility for voting, either through electronic voting system or ballot/polling paper shall also be made available at the venue of the AGM, apart from the remote e-voting facility provided prior to the date of AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again at the AGM. The Company has appointed Chetan R. Shah, Practicing Company Secretaries, as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. The Scrutinizer shall make a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, during the remote e-voting and voting at the AGM, not later than three days of conclusion of the

meeting, to the Chairman or a person, authorized by him in writing. The Chairman or a person, authorized by him in writing, shall declare the results of the AGM forthwith. The results declared along with the Scrutinizer's report shall be placed on the Company's website and on the website of CDSL and shall be communicated to the Stock Exchanges.

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

- (i) Members holding shares in physical form or in Demat form as on Saturday, 6th August, 2016, the cut-off date, shall only be eligible for e-voting.
- (ii) The voting period begins on Wednesday, 10th August, 2016 at 9:00 a.m. IST and ends on Friday, 12th August, 2016 at 5:00 p.m. IST. During this period the eligible shareholders of the Company, holding shares either in physical form or in Demat form, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (iii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iv) The shareholders should log on to the e-voting website www.evotingindia.com.
- (v) Click on Shareholders.
- (vi) 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. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vii) Next enter the Image Verification as displayed and Click on Login.
- (viii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the Sequence Number in the PAN field. The sequence number is printed on Postal Ballot / Attendance Slip / Address slips. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details	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.
OR Date of Birth (DOB)	<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 as mentioned in instruction (vi).

- (x) After entering these details appropriately, click on "SUBMIT" tab.
- (xi) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xiii) Click on the EVSN for the <Dynamic Industries Limited> on which you choose to vote.
- (xiv) 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

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option NO implies that you dissent to the Resolution.

- (xv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xvi) 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.
- (xvii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xviii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xix) 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.
- (xx) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xxi) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details 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 should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

Additional information on Director recommended for re-appointment as required under Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name of the Director	Mr. Harin D. Mamlatdarna
DIN	00536250
Date of Birth	02/08/1951
Brief Profile and Expertise	He is graduate in commerce and handling marketing, finance, accounting, and administration of the Company. He has experience of 35 years in the field of dyes and chemicals and as managing director of the Company from more than 26 years. He had also visited number of European and Asian Countries as well as USA to acquaint himself with latest technology. He has vast experience in management, administration and effective policy formulations for efficient and smooth running of the Company.
Chairman / Member of the Committee of the Board of Directors of the Company	Member of Stakeholder Relationship Committee
No. of Shares held in the Company	3,47,780 equity shares
Directorship held in other listed entities	NIL

By Order of the Board

-Sd/-

HARIN D. MAMLATDARNA

Chairman & Whole Time Director

DIN : 00536250

Place : Ahmedabad

Date : 30th May, 2016

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their 27TH (Twenty Seventh) Annual Report on the business and operations of the Company and the Audited Accounts for the Financial Year ended 31st March, 2016

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

Financial Results		[₹ in Lacs]	
Particulars	Year Ended 31-03-2016	Year Ended 31-03-2015	
Total Revenue	3,808.14	7,050.11	
Profit before Depreciation and Tax	293.96	492.66	
Depreciation	87.90	99.46	
Profit (Loss) before Tax	206.06	393.20	
Less : Tax Expenses	77.83	168.14	
Net Profit (Loss) for the year	128.23	225.06	

2. PERFORMANCE :

During the year under review, the Company has earned lower profit compared to the previous year due to recession, acute competition and economic slowdown. The situation of heavy pressure on margin continued in the year. Total Revenue stood at ₹ 3,808.14 Lacs from ₹ 7,050.11 Lacs i.e. reduction of 45.98% in the total revenue of the Company as compared to previous year and due to fall in total revenue the Net Profit for the year under review decreased from ₹ 225.06 Lacs to ₹ 128.23 resulting in decrease of about 43.02% of Net Profit of the Company. But overall Performance of the Company was satisfactory as compared to the peers of the Company.

Further, the Company continues with its efforts to maintain growth even during the economic downturn and face new challenges.

3. DIVIDEND :

Your directors are pleased to recommend the dividend @ 10% p.a. (₹ 1/- per share) on equity shares for the year ended 31st March, 2016. The total dividend pay-out excluding dividend distribution tax shall be ₹ 30.29 Lacs.

4. SHARE CAPITAL :

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

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

5. RESERVES :

The Board has transferred ₹ 17.10 Lacs from Revaluation Reserve to General Reserve Account for the Financial Year ended on 31st March, 2016 as per requirement of Schedule II to Companies Act, 2013

6. DEPOSITS :

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

7. FUTURE OUTLOOK :

The Company expects the market for chemicals and dyes to grow moderately. Company is taking effective steps to improve operational efficiency to maintain the earnings. At Present many policies are being formed/adopted by the present Government, which may be beneficial to the Company in future. As crude oil prices fluctuating frequently have directly impact on the economy and in same line we expect many more positive things to happen in the global market which may have positive impact on the Company.

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India's stable macroeconomic environment and strong growth outlook stand out relative to other emerging markets. Growth in 2014-15 was 7.3 %, substantially higher than 6.9 % in 2013-14. This strong growth performance continued in the first quarter of 2015-16 with 7.0 % growth, compared to 6.7 % in the corresponding period of 2014-15.

With India's ever growing requirements of energy and capacity addition planned by the Government through various initiatives, though demand is subdued at the moment, there exists substantial opportunity for future growth as the Company's products are geared up for the requirements.

8. UNCLAIMED DIVIDEND :

As on 31st March, 2016, dividend amounting to ₹ 2.06 Lacs has not been claimed by shareholders of the Company. Shareholders are required to lodge their claims with the Registrar, Sharepro Services (India) Pvt. Ltd., for unclaimed dividend. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on 14th August, 2015 (date of the last Annual General Meeting) on the website of the Company (www.dynaind.com), as also on the website of the Ministry of Corporate Affairs (www.mca.gov.in).

9. ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE :

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

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

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

11. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS :

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

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

The Company has a Wholly Owned Subsidiary Company Named **Neo Farbe Private Limited (CIN: U24100GJ2013PTC073930)**. It has commenced commercial operations from December, 2015. Details relating to Subsidiary Company are provided in AOC-1 the statement also provides the details of performance and financial positions of Subsidiary.

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

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

14. MEETING OF BOARD OF DIRECTORS :

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

Board meeting dates are finalized in consultation with all Directors and agenda papers backed up by comprehensive notes and detailed background information are circulated well in advance before the date of the meeting thereby enabling the Board to take informed decisions. The intervening gap between the Board Meetings was within the period prescribed under the Companies Act, 2013.

15. EXTRACTS OF ANNUAL RETURN :

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

16. INSURANCE :

All the Properties of the Company are adequately insured.

17. RELATED PARTY TRANSACTIONS :

There were no materially significant related party transactions entered between the Company, Directors, management, or their relatives except for those disclosed in the financial statements.

All the contracts/arrangements/transactions entered into by the Company with the related parties during the financial year 2015-16 were in the ordinary course of business and on an arm's length basis.

Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) along with the justification for entering into such contract or arrangement in Form AOC-2 does not form a part of this report.

The Audit Committee has granted omnibus approval for Related Party Transactions as per the provisions and restrictions contained in the Listing Agreement.

The company has formulated a policy on "Materiality of Related Party transactions and on dealing with Related Party Transactions" and the same is on the company's website at http://www.dynaind.com/investor_zone/Policies/Related%20Party%20Transaction%20Policy.pdf

The details of related party disclosure form a part of the notes to the financial statements provided in the annual report.

18. DIRECTORATE AND KEY MANAGERIAL PERSONNEL :

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

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Harin Dhanvantraai Mamlatdarna (DIN: 00536250) retires by rotation at the ensuing Annual General Meeting and being eligible in terms of Section 164 of the Act offers himself for re-appointment.

The Company had, pursuant to the provisions of Regulation 17 read with Regulation 25 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 entered into with Stock Exchanges, appointed Mr. Jatinbhai Biharlal Surti (DIN: 05195572), Mr. Pravinchandra Devidas Master (DIN: 05195587), Mr. Raghavdas Hiralal Lakhmani (DIN: 05304347) & Ms. Viraj Darshit Shah (DIN: 07220630), as an Independent Directors of the Company.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

There is change in the constitution of Board of Directors during the year Ms. Viraj D. Shah was appointed on 29th June, 2015 as Independent Women Director.

As required under Section 203 of the Companies Act, 2013, the Company has Mr. Deepak Navinchandra Chokshi as Managing Director, Mr. Harin Dhanvantraai Mamlatdarna as Whole-time Director, Mr. Dinesh Jasraj Jain as Whole-time Director, Mr. Punit Leelaram Chhattani as Chief Financial Officer, Mr. Chintan Nareshkumar Amlani as Company Secretary (upto 21st April, 2016) and Mr. Harsh Rameshbhai Hirpara as Company Secretary (w.e.f. 21st April, 2016) under Key Managerial Personnel of the Company.

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

19. EVALUATION OF BOARD, COMMITTEES AND DIRECTORS :

In compliance with the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the performance evaluation of the Board was carried out during the year under review. More details on the same are given in the Corporate Governance Report.

20. POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS :

The Board has on the recommendation of the Nomination & Remuneration Committee, formulated criteria for determining Qualifications, Positive Attributes and Independence of a Director and also a Policy for remuneration of Directors, Key managerial Personnel and senior management.

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21. MANAGERIAL REMUNERATION :

Details of remuneration paid / payable to the Directors for Financial Year 2015-2016

[₹ in Lacs]

Name	Salary and Perquisites F.Y. 2015-16	Commission	Shares issued under ESOP	Details of Service contracts; notice period and severance fees
Deepak N. Chokshi	24.81	Nil	Nil	Special Resolution dt. 14-08-2015, valid up to 30-09-2017; no Notice period and no severance fees
Harin D. Mamlatdarna	25.63	Nil	Nil	
Dinesh J. Jain	10.43	Nil	Nil	

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

22. INDEPENDENT DIRECTORS' DECLARATION :

The Company has received the necessary declaration from each Independent Director, in accordance with Section 149(7) of the Companies Act, 2013, that he/she met the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013 and the Regulation 16(1)(B) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

23. COMMITTEES OF THE BOARD :

During the year, in accordance with the Companies Act, 2013, the Board re-constituted some of its Committees.

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

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

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

24. AUDITORS :

A. Statutory Auditors

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

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

It is proposed to ratify the appointment M/s. G. K. Choksi & Co., Chartered Accountants, Ahmedabad (FRN 101895W) to audit the accounts of the Company for the financial year 2016-2017.

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

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

B. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of