DYNEMIC

COLOURING LIVES

29th ANNUL REPORT
2018 - 2019

DYNEMIC PRODUCTS LIMITED

Bhagwandas K. Patel
Managing Director

Dear Members,

"Sharing the happenings of our own Company among the clan had always been the pleasure of mine, today also I feel the same in doing so."

2017 had been the year of strong GROWTH till early 2018. The second half observed some turbulence as a result of the confluence of a few inevitable factors that affected the Global economy. Growth rate also slided from 3.6% in 2018 to 3.3% in 2019 but is expected to regain 3.6% in 2020. The Dyes and Pigments industry continues to surge through following the strong demand from the end users.

Despite the unavoidable upheavals, your company continued to perform at par with last financial year at Rs.167 Crores and the PAT yield was Rs.18 Crores. Hence the Board of Directors recommended a dividend of Rs.1.50 per equity share of Rs.10.00 for the fiscal year 2018 – 2019 aggregating to Rs.169.93 Lacs.

The Growth of any company always depends upon the growing number of Buyers. Our sole endeavor is to enhance the figure and hence we are opening up newer pockets expanding the Global Geographic Arena. In the current year we are emphasising in the Domestic circuit too which had not been in our much focus till now especially for Food Colors.

Quite naturally the increased Production Capacity too is required to meet the enhanced demand and hence the Dahej project is emerging and the Civil and Structural work is progressing in fast pace. Dahej Unit expects to be commercially viable by 2020 – 2021.

An Organisation's SUCCESS is spelled by its integral part...the people of it and their undivided dedication, undiluted concentration, and relentless efforts to take their Company to the height it deserves. I feel myself to be fortunate to have EACH individual in the company as part of me and EACH ONE of them is responsible to keep the Growth wheel of the company constantly moving.

About the growth in 2019 – 2020.....I assure, we will soar high based on the, forecast, " India is expected to be the Second largest market in terms of the demand for Organic Dyes & Pigments." Then our own track record endorses our growth trail.

I would like to assure all Members of DYNEMIC Family, we will jointly strive to capitalize on our resources and remain focused on our Operational Excellence and remain committed to ensure sustained growth and enhance Share Holders' and other Stake Holders' values in every possible way.

I remain Thankful to the Board of Directors for their relentless support and guidance for company's dynamic kinesis. I give sole credit of our SUCCESS to our Employees, Financial institutions, Vendors, Customers and Share holders.

Bhagwandas K. Patel
Managing Director

"Yesterday is not ours to recover, but tomorrow is ours to win or lose."
- Lyndon B. Johnson

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
Ashishbhai R. Joshi	-	Independent Director (Upto 24.06.2018)
Shankarlal B. Mundra	-	Independent Director
Rashmi K. Otavani	-	Independent Director

COMMITTEES OF DIRECTORS

Audit Committee
Jagdishbhai S. Shah
Bhagwandas K. Patel
Shankarlal B. Mundra
Ashish R. Joshi (Upto 24.06.18)

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
Ashish R. Joshi (Upto 24.06.18)

Company Secretary
Varsha Mehta

Chief Financial Officer
Amisha Patel

Registered Office
B-301, Satyamev Complex-1,
Opposite Gujarat High Court,
S.G. Road, Sola, Ahmedabad - 380060.
Telephone No. : 079-27663071/76 Fax No. : 079-27662176
Email : cs@dynemic.com Website : www.dynemic.com

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

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

IMPORTANT COMMUNICATION TO MEMBERS

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

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TWENTYNINE ANNUAL GENERAL MEETING

DATE : September 26, 2019
DAY : Thursday
TIME : 4.00 P.M.
PLACE : Prasang Presidency
R.C.T.I College Road, Opp. Unique City Homes,
Ghatlodia, Ahmedabad - 380 061.

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

DYNEMIC PRODUCTS 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 29th Annual General Meeting of the Company will be held at Prasang Presidency, R.C.T.I. College Road, Opp. Unique City Homes, Ghatlodia, Ahmedabad - 380 061 on Thursday, 26th September, 2019, at 4.00 p.m. to transact the following business :

Ordinary Business :

1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2019, 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, 2019.
2. To declare dividend of Rs. 1.50 per Equity Share i.e. 15% per Equity Share for the year ended 31st March, 2019.
3. 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 :

4. To Consider and if thought fit to pass the following resolution with or without modification as an Ordinary Resolution:- To ratify payment of remuneration to the Cost Auditors of the Company for FY 2019-20
   "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, 2020, amounting to Rs. 85,000 (Rupees Eighty Five Thousand only) (apart from reimbursement of out-of pocket expenses incurred for the purpose of Audit), be and is hereby ratified and confirmed."
   RESOLVED FURTHER THAT Shri Bhagwandas K. Patel, Managing Director of the company be and is hereby authorized to file the necessary forms as and when required.
5. Increase in remuneration of Shri Bhagwandas K. Patel, Managing Director of the Company and approval in terms of Regulation 17(6)(e) of SEBI Amended Listing Regulations for the remaining tenure of his appointment:-
   To Consider and if thought fit to pass the following resolution with or without modification as an Special Resolution:-
   "RESOLVED THAT pursuant to the provisions of Articles of Association of the Company read with Section 196 & 197, of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 .(including any statutory modification or re-enactment thereof for the time being in force) approval of shareholders of the company be and is hereby accorded subject to such other consents, approvals and permissions, if any needed, remuneration of Shri Bhagwandas K. Patel (DIN: 00045845), Managing Director of the company be and is hereby revised with effect from April, 2020 :-

Salary :

Gross Salary Rs. 325000/- (Rupees Three Lacs Twenty Five Thousand only) per month (in the scale of Rs. 300000/- to Rs. 1000000/-), Bonus, Encashment of leave and Gratuity as per company's rule.

"RESOLVED FURTHER THAT, pursuant to regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 consent of the Members be and is hereby accorded for payment of remuneration to Shri Bhagwandas K. Patel (DIN: 00045845), Managing Director at such terms and conditions as approved by Members in its Annual General Meeting held on September 25, 2015, notwithstanding that the annual aggregate remuneration payable to Shri Bhagwandas K. Patel, Managing Director , Shri Dixitbhai B. Patel , Whole Time Director and Shri Rameshbhai B. Patel, Whole Time Director, exceeds 5% of the net profit of the Company as calculated under section 198 of the Companies Act in any year during the remaining tenure of his appointment.

RESOLVED FURTHER THAT except for the revision in salary, all the existing terms and conditions including perquisites and commission as per ordinary resolution passed in Annual General Meeting held on September 25, 2015 shall remain unchanged.

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

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

6. Increase in remuneration of Shri Rameshbhai B. Patel, Whole Time Director of the Company and approval in terms of Regulation 17(6)(e) of SEBI Amended Listing Regulations for the remaining tenure of his appointment:-
   To Consider and if thought fit to pass the following resolution with or without modification as an Special Resolution:-
   "RESOLVED THAT pursuant to the provisions of Articles of Association of the Company read with Section 196 & 197, of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 .(including any statutory modification or re-enactment thereof for the time being in force) approval of shareholders of the company be and is hereby accorded subject to such other consents, approvals and permissions, if any needed, remuneration of Shri Rameshbhai B. Patel (DIN: 00037568), Whole Time Director of the company be and is hereby revised with effect from April, 2020 :-

Salary :

Gross Salary Rs. 300000/- (Rupees Three Lacs only) per month (in the scale of Rs. 300000/- to Rs. 1000000/-), Bonus, Encashment of leave and Gratuity as per company's rule.

"RESOLVED FURTHER THAT, pursuant to regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 consent of the Members be and is hereby accorded for payment of remuneration to Shri Rameshbhai B. Patel (DIN: 00037568), Whole Time Director at such terms and conditions as approved by Members in its Annual General Meeting held on September 25, 2015, notwithstanding that the annual aggregate remuneration payable to Shri Bhagwandas K. Patel, Managing Director , Shri Dixitbhai B. Patel , Whole Time Director and Shri Rameshbhai B. Patel, Whole Time Director, exceeds 5% of the net profit of the Company as calculated under section 198 of the Companies Act in any year during the remaining tenure of his appointment.

RESOLVED FURTHER THAT except for the revision in salary, all the existing terms and conditions as per ordinary resolution passed in Annual General Meeting held on September 25, 2015 shall remain unchanged.

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

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

7. Increase in remuneration of Shri Dixitbhai B. Patel, Whole Time Director of the Company and approval in terms of Regulation 17(6)(e) of SEBI Amended Listing Regulations for the remaining tenure of his appointment:-

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

"RESOLVED THAT pursuant to the provisions of Articles of Association of the Company read with Section 196 & 197, of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 .(including any statutory modification or re-enactment thereof for the time being in force) approval of shareholders of the company be and is hereby accorded subject to such other consents, approvals and permissions, if any needed, remuneration of Shri Dixitbhai B. Patel (DIN : 00045883), Whole Time Director of the company be and is hereby revised with effect from April, 2020 :-

Salary :

Gross Salary Rs. 275000/- (Rupees Two Lacs Seventy Five Thousand only) per month (in the scale of Rs. 200000/- to Rs. 1000000/-), Bonus, Encashment of leave and Gratuity as per company's rule.

"RESOLVED FURTHER THAT, pursuant to regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 consent of the Members be and is hereby accorded for payment of remuneration to Shri Dixitbhai B. Patel (DIN: 00045883), Whole Time Director at such terms and conditions as approved by Members in its Annual General Meeting held on September 25, 2017, notwithstanding that the annual aggregate remuneration payable to Shri Bhagwandas K. Patel, Managing Director , Shri Dixitbhai B. Patel , Whole Time Director and Shri Rameshbhai B. Patel, Whole Time Director, exceeds 5% of the net profit of the Company as calculated under section 198 of the Companies Act in any year during the remaining tenure of his appointment.

RESOLVED FURTHER THAT except for the revision in salary, all the existing terms and conditions including perquisites and commission as per ordinary resolution passed in Annual General Meeting held on September 25, 2017 shall remain unchanged.

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

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

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

"RESOLVED THAT in supersession of the earlier resolution passed at the Annual General Meeting of the members of the Company held on 11th September, 2014, pursuant to Section 180(1)(c) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow from time to time, for the purpose of the Company's business, such sum or sums of money, as they in their absolute discretion think fit, notwithstanding that the monies so borrowed together with the monies already borrowed by the Company and remaining outstanding at any point of time will exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose; Provided that the total amount up to which monies may be borrowed by the Board of Directors and which shall remain outstanding at any given point of time shall not exceed the sum of Rs. 200,00,00,000/- (Rupees Two Hundred Crores only)."

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

"RESOLVED THAT in supersession of the resolution passed by the Shareholders of the Company at the Annual General Meeting of the Company held on 11th September, 2014, pursuant to Section 180 (1) (a) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors of the Company for mortgaging and/or charging in such form and manner and on such terms and at such time(s) as the Board of Directors may deem fit, the movable and / or immovable assets and properties of the Company, wherever situate, present and future, whether presently belonging to the Company or not, in favour of any person including, but not limited to, financial / investment institution(s), bank(s), insurance company(ies), mutual fund(s), corporate body(ies), trustee(s) to secure the loans, borrowings, debentures, hire purchase and / or working capital facilities and other credit facilities up to a sum not exceeding Rs. 200,00,00,000/- (Rupees Two Hundred Crores only).

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

By Order of the Board

Varsha R. Mehta
Company Secretary
Membership No. A24312

Ahmedabad
25th May, 2019

Notes

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF, SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies, in order to be effective, must be received at the Company's Registered Office not later than 48 hours before the commencement of the meeting.
3. **Members desirous of getting any information on any items of business of this Meeting are requested to address their queries to Ms. Varsha Mehta, Company Secretary at the Registered Office of the Company at least ten days prior to the date of the Meeting, so that the information required can be made readily available at the Meeting.**
4. All documents referred to in the notice and annexures thereto along with other mandatory registers / documents are open for inspection at the registered office of the Company on all working days (except Saturdays and Sundays) between 11.00 a.m. to 1.00 p.m. prior to the date of Annual General Meeting.
5. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 which sets out details relating to Special Business at the meeting, is annexed hereto.
6. **The instructions for members for voting electronically are as under:-**

   The instructions for shareholders voting electronically are as under:

   (A) The voting period begins on Monday, September, 23, 2019 (9.00 am) and ends on Wednesday, September, 25, 2019 (5.00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, September 20, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

   (i) The shareholders should log on to the e-voting website www.evotingindia.com.

   (ii) Click on Shareholders.

   (iii) 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.

   (iv) Next enter the Image Verification as displayed and Click on Login.

   (v) 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.

   (vi) 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) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
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. • 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 (iv).

   (vii) After entering these details appropriately, click on "SUBMIT" tab.

   (viii) 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.

   (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

   (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

   (xi) 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.

   (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) 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.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvi) 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.

(xvii) Shareholders can also use Mobile app - "m - Voting" for e voting. Shareholders may log in to m - Voting using their e voting credentials to vote for the company resolution(s).

(xviii) Note for Non - Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details, 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 mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

In case of members receiving the physical copy:

(B) Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.

(C) The voting period begins on Monday, September, 23, 2019 (9.00 am) and ends on Wednesday, September, 25, 2019 (5.00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, September 20, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

(xx) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Friday, September 20, 2019.

7. Shri Rajesh Shah, Chartered Accountant of M/s Shah Rajesh & Associates, (Membership No. 036232, FRN 109767W), C-113-B, Ganesh Meridian, Opposite Kargil Petrol Pump, Near Gujarat High Court, S.G. Road, Sola, Ahmedabad - 380060 has been appointed as the Scrutinizer to scrutinize the e-voting process and voting through ballot papers at the AGM, in a fair and transparent manner.

8. The Register of Members and Share Transfer Books will remain closed from 21st September, 2019 to 26th September, 2019 (both days inclusive), for the purpose of AGM and payment of Dividend, if declared.

9. The Dividend, as recommended by the Board of Directors, if declared at the 29th Annual General Meeting, will be paid within the prescribed statutory period to those Members who hold Shares in physical form and whose name appears on the Company's Register of Members as holders of Equity Shares on 20th September, 2019.

   In respect of Shares held in electronic form, to the Beneficial Owners of the Shares as at the close of business hours on 20th September, 2019, as per details to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited.

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 4 TO 9

ITEM No. 4

The Board of Directors on the recommendation of the Audit Committee, appointed M/s. Anuj Aggarwal & Co., Cost Accountants, Ahmedabad as the Cost Auditors to carry out the audit of cost records of the Company for the financial year 2019-20 and fixed the remuneration of Rs. 85,000 plus GST and out of pocket expenses. As per the provisions of Section 148 of the Companies Act, 2013 read with the Companies [Audit and Auditors] Rules, 2014, the remuneration fixed by the Board of Directors shall be ratified by the members by passing a resolution. Accordingly, consent of the members is being sought for passing an Ordinary Resolution for ratification of remuneration payable to the Cost Auditors to carry out the audit of cost records of the Company for the financial year 2019-20. None of the Directors and Key Managerial Personnel of the Company and and their relatives, are in any way concerned or interested in the said Resolution. The Board recommends passing of the said resolution as an Ordinary Resolution for the approval of members of the Company.

ITEM No. 5, 6 and 7

The Managing Director and Whole-time Director(s) have provided dedicated and meritorious services and significant

contribution to the overall growth of the Company. Therefore the Board is of the view that the existing upper limit remuneration in respect of Shri Bhagwandas K. Patel, Managing Director of the Company may not be sufficient enough to pay the increased remuneration over a period of balance 1 (One) year of his term, therefore the approval of the members of the Company is sought for revision in the maximum limit of remuneration as provided in the resolution no. 5 as minimum remuneration with effect from 1st April, 2020 for the remaining period of his appointment upto 31st August, 2020, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or reenactment thereof. Similarly, the existing upper limit remuneration in respect of Shri Rameshbhai B. Patel and Shri Dixitbhai B. Patel, Whole-time Directors of the Company which may not be sufficient enough to pay the increased remuneration over a period of balance 1 (One) and 2 (Two) years of their term respectively, therefore the approval of the members of the Company is sought for revision in the maximum limit of remuneration as provided in resolution no. 6 and 7, respectively as minimum remuneration with effect from 1st April, 2020 for the remaining period of appointment upto 31st August, 2020 and 31st December, 2022 respectively, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or reenactment thereof.

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

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

The Board of Directors recommended the resolution at Item No. 5, 6 and 7 of the Notice for approval of Members by Special Resolution.

Shri Bhagwandas K. Patel, Managing Director and Shri Dixitbhai B. Patel, Whole time Director related to each other may be considered as concerned and interested as the resolution pertains to themselves and also related to each other. None of the other Directors, Key Managerial Personnel and relatives thereof are in any way, concerned or interested in the resolution at Item no. 5, 6 and 7.

ITEM No. 8

In terms of the resolution passed by the Shareholders at the Annual General Meeting held on 11th September, 2014 pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of the Company is authorised to borrow upto a sum of Rs. 150 Crores over and above the paid-up share capital and free reserves of the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business). The Business Expansion proposal which is being carried out by the Company requires additional funds. Hence, the mobilization of the funds has been substantially increased. Therefore, it is considered desirable to increase the Board's borrowing powers from the existing limit of Rs. 150 Crores to Rs. 200 Crores over and above the paid-up share capital and free reserves of the Company. Accordingly, the consent of the Shareholders at the General Meeting is sought under Section 180 (1) (c) of the Companies Act, 2013.

The Board of Directors recommended the resolution at Item No. 8 of the Notice for approval of Members by Special Resolution.

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

ITEM No. 9

In terms of the resolution passed by the Shareholders at the Extra Ordinary General Meeting held on 11th September, 2014, pursuant to Section 180 (1) (a) of the Companies Act, 2013, consent of the Members was secured for authorizing the Board of Directors to create mortgage and / or charge on the immovable and movable properties of the Company upto Rs. 150 crores.

The Company would be borrowing monies by way of debentures, bonds, loans, hire purchase finance either in rupee or in foreign currency from Financial Institutions / Banks / Insurance Companies and other Corporate Bodies apart from working capital facilities from banks in ordinary course of business. This in turn would necessitate further creation of securities by suitable mortgages and / or charges on all or some of the immovable and movable properties of the Company, both present and future, in favour of the lenders / trustees upto an extent of Rs. 200 Crores. To create mortgage and / or charge upto the said limit, approval of the Members is required to be obtained pursuant to Section 180 (1) (a) of the Companies Act, 2013 authorizing the Board of Directors of the Company in this regard. Hence the resolution is placed before the Members for their approval.

The Board of Directors recommended the resolution at Item No. 9 of the Notice for approval of Members by Special Resolution.

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

Relevant details as stipulated under Regulation 36(3) of SEBI (LODR), 2015 and Secretarial Standard on General Meetings ("SS-2") issued by Institute of Company Secretaries of India, in respect of Directors seeking Appointment / Re-appointment are as under:

Annexure to Notice

Details of Directors seeking Appointment / Re-appointment

Particulars	Shri Dixit B. Patel
Age	39 years
Qualifications	Bachelor of Science and had done Diploma in Export Management
Experience (Brief Resume)	Shri Dixit B. Patel aged 39 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 60-70% of Company's turnover. Shri Dixit Patel has more than 16 years experience in the export field. Shri Dixit B. Patel also looks after production and new growth areas. He was appointed as Whole Time Director of the Company for a period of 5 years with effect from 01.01.2018 which was approved by the shareholders in the 27th Annual General Meeting held on 25.09.2017.
Terms and Conditions of Appointment / Re-appointment	As per the resolution at item no. 6 of the Notice convening Annual General Meeting on September 25, 2017 read with explanatory statement thereto.
Remuneration last drawn (including sitting fee, if any)	Rs. 33.27 Lakhs
Remuneration proposed to be paid	As per existing approved terms and conditions.
Date of First appointment on the Board	01.01.2008
Shareholding in the Company as on March 31, 2019	160025 equity shares of Rs. 10/- each
Relationship with other Directors / KMP	Related to 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, 2019	• Dynamic Overseas (India) Pvt. Ltd. - Subsidiary Company • Dynemic Holdings Pvt. Ltd. - Associate Company
Membership / Chairmanship of Committees of other Boards as on March 31, 2019	Nil

By Order of the Board

Varsha R. Mehta
Company Secretary
Membership No. A24312

Ahmedabad
25th May, 2019

Boards' Report

Dear Shareholders,

Your Directors have pleasure in presenting the 29th Annual Report together with the audited Statement of Accounts of the Company for the year ended March 31, 2019.

FINANCIAL RESULTS

(Rs. in Lakhs)

Particulars	Standalone		Consolidated	
	Year ended 31st March'19	Year ended 31st March'18	Year ended 31st March'19	Year ended 31st March'18
Revenue from Operations	16082	16173	16088	16188
Other Operating Income	579	526	579	528
Total Income from Operations (net)	16661	16699	16667	16716
Other Income	20	25	25	30
Total Income	**16681**	**16724**	**16692**	**16746**
Profit before Interest, Depreciation & Amortization and Tax Expenses	2992	3141	2995	3148
Finance Cost	117	119	117	119
Depreciation & Amortization	335	332	335	332
Profit Before Tax	**2540**	**2690**	**2543**	**2697**
Provision for Current Tax	778	937	779	938
Provision for Deferred Tax	(34)	3	(34)	3
Total Tax	**744**	**940**	**745**	**941**
Profit after Tax	**1796**	**1750**	**1798**	**1756**
Other Comprehensive Income	(19)	(8)	(19)	(8)
Total Comprehensive Income / (Expenses)	**1777**	**1742**	**1779**	**1748**

DIVIDEND

Your Directors are pleased to recommend dividend of 15% i.e. Rs. 1.50 each on 11328449 equity shares of Rs. 10/- each, for your final approval. The total outflow on dividend will be Rs. 1,69,92,674 and tax on dividend Rs. 34,59,297.

During the year, unclaimed dividend amount of Rs. 1,58,666.00 pertaining to financial year 2010-11 were transferred to Investor Education & Protection Fund (IEPF) established by the Central Government, while Unclaimed Dividend relating to Financial Year 2011-12 will be transferred in November 2019.

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 F to the Boards' Report.

ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

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

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

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

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

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