



Dynamic Portfolio Management & Services Ltd.

916, Pearl Omaxe Building, Tower-2, Netaji Subhash
Place, Pitampura, New Delhi-110034

ANNUAL REPORT

F.Y. 2015 – 2016

21st Annual Report 2015 – 2016

Board of Directors

Ravi Kr. Newatia	Chairman & M.D
Sushil Kr. Mittal	Independent Director
Anil Kr. Agarwal	Independent Director
Sunil Kr. Gupta	Independent Director
Anita Mittal	Independent Director

Corporate Identification No.
L74140DL1994PLC304881

Compliance Officer

Mr. Ankit Bhatnagar

Registered Office

916, Pearl Omaxe Building, Tower-2,
Netaji Subhash Place,
Pitampura, New Delhi-110034

Bankers

IndusInd Bank Limited

Auditors

M A N V & Associates
Chartered Accountants
1649, 1st Floor, Main Bazaar,
Pahar Ganj, New Delhi-110055

Registrar & Share Transfer Agent

Purva Sharegistry (India) Pvt. Ltd.
No. 9, Shiv Shakti Ind. Estate
Gr. Floor, J. R. Boricha Marg
Lower Parel, Mumbai-400 011

Annual General Meeting

Date: 30th September 2016
Time: 11.00 A.M.
Venue: 916, Pearl Omaxe Building, Tower-2,
Netaji Subhash Place,
Pitampura, New Delhi-110034

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NOTICE

Notice is hereby given that the Twenty first Annual General Meeting of the members of Dynamic Portfolio Management & Services Limited will be held on Friday, the 30th day of September, 2016 at 11.00 A.M. at 916, Pearl Omaxe Building, Tower-2, Netaji Subhash Place, Pitampura, New Delhi-110034 to transact the following businesses as:

ORDINARY BUSINESS:

1. Adoption of Financial Statement:

To receive, consider and adopt the Statement of Profit and Loss for the year ended March 31, 2016 and the Balance Sheet as on that date together with the Reports of the Directors and the Auditors thereon.

2. Appointment of Auditors:

To ratify the appointment M/s. M A N V & Associates, Chartered Accountants, New Delhi (FRN - 007351N), as Statutory Auditors of the Company, and to fix their remuneration and to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), pursuant to the recommendations made by the Audit Committee of the Board of Directors and pursuant to the resolution passed by the members at the AGM held on September 30, 2015 the appointment of M/s. M A N V & Associates, Chartered Accountants, New Delhi (FRN - 007351N), as the Auditors of the Company to hold office till the conclusion of the next AGM be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the Financial Year ending March 31, 2017, as may be determined by the audit committee of the Board in consultation with the auditors."

SPECIAL BUSINESS:

3. Approval for Appointment of Chief Financial Officer:

Consider and if thought fit, to pass with or without modification, the following resolutions as ORDINARY RESOLUTION:

RESOLVED THAT pursuant to provisions of Section 203 of the Companies Act, 2013 read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), as amended or re-enacted from time to time, approval of the members of the Company be and is hereby accorded to appoint Mr Shashi Kant Arya, as Chief Financial Officer of the Company, designated as Chief Financial Officer, with effect from June 24, 2016 upon the

terms and conditions agreed with Board of Directors, explanatory statement is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or agreement, in such manner as may be agreed to between the Board of Directors and Mr Shashi Kant Arya.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy, in order to be effective, must be received at the Company's Registered Office not less than forty-eight hours before the Meeting.

In terms of Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as a proxy on behalf of the members not exceeding fifty 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 percent of the total Share capital of those carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any person or shareholder.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 with respect to the Special Business as set out in the Notice is annexed.
3. The information as required to be provided in terms of the Listing Agreement with the Stock Exchange regarding the Directors who are proposed to be appointed / re-appointed is annexed.
4. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
5. The Register of Member and the Share Transfer Books of the Company will remain closed from 22nd September 2015 to 30th September 2016 (both days inclusive).
6. The Register of Directors and key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.
7. A detail of Director seeking appointment / re-appointment in this Annual General Meeting is attached separately to the notice.

8. Shareholders/Investors are advised to send their queries/complaints through the dedicated e-mail Id dpms.kolkata@gmail.com for quick and prompt redressal of their grievances.
9. The Shares of the Company are mandated by the Securities & Exchange Board of India (SEBI) for trading in dematerialized form by all investors.
10. The Securities and Exchange Board of India (SEBI) vide Circular ref. No. MRD/DOP/CIR-05/2007 dated April 27, 2007 made PAN mandatory for all securities market transactions and off market/private transaction involving transfer of shares in physical form of listed Companies, it shall be mandatory for the transferee(s) to furnish copy of PAN Card to the Company/RTAs for registration of such transfer of shares.

SEBI further clarified that it shall be mandatory to furnish a copy of PAN in the following cases:

- a) Deletion of name of the deceased shareholder(s), where the shares are held in the name of two / more shareholders.
 - b) Transmission of shares to the legal heir(s), where deceased shareholder was the sole holder of shares.
 - c) Transposition of shares – when there is a change in the order of names in which physical shares are held jointly in the name of two or more shareholders.
11. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.
 12. The identity/signature of Members holding shares in electronic/demat form is liable for verification with the specimen signatures furnished by NSDL/CDSL. Such Members are advised to bring the relevant identity card issued by competent Authorities to the Annual General Meeting.
 13. Members desirous of getting any information about the accounts of the Company, are requested to send their queries so as to reach at-least ten days before the meeting at the Registered Office of the Company,so that the information required can be made readily available at the meeting.
 14. Members are requested to intimate change in their address immediately to M/s Purva Sharegistry(India) Pvt. Ltd., the Company's Registrar and Share Transfer Agents, at their office at 9, Shiv Shakti Ind. Estate,Ground Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011.
 15. Members holding shares in physical form in the same set of names under different folios are requested to apply for consolidation of such folios along with relevant Share Certificates to M/s Purva Sharegistry (India) Pvt. Ltd., Registrar and Share Transfer Agents of the Company, at their address given above.

16. Members holding shares in physical form and desirous of making a nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013 read with Rule 19 of Companies (Share Capital and Debentures) Rules, 2014, may fill SH-13 and send the same to the office of RTA of the Company. In case of shares held in dematerialized form, the nomination/change in nomination should be lodged with their DPs.
17. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with your Depository Participants to enable us to send you're the quarterly reports and other communication via email.
18. Copies of Annual Report 2016 are being sent by electronic mode only to all the members whose email address are registered with the Company's Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the Annual Report. The Members who have not registered their email address, physical copies of Annual Report 2015 are being sent by the permitted mode.
19. The Notice for the 21st AGM and instructions for e-voting, along with Attendance Slip and Proxy Form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s) unless a member has requested for a hard copy of the same. Members are requested to bring copies of Annual Report to the Annual General Meeting. For members who have not registered their email address, physical copies of aforesaid documents are being sent by the permitted mode.
20. Members can opt for one mode of voting i.e. either by physical ballot or through e-voting. If Members opt for e-voting then do not vote by Physical Ballot or vice-a-versa. However, in case Members cast their vote both by Physical Ballot and e-voting, then voting done through e-voting shall prevail and voting done by Physical Ballot will be treated as invalid.
21. In terms of the provisions of Section 107 of the Companies Act, 2013, since the resolutions as set out in this Notice are being conducted through e-voting or physical Ballot, the said resolutions will not be decided on a show of hands at the AGM. **The voting right of all shareholders shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date i.e. September 22, 2016.**
22. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to the members facility to exercise their votes at the 20th AGM by electronic means and the business may be transacted through e-voting as per details below:-
 - a) Date and time of commencement of voting through electronic means: **Monday, September 26, 2016 at 09.30 a.m.**
 - b) Date and time of end of voting through electronic means beyond which voting will not be allowed:
Thursday, September 29, 2015 at 5.30 p.m.

- c) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **September 22, 2016**, may cast their vote electronically irrespective of mode of receipt of notice by the shareholder. **The e-voting module shall be disabled by CDSL for voting thereafter.**
- d) Details of Website: www.evotingindia.com
- e) Details of Scrutinizer: Vikas Kumar Sharma, Practising Company Secretary (ACS No. 30697), Email: csvksharma@gmail.com.
- f) **Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change/ modify the vote subsequently.**

23. Instructions for e-voting:

Applicable in all cases whether NOTICE is received by e-mail or in physical form:

- i. The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
- ii. Click on "Shareholders" tab
- iii. Now, select the DYNAMIC PORTFOLIO MANAGEMENT & SERVICES LIMITED from the drop down menu and click on "SUBMIT"
- iv.. 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.

Next enter the Image Verification as displayed and Click on Login.
- vi. 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.
- vii. If you are a first time user follow the steps given below:

For Members holding Shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/ Depository Participants are requested to use the first two letters of their name and the last 8 digits of the sequence number in the PAN field. <ul style="list-style-type: none"> • 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. e.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend	Enter the Dividend Bank Details as recorded in your demat account or

Bank Details	<p>in the Company records for the said demat account or folio.</p> <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If 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 the instructions (iv).
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viii. After entering these details appropriately, click on “SUBMIT” tab.

ix. Members holding shares in physical form will then reach directly 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.

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

xi. Click on the EVSN for DYNAMIC PORTFOLIO MANAGEMENT & SERVICES LIMITED on which you choose to vote.

xii. 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.

xiii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

xiv. 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.

xv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

xvi. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

xvii. If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xviii. Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to

www.evotingindia.com and register themselves as Corporate and Custodians respectively.

- 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 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.

24. In terms of Clause 35B of the Listing Agreement, in order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Proxy cum Ballot Form is attached. Members desiring to exercise vote by Ballot are requested to carefully read the instructions printed in the form, to complete the Ballot Form with assent (for) or dissent (against) and send it to Mr. Vikas Kumar Sharma, Scrutinizer, C/o Purva Sharegistry (India) Private Limited, Unit: Dynamic Portfolio Management & Services Limited, No. 9, Shiv Shakti Industrial Estate, Ground Floor, J. R. Boricha Marg, Opposite Kasturba Hospital, Lower Parel, Mumbai-400 011, Tel. No: +91 22-2301 8261, Fax No: +91 22-2301 2517, E-mail: purvashr@mtnl.net.in so as to reach him on or before September 26, 2015 by 5.30 p.m. Any Ballot Form received after the said date shall be treated as if the reply from the Members has not been received.
25. In light of the recent judgment of the Bombay High Court, until clarity is available members who have not voted electronically or through ballot, will be permitted to deposit the filled in Ballot Forms, physically at the AGM to enable them to exercise their vote.
26. i) Members who have registered their e-mail addresses with the depositories or with the Company’s RTA are being sent Notice of ballot by e-mail and members who have not registered their e-mail addresses will receive Ballot Form along with the Notice through Courier/ Post.
- ii) Members can request for a Ballot Form at Purva Sharegistry (India) Private Limited, Unit: Dynamic Portfolio Management & Services Limited, No. 9, Shiv Shakti Industrial Estate, Ground Floor, J. R. Boricha Marg, Opposite Kasturba Hospital, Lower Parel, Mumbai-400 011 or they may also address their request through e-mail to: purvashr@mtnl.net.in. Contact no +91 22 2301 8261.
- iii) In case of voting by physical ballot, the non-individual members (i. e. other than individuals, HUF, NRI, etc.) are required to send a copy of the relevant Board Resolution/ Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer along

with the Ballot Form so as to reach the Scrutinizer on or before 5.30 p.m. on Monday, September 26, 2016

iv) The Scrutinizer will scrutinize the voting process (both e-voting and voting by physical ballot) in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company. The results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be available on the Company's website within two (2) days of passing of the resolution at the AGM of the Company and communicated to the stock exchange.

27. The shareholders can also access the Annual Report 2014-15 of the Company circulated to the

Members of the Company and other information about the Company on Company's website, i.e., www.dynamicwealthservices.com or on Stock Exchange website, which is www.bseindia.com.

28. Additional Information pursuant to Clause 49 of Listing Agreement with Stock Exchanges in respect of the Directors seeking appointment at the AGM, are furnished and forms a part of Notice. The Directors have furnished the requisite consents / declarations for their appointment.

29. Members/Proxies should bring the attendance slip duly filed in and signed for attending the meeting.

30. Members are requested to quote Folio Number/DP ID & Client ID in their correspondence.

31. The Equity shares of the Company are listed on Calcutta & BSE Limited and Listing Fees for the financial year 2016-2017 have been paid to both BSE & CSE.

Kolkata, August 31, 2016

By order of the Board
For **DYNAMIC PORTFOLIO MANAGEMENT & SERVICES LIMITED**

Registered Office:
916, Pearl Omaxe Building,
Tower-2, Netaji Subhash Place,
Pitampura, New Delhi-110034

Sd/-
Ravi Kr. Newatia(DIN:00214822)
Chairman & managing Director

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013

ITEM No. 3

APPROVAL OF APPOINTMENT OF CFO

The Board at its meeting held on 24th June, 2016, have appointed Mr. Shashi Kant Arya as a Chief Financial Officer of the Company with effect from 24 June, 2016 pursuant to provisions of Section 203 of the Companies Act, 2013 read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), as amended or re-enacted from time to time.

He shall continue to hold office as Chief Financial officer of the company after approval of members accorded by passing ordinary resolution as proposed in accompanying notice.

In the Opinion of the Board, Mr. Shashi Kant Arya fulfils the conditions for his appointment as a Chief Financial Officer as specified in the Act. Keeping in view his vast expertise and Knowledge, it will be in the interest of the Company that Mr. Shashi kant Arya is appointed as CFO.

Copy of the Letter of appointment and other documents related to appointment of the Mr. Shashi Kant Arya shall be open for inspection by the members at the registered office of the company during normal business hours on any working day.

Save and except Mr. Shashi Kant Arya and his relatives, to the extent of their shareholdings interest, if any, in the company, none of directors or Key Managerial Personnel of the company and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board commends the ordinary resolution set out in Item No. 3 of the notice of approval by the Shareholders.

DIRECTOR'S REPORT

To
The Members,

Your Directors have pleasure in presenting the Twenty First Annual Report of your company together with the Audited Statements of Accounts for the financial year ended March 31, 2016. The Management Discussion and analysis had been incorporated into this report.

(Rs. in Lac)

Financial Results	Year Ended 31.03.2016	Year Ended 31.03.2015
Income	88.91	112.36
Profit Before Tax & Extraordinary Items	18.26	4.34
Less: Provision for Taxation	3.18	2.06
Profit after Tax	15.08	2.28
Less: Extra Ordinary Items	0.00	0.00
Profit available for appropriation after adding to its Previous Years B/F	15.08	2.28
Appropriated as under:		
Transfer to General Reserves	3.02	0.95
Balance carried forward to Next Year	15.67	0.59

OVERVIEW OF ECONOMY

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF). According to the Economic Survey 2015-16, the Indian economy will continue to grow more than 7 per cent in 2016-17. The improvement in India's economic fundamentals has accelerated in the year 2016 with the combined impact of strong government reforms, RBI's inflation focus supported by benign global commodity prices. India was ranked the highest globally in terms of consumer confidence during October-December quarter of 2016, continuing its earlier trend of being ranked the highest during first three quarters of 2016, as per the global consumer confidence index created by Nielsen.

OVERALL PERFORMANCE & OUTLOOK

The Business environment remains extremely challenging and the recessionary economic conditions leading to slowdown in demand and inflation pushed scale up of input costs left its adverse imprint on overall performance for 2015-2016. Directors are pleased to inform that in spite of difficult times, your Company, based on its intrinsic strength, has broadly

maintained its track record of profit making Company. During the year, the Company registered a Gross Sales/Revenue of Rs. 88.91 Lac as compared to previous financial year's figure of Rs. 112.36 Lac. PBT Margin during the year remains Rs 18.26 Lac in comparison to last years' figures of Rs 4.34 Lac whereas Net Profit remains at Rs. 15.08 Lac in comparison to last years' figure of Rs. 2.28 Lac.

The Company is in to the Business of lending its surplus fund in to the Capital and Money Market as well as to lending money to Corporate and HNIs.

The outlook for the current year is challenging mainly due to sluggish economy. However, your Company expects to grow despite the adverse environment due to its commitment to clients of the Company.

DIVIDEND AND RESERVES

In view of inadequate profit and in order to meet financial requirements to implement its future plans, your Directors do not propose any dividend for the year under review.

During the year under review, sum of Rs 3.02 Lac was transferred to General (Statutory) Reserves.

SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2016 was 1169.18 Lacs. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2016, none of the Directors of the Company hold shares or convertible instruments of the Company except Mr. Ravi Kr. Newatia, who is holding 3.135 Lac Equity Shares or 2.68% of Paid-up Capital.

FINANCE AND ACCOUNTS

Your Company prepares its financial statements in compliance with the requirements the Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India. The financial statements have been prepared on historical cost basis. The estimates and judgments relating to the financial statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits/(loss) and cash flows for the year ended 31st March 2016.

The Company continues to focus on judicious management of its working capital. Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

There is no audit qualification in the standalone financial statements by the statutory auditors for the year under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments, if any, covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

SUBSIDIARY COMPANY

The Company does not have any material subsidiary whose net worth exceeds 20% of the consolidated net worth of the holding company in the immediately preceding accounting year or has generated 20% of the consolidated income of the Company during the previous financial year. Accordingly, a policy on material subsidiaries has not been formulated.

RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013 thus disclosure in form AOC-2 is not required. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. The policy on Related Party Transactions by the Board is uploaded on the Company's website. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

MANAGEMENT DISCUSSION & ANALYSIS

As required by Clause 49 of Listing Agreement, the Management Discussion and Analysis is annexed and forms part of the Directors' Report.

MANAGEMENT

There is no Change in Management of the Company during the year under review.

DIRECTORS

None of the Directors of the Company are disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

INDEPENDENT DIRECTORS

As per provisions of Section 149 of the 2013 Act, independent directors shall hold office for a term up to five consecutive years on the board of a company, but shall be eligible for re-appointment for another term up to five years on passing of a special resolution by the company and disclosure of such appointment in Board's Report. Further Section 152 of the Act provides that the Independent Directors shall not be liable to retire by rotation in the Annual General Meeting ('AGM') of the Company.

As per Revised Clause 49 of the Listing Agreement (applicable from October 1, 2014), any person who has already served as Independent Director for five years or more in a company as on October 1, 2014 shall be eligible for appointment, on completion of the present term, for one more term of up to 5 (five) years only.

DETAILS OF DIRECTORS / KMP APPOINTED AND RESIGNED DURING THE YEAR

SI No.	Name	Designation	Date of Appointment	Date of Resignation
1.	Ms. Rashmi Sethi	Company Secretary	15 th July 2015	28 TH May,2016

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

There have been no material changes and commitments affecting the financial position of the Company between the end of Financial Year and date of the report.

DIRECTORS RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(5) of the Companies Act, 2013:

1. In the preparation of the annual accounts, for the year ended 31st March 2016, all the applicable accounting standards prescribed by the Institute of Chartered Accountants of India have been followed;
2. The Directors had adopted such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
3. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The Directors had prepared the annual accounts on a going concern basis;
5. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
6. Those systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

INFORMATION TECHNOLOGY

Your Company believes that in addition to progressive thought, it is imperative to invest in Information and Technology to ascertain future exposure and prepare for challenges. In its endeavour to obtain and deliver the best, your Company has tie-ups with an IT solution Company to harness and tap the latest and the best of technology in the world and deploy/absorb technology wherever feasible, relevant and appropriate.

BUSINESS RISK MANAGEMENT

Pursuant to the requirement of Clause 49 of the Listing Agreement, the Company has constituted a Business Risk Management Committee. The details of Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report.

The Company has a robust Business Risk Management (BRM) framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's

competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The framework has different risk models which help in identifying risks trend, exposure and potential impact analysis at a Company level as also separately for business segments viz. Finance and Capital Market activities.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit (IA) function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a vigil mechanism named Fraud Risk Management Policy (FRM) to deal with instance of fraud and mismanagement, if any. The detail of the FRM Policy is explained in the Corporate Governance Report.

RESEARCH & DEVELOPMENT

The Company believes that technological obsolescence is a reality. Only progressive research and development will help us to measure up to future challenges and opportunities. We invest in and encourage continuous innovation. During the year under review, expenditure on research and development is not significant in relation to the nature size of operations of your Company.

AUDITORS

Statutory Auditors

M/s M A N V & Associates, Chartered Accountants (FR No. 007351N), New Delhi, Statutory Auditors were appointed for 5 (Five) Financial year upto FY 2019-20 & in view of the provision of the Act, their appointment needs to be rectified annually. Your company has received an eligibility letter from the auditors to the effect that the rectification of their appointment, would be in accordance with section 139 & 141 of the Act. The Board recommends the rectification of their appointment.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Vikas Kumar Sharma, Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed elsewhere in this Annual Report.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed elsewhere in this Annual Report.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Compliance Officer in this regard.

PARTICULARS UNDER SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013

Since the Company is into the Business of Financing (NBFC Activities) and into the Investing activities in Shares and Securities; the information regarding conservation of energy,

Technology Absorption, Adoption and innovation, under section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is reported to be NIL.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has not earned or used foreign exchange earnings/outgoings during the year under review.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

REPORT ON CORPORATE GOVERNANCE

The Company conforms to the norms of Corporate Governance as envisaged in the Companies Act, 2013 and the Listing Agreement signed with the Exchanges vide BSE and CSE. Pursuant to Clause 49 of the Listing Agreement, a Report on the Corporate Governance and the Auditors Certificate on Corporate Governance are annexed to this report.

APPRECIATION

Your Directors wish to place on record their appreciation towards the contribution of all the employees of the Company and their gratitude to the Company's valued customers, bankers, vendors and stakeholders for their continued support and confidence in the Company.

Kolkata, August 31, 2016

By order of the Board
For Dynamic Portfolio Management & Services Limited

Registered Office:
916, Pearl Omaxe Building,
Tower-2, Netaji Subhash Place,
Pitampura, New Delhi-110052

Sd/-
Ravi Kr. Newatia (DIN: 00214822)
Chairman & Managing Director

MANAGEMENT DISCUSSION & ANALYSIS

MACRO ECONOMIC ENVIRONMENT

The Company's main object is Non-banking Finance activities. The market for this activity offers high potential for growth. There have been a number of causes behind growth of Indian economy in last couple of years. A number of market reforms have been instituted by Indian government and there has been significant amount of foreign direct investment made in India. Much of this amount has been invested into several businesses including knowledge process outsourcing industries. India's foreign exchange reserves have gone up in last few years. Real estate sector as well as information technology industries of India have taken off. Capital markets of India are doing pretty well too. All these factors have contributed to growth of Indian economy.

REVIEW OF OPERATIONS

The performance of the Company for the current financial year was continued to affected badly due to negative sentiments, lack of liquidity in Capital Market as well as fear of bad loans in the Money Market.

The Company registered a Gross Sales/Revenue of Rs. 88.91 Lac as compared to profit of Rs. 112.36 Lac in previous financial year. PBT Margin during the year remains Rs. 18.26 Lac in comparison to last years' figure of Rs. 4.34 Lac whereas Net Profit remains at Rs. 15.08 Lac in comparison to last years' figure of Rs. 2.28 Lac.

BUSINESS SCENARIO

Non-Banking Finance Companies (NBFCs) are an integral part of the country's financial system because of their complementary as well as competitive role. They act as a critical link in the overall financial system catering to a large market of niche customers. In spite of strong competition faced by the NBFCs, the inner strength of NBFCs viz local knowledge, credit appraisal skill, well trained collection machinery, close monitoring of borrowers and personalized attention to each client, are catering to the needs of small and medium enterprises in the rural and semi urban area. However, as a result of consolidation and restructuring in the financial sector and liberalisation and globalisation of markets only few strong NBFCs now remain in business.

On the regulatory front, NBFCs are regulated by the Reserve Bank of India (RBI) almost at par with banks. All the prudential norms for asset classification, income recognition, provisioning etc., are applicable to NBFCs in India. Given the continuously high levels of inflation through FY 13, the Reserve Bank of India (RBI) has no option but tighten monetary policies. This has resulted in an increase in domestic interest rates. The environment of high interest rates has a negative impact on sentiments of industries. During 2013, global financial conditions broadly improved, amid lingering vulnerabilities, equity markets rose, risk spreads continued to tighten and bank lending conditions in major advanced economies

even for small and medium-sized firms. Financial turbulence re-emerged in the periphery of the Euro area. Measures of risk aversion have not risen, though equity markets in most regions have posted significant gains and financial stresses have been limited.

OPPORTUNITIES AND THREATS

The performance of capital market in India has a direct correlation with the prospect of economic growth and political stability. Though the growth projections for FY 2016-17 appear reassuring, there are certain downside risks such as pace and shape of global recovery, effect of withdrawal of fiscal stimulus and hardening of commodity prices. Accommodative monetary policies in advanced economies, coupled with better growth prospects in Emerging Markets (EMs) including India, are expected to trigger large capital inflows in EMs which in turn could lead to inflationary pressures and asset price bubble. Our business performance may also be impacted by increased competition from local and global players operating in India, regulatory changes and attrition of employees. With growing presence of players offering advisory service coupled with provision of funds for the clients' needs, we would face competition of unequal proportion. We continuously tackle this situation by providing increasingly superior customized services.

In financial services business, effective risk management has become very crucial. As an NBFC, your Company is exposed to credit risk, liquidity risk and interest rate risks. Your company has in place suitable mechanisms to effectively reduce such risks. All these risks are continuously analysed and reviewed at various levels of management through an effective information system. The Company is having excellent Board of Directors who are Expert in financial sector, and are helping the Company in making good Investment. The company is also facing risk of heavy ups and down in stock market which have been minimized due to risk management system of our company.

OUTLOOK AND FUTURE PROSPECTS

Competition continues to be intense, as the Indian and foreign banks have entered the retail lending business in a big way, thereby exerting pressure on margins. The erstwhile providers of funds have now become competitors. NBFCs can sustain in this competitive environment only through optimization of funding costs, identification of potential business areas, widening geographical reach, and use of technology, cost efficiencies, strict credit monitoring and raising the level of customer service.

RISKS & CONCERNS

In today's complex business environment, almost every business decision requires executives and managers to balance risk and reward. Effective risk management is therefore critical to an organization's success. Globalization, with increasing integration of markets, newer and more complex products & transactions and an increasingly stringent regulatory framework has exposed organisations to newer risks. As a result, today's operating environment demands a rigorous and integrated approach to risk management. Timely and effective risk management is of prime importance to our continued success. Increased competition and market volatility has enhanced the importance of risk management. The sustainability of the business is derived from the following:

- Identification of the diverse risks faced by the company.
- The evolution of appropriate systems and processes to measure and monitor them.
- Risk management through appropriate mitigation strategies within the policy framework.
- Monitoring the progress of the implementation of such strategies and subjecting them to periodical audit and review. ∞ Reporting these risk mitigation results to the appropriate managerial levels.

HUMAN RESOURCES

The Company recognizes that its success is deeply embedded in the success of its human capital. During 2015-2016, the Company continued to strengthen its HR processes in line with its objective of creating an inspired workforce. The employee engagement initiatives included placing greater emphasis on learning and development, launching leadership development programme, introducing internal communication, providing opportunities to staff to seek inspirational roles through internal job postings, streamlining the Performance Management System, making the compensation structure more competitive and streamlining the performance link rewards and incentives.

CORPORATE SUSTAINABILITY AND SOCIAL RESPONSIBILITY

The Company constantly strives to meet and exceed expectations in terms of the quality of its business and services. The Company commits itself to ethical and sustainable operation and development of all business activities according to responsible care and its own code of conduct. Corporate Social Responsibility is an integral part of the Company's philosophy and participates in activities in the area of education and health.

CAUTIONARY STATEMENT

This report describing the company's activities, projections about future estimates, assumptions with regard to global economic conditions, government policies, etc may contain "forward looking statements" based on the information available with the company. Forward-looking statements are based on certain assumptions and expectations of future events. These statements are subject to certain risks and uncertainties. The company cannot guarantee that these assumptions and expectations are accurate or will be realized. The actual results may be different from those expressed or implied since the company's operations are affected by the many external and internal factors, which are beyond the control of the management. Hence the company assumes no responsibility in respect of forward-looking statements that may be amended or modified in future on the basis of subsequent developments, information or events.

COMPLIANCE

The Compliance function of the Company is responsible for independently ensuring that operating and business units comply with regulatory and internal guidelines. The Compliance Department of the Company is continued to play a pivotal role in ensuring implementation of compliance functions in accordance with the directives issued by regulators, the Company's Board of Directors and the Company's Compliance Policy. The Audit Committee of the Board reviews the performance of the Compliance Department and the status of compliance with regulatory/ internal guidelines on a periodic basis.

New Instructions/Guidelines issued by the regulatory authorities were disseminated across the Company to ensure that the business and functional units operate within the boundaries set by regulators and that compliance risks are suitably monitored and mitigated in course of their activities and processes. New products and process launched during the year were subjected to scrutiny from the Compliance Standpoint and proposals of financial services were screened from risk control prospective.

The Company has complied with all requirements of regulatory authorities. No penalties/strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years except as referred to in Note no. 2.13 of Notes to Accounts.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUENCY

Your Company has an effective system of accounting and administrative controls supported by an internal audit system with proper and adequate system of internal check and controls to ensure safety and proper recording of all assets of the Company and their proper and authorised utilization.

As part of the effort to evaluate the effectiveness of the internal control systems, your Company's internal audit department reviews all the control measures on a periodic basis and recommends improvements, wherever appropriate. The internal audit department is manned by highly qualified and experienced personnel and reports directly to the Audit

Committee of the Board. The Audit Committee regularly reviews the audit findings as well as the, an Information Security Assurance Service is also provided by independent external professionals. Based on their recommendations, the Company has implemented a number of control measures both in operational and accounting related areas, apart from security related measures.

Kolkata, August 31, 2016

By order of the Board
For Dynamic Portfolio Management & Services Limited

Registered Office:
916, Pearl Omaxe Building,
Tower-2, Netaji Subhash Place,
Pitampura, New Delhi-110052

Sd/-
Ravi Kr. Newatia (DIN: 00214822)
Chairman & Managing Director

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To

The Members,
**Dynamic Portfolio Management &
Services Limited**
916, Pearl Omaxe Building,
Tower-2, Netaji Subhash Place,
Pitampura,
New Delhi-110034

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Dynamic Portfolio Management & Services Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Dynamic Portfolio Management & Services Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Dynamic Portfolio Management & Services Limited ("the Company") for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;**(Not applicable to the company during the audit period);**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the company during the audit period);**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not applicable to the company during the audit period);**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the company during the audit period);**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the company during the audit period);**
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 effective from 1st December, 2015;
- (vi) RBI Act, 1934

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. (Effective from 1st July, 2015);
- (ii) The Listing Agreements entered into by the Company with BSE Limited and Kolkata Stock Exchange.

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there were no instances of:

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption/buy-back of securities.
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
- (iv) Merger/amalgamation/reconstruction, etc.
- (v) Foreign technical collaborations.

Date: 31th August, 2016

Place: Kolkata

Vikas Kumar Sharma
Practicing Company Secretary
Membership No: 30697
COP: 12303

Note: This report is to be read with our letter of even date which is annexed as Annexure – 1 and forms an integral part of this report

'ANNEXURE 1' TO THE SECRETARIAL AUDIT REPORT

To,

The Members,
**Dynamic Portfolio Management &
Services Limited**
916, Pearl Omaxe Building,
Tower-2, Netaji Subhash Place,
Pitampura,
New Delhi-110034

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on the audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Date: 31st August, 2016
Place: Kolkata

Vikas Kumar Sharma
Practicing Company Secretary
Membership No: 30697
COP: 12303

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2016
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	L74140DL1994PLC304881
ii	Registration Date	11-05-1994
iii	Name of the Company	Dyanmic Portfolio Management & Services Limited
iv	Category/Sub-category of the Company	Indian Non-Government Company
v	Address of the Registered office & contact details	916,Pearl Omaxe Building,Tower-2,Netaji Subhash Place,Pitampura,New Delhi-110034 Tel: 011-47012010
vi	Whether listed company	Listed Company
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Purva Sharegistry (India) Pvt. Ltd. No. 9, Shiv Shakti Ind. Estate, Gr. Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011 Tel : +91 22 2301 8261 / 0771

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sl No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	NBFC Activities (Financing) & Trading / Investment in Shares & Securities	66110	100%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	N/A	N/A	N/A	N/A	N/A

SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	1167400		1167400	9.98%	1167400		1167400	9.98%	N.A.
b) Central Govt.or State Govt.									
c) Bodies Corporates	349600		349600	2.99%	349600		349600	2.99%	N.A.
d) Bank/FI									
e) Any other									
SUB TOTAL:(A) (1)	1517000		1517000	12.97%	1517000		1517000	12.97%	N.A.
(2) Foreign									
a) NRI- Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other...									
SUB TOTAL (A) (2)									
Total Shareholding of Promoter									
(A)= (A)(1)+(A)(2)	1517000		1517000	12.97%	1517000		1517000	12.97%	N.A.
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds									
b) Banks/FI									
c) Cenntral govt									
d) State Govt.									
e) Venture Capital Fund									
f) Insurance Companies									
g) FIIS									
h) Foreign Venture Capital Funds									
i) Others (specify)									
SUB TOTAL (B)(1):									
(2) Non Institutions									
a) Bodies corporates									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 lakhs	1341040		1341040	11.47%			1341040	11.47%	
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2lakhs	8186995		8186995	70.02%			8186995	70.02%	
c) Any Others (specify)	646765		646765	5.53%			646765	5.53%	
SUB TOTAL (B)(2):	10174800		10174800	87.03%			10174800	87.03%	
Total Public Shareholding									
(B)= (B)(1)+(B)(2)	10174800		10174800	87.03%			10174800	87.03%	
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	11691800	0	11691800	100%	0	0	11691800	100%	0

(ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding
		NO of shares	% of total shares of the company	% of shares pledged encumbered to	NO of shares	% of total shares of the company	% of shares pledged	
1	Ravi Kr. Newatia	313500	2.68%	Nil	313500	2.68%	Nil	—
2	Asha Newatia	177800	1.52%	Nil	177800	1.52%	Nil	—
3	Ritesh Newatia	117200	1.00%	Nil	117200	1.00%	Nil	—
4	Suman Agarwal	558900	4.78%	Nil	558900	4.78%	Nil	—
5	Ritesh Properties Pvt. Ltd.	98000	0.84%	Nil	98000	0.84%	Nil	—
6	Shiv Shankar Securities Pvt. Ltd.	68500	0.59%	Nil	68500	0.59%	Nil	—
7	Ranisati Mercantiles Pvt. Ltd.	42500	0.36%	Nil	42500	0.36%	Nil	—
8	Jewel Moulders Holding Pvt. Ltd.	74500	0.64%	Nil	74500	0.64%	Nil	—
9	Ritesh Real Estate Pvt. Ltd.	38500	0.33%	Nil	38500	0.33%	Nil	—
10	Darshaan Vyapar Pvt. Ltd.	27600	0.24%	Nil	27600	0.24%	Nil	—

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl. No.	Share holding at the beginning of the Year	Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company
	At the beginning of the year	No Change during the Year	
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	No Change during the Year	
	At the end of the year	No Change during the Year	

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the Beginning of the year		Shareholding at the end of the year	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Pallavi Goyal	1460000	12.49%	1460000	12.49%
2	Vipul Goel	1447500	12.38%	1447500	12.38%
3	Anuradha Biswas	400000	3.42%	400000	3.42%
4	Tapan Kr. Biswas	400000	3.42%	400000	3.42%
5	Pramod Kumar	351800	3.01%	351800	3.01%
6	Shikha Taluka	351700	3.01%	351700	3.01%
7	Suresh Chand Garg	265000	2.27%	265000	2.27%
8	Dinesh Chand Garg	265000	2.27%	265000	2.27%
9	Swati Garg	264500	2.26%	264500	2.26%
10	Syham Sundar Garg	264500	2.26%	264500	2.26%

(v) Shareholding of Directors & KMP

Sl. No	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year				
	Ravi Kr. Newatia, Managing Director	313500	2.68%	313500	2.68%
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	No Change during the Year			
	At the end of the year	No Change during the Year			

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year	Nil	Nil	Nil	Nil

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sr. No.	Particulars of Remuneration	Rashmi Sethi
1	Gross Salary	2,30,591
2	Value of Perquisites	Nil
3	Stock Options	Nil
4	Sweat Equity	Nil
5	Commission	Nil
6	Others(Please Specify)	Nil

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty			No Instance		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			No Instance		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			No Instance		
Punishment					
Compounding					

ANNEXURE TO THE DIRECTORS' REPORT

CORPORATE GOVERNANCE

In accordance with Clause 49 of the Listing Agreement with BSE Limited (BSE), the report containing the details of Corporate Governance systems and processes at the Company for the year ended 31st March 2016, is annexed herein below –

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance for the Company means achieving high level of accountability, efficiency, responsibility and fairness in all areas of operation. Our Employees are committed towards the protection of the interest of the Stakeholders viz. Shareholders, creditors, investors, clients etc. Our policies consistently undergo improvements keeping in mind our goal i.e. maximization of value of all the stakeholders.

THE GOAL IS ACHIEVED THROUGH –

- Infusion of best expertise in the Board;
- Consistent monitoring and improvement of the human and physical resources;
- Availability of Information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties.
- Board/Committee meetings at regular intervals to keep the Board informed of the recent happenings.

GOVERNANCE STRUCTURE

The Corporate Governance Structure at Dynamic Portfolio Management & Services Ltd. (DPMSL) is as under:-

1. **Board of Directors:** The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosure.
2. **Committees of the Board:** The Board has constituted the following committees viz. Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee. Each of said Committee has been managed to operate within a given framework.

BOARD OF DIRECTORS

Size and Composition of Board

The Board has five members with an Executive Chairman. The Independent Directors on the Board are competent and highly respected professionals from their respective fields and have vast experience in general corporate management, finance, taxation and other allied fields which enable them to contribute effectively to the Company in their capacity as members of the Board. The day to day management of the Company is conducted by Managing Director subject to supervisions and control of the Board and its Senior Members.

The composition and category of the Board of Directors as at March 31, 2016, the number of other Directorships/Committee memberships held by them and their other details are as under:

Name	Designation	DIN	Date of Joining Board	Committee Membership in other Listed Cos.	Committee Chairman Ship in other Listed Cos.	No. of Directorship in other Listed Cos.
Ravi Kr. Newatia	Chairman & Managing Director	00214822	3rd June 2002	Nil	Nil	Nil
Sushil Kr. Mittal	Independent Director	00415359	25th July 2014	Nil	Nil	Nil
Anil Kr. Agarwal	Independent Director	02297780	25th July 2014	Nil	Nil	Nil
Sunil Kr. Gupta	Independent Director	02958759	20th December 2014	Nil	Nil	Nil
Anita Mittal	Independent Director	05125170	17th March 2015	Nil	Nil	Nil

Board Independence

The Non-Executive Independent Directors fulfil the conditions of independence as specified in Section 149 of Companies Act, 2013 and Rules made there under and to meet with requirements of Clause 49 of Listing Agreement entered into with Stock Exchange. Further, none of the Independent Director is serving more than seven listed companies. The Company has issued a letter of appointment to all the Independent Directors of the Company.

Board Meetings

Board Meetings are conducted in accordance with the Rules made under Companies Act, 2013 and as per requirements of Listing Agreement. The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. The Board Meetings are pre scheduled and a tentative annual calendar of the Board is circulated to the Directors in advance to facilitate the Directors to plan their schedules.

The Notice of each Board Meeting is given in writing / by email to each Director. The Agenda along with relevant notes and other material information are sent in advance separately to each Director and in exceptional cases, tabled at the meeting. This ensures timely and informed decisions by the Board. The Minutes of Board Meetings are also circulated in advance to all Directors and confirmed at subsequent Meetings. The Board reviews the performance of the Company.

Post Meeting Mechanism

The important decisions taken at the Board / Board Committee meetings are communicated to the concerned department/s and/or division.

Familiarization Programme for Directors

At the time of appointing Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected of him/her as a Director of the Company. The Director is also explained in detail the Compliance required from him/her under the Companies Act, 2013, Clause 49 of Listing Agreement and other relevant regulations and affirmation taken with respect to the same. The Chairman & Managing Director also has one to one discussion with the newly appointed Director to familiarize him/her with the Company's operations. Further, the Company has put in place a system to familiarize the Independent Directors about the Company, its services, business and the on-going events relating to the Company.

Further, at the time of appointment of Independent Director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities as a Director. The format of the letter of appointment is available on Company website.

Details of Board Meetings

The Board of Directors met 5 times on 28th May, 25th July, 13th August, and 13th November in year 2015 and on 12th February, in the year 2016 during the financial year 2015-2016.

Attendance of Board of Directors at the Board Meeting and at the last Annual General Meeting:

Name	Designation	Attendance at the AGM	Meetings Attended
Ravi Kr. Newatia*	Chairman & Managing Director	Yes	5
Sushil Kr. Mittal	Independent Director	Yes	4
Anil Kr. Agarwal	Independent Director	Yes	4

Sunil Kr. Gupta	Independent Director	Yes	4
Anita Agarwal	Independent Director	Yes	3

*Chairman of the Board

AUDIT COMMITTEE

The Audit Committee consists of three Independent Directors & the Managing Director. All members of the Audit Committee are financially literate and they have accounting or related financial management expertise.

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities. The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The Audit Committee was re-constituted on 25th May 2015.

Powers of Audit Committee

The Audit Committee is having following powers -

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Authority and Responsibilities

Following are the Role of Audit Committee –

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions

g. Qualifications in the draft audit report.

5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Review of Information Audit Committee

In addition to the above, Audit Committee reviews the following information:

- i. Management discussion and analysis of financial condition and results of operations;
- ii. Statement of significant related party transactions submitted by management;
- iii. Management letters / letters of internal control weaknesses issued by the statutory auditors and Qualification in draft audit report;
- iv. Internal audit reports relating to internal control weaknesses;
- v. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The members of Audit Committee met 5 times on 25th May, 30th July, 13th August, 06th November in year 2015 and on 02nd February in the year 2016 during the financial year 2015-2016.

Name	Number of Meetings Held	Meetings Attended
Sushil Kumar Mittal	5	5
Ravi Kumar Newatia	5	5
Anil Kumar Agarwal	5	5
Sunil Kumar Gupta@	5	5

* Chairman of the Committee

@ Committee was reconstituted on 28th May 2015 wherein Mr. Sunil Kumar Gupta has been appointed as Committee Member/Chairman.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee consists of two Independent Directors & the Managing Director. All members of the Nomination and Remuneration Committee are financially literate and they have accounting or related financial management expertise.

Role of Nomination and Remuneration Committee

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

Details of Remuneration paid to Directors

The payment of salary to Directors was Nil during the financial year 2015-2016.

No Stock option has been allotted to any of the Directors during the financial year 2015-2016.

None of the Independent Directors holds any shares in their name or in the name of their relatives.

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration. This Policy is accordingly derived from the said Charter.

Criteria of selection of Non Executive Directors

- The Non Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of accounting, finance, taxation, law etc. However Women Director is exempted from said criteria.

- In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director -
 - a. Qualification, expertise and experience of the Directors in their respective fields;
 - b. Personal, Professional or business standing;
 - c. Diversity of the Board.
- In case of re-appointment of Non Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

Remuneration

The Non Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings. A Non Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CEO & Managing Director - Criteria for selection / appointment

For the purpose of selection of the CEO & MD, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

Remuneration for the CEO & Managing Director

- At the time of appointment or re-appointment, the CEO & Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the CEO & Managing Director within the overall limits prescribed under the Companies Act, 2013.
- The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- The remuneration of the CEO & Managing Director is broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retirement benefits. The variable component comprises performance bonus.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Stakeholders' Relationship Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

Meetings of Nomination & Remuneration Committee

The members of Nomination & Remuneration Committee met Five times on 28th May, 25th July, 13th August, and 13th November in year 2015 and on 12th February in the year 2016 during the financial year ended on 31st March 2016.

Name	Number of Meetings Held	Meetings Attended
Ravi Kumar Newatia	5	5
Anil Kumar Agarwal	5	4
Sushil Kumar Agarwal	5	4
Sunil Kumar Gupta	5	4
Anita Mittal	5	3

* Chairman of the Committee

STAKEHOLDERS' RELATIONSHIP COMMITTEE

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement, the Board has renamed the existing "Shareholders'/Investors' Grievance Committee" as the "Stakeholders' Relationship Committee".

The terms of reference of the Committee are:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates /certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;

- to grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non receipt of annual reports, notices, non receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors / stakeholders grievances;
- all other matters incidental or related to shares, debentures and other securities of the Company

The Share Department of the Company and the Registrar and Share Transfer Agent, Purva Sharegistry (India) Private Limited attend to all grievances of the shareholders and investors received directly or through SEBI, Stock Exchanges and Registrar of Companies etc.

The Minutes of Stakeholders' Relationship Committee are noted by the Board of Directors at the Board Meetings.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their telephone numbers and email addresses to facilitate prompt action.

Compliance Officer

The Company has appointed Ms. Rashmi Sethi as a Compliance Officer within the meaning of Listing Agreement.

Composition of Committee and Meetings attended

During the year, five meetings of the Stakeholders' Relationship Committee were held on 28th May, 25th July, 13th August, and 13th November year 2015 and on 12 February in the year 2016 during the financial year 2015-16.

Brief Details of Names, Position, Category and meeting attended by Members of Committee is as follows:

Name	Position	Category	Meetings Attended
Ravi Kumar Newatia	Chairman	Executive Director	5
Anil kumar Agarwal	Member	Non -Executive Director	4
Sushil Kumar Mittal	Member	Non-Executive Director	4
Sunil Kumar Gupta	Member @	Non-Executive Director	4
Anita Mittal	Member @	Non-Executive Director	3

@ Appointed w.e.f 28th May, 2015

Details of Shareholders' Complaints

During the year the Company did not receive any complaint from any of the share holder and there was no pending complaint at the close of the financial year.

The Company has designated email ID under Clause 47(f) of Listing Agreement and the same is dpms.kolkata@gmail.com to lodge Investor complaints. Apart from this, the SEBI has also facilitated Investors to lodge complaints directly on SCORES on SEBI website for faster addressing and resolutions of Investor Complaints.

Independent Directors' Meeting

During the year under review, the Independent Directors met on March 21, 2016, inter alia, to discuss:

- Evaluation of the Performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the Performance of Chairman of the Company; taking into account the views of the Executive and Non Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

General Body Meetings

Location & time for the last three Annual General Meetings:

Annual General Meeting	Date & Time	Venue
20th Annual General Meeting	30th September 2015,11:00 AM	53-A, Mirza Ghalib Street 4th Floor, Kolkata-700 016
19th Annual General Meeting	25th September 2014, 11.00 AM	53-A, Mirza Ghalib Street 4th Floor, Kolkata-700 016
18th Annual General Meeting	24th September 2013, 11.00 AM	53-A, Mirza Ghalib Street 4th Floor, Kolkata-700 016

Passing of Resolution by Postal Ballot

No Resolution has been passed through Postal Ballot Rules, 2012 during last three financial years.

Extra-Ordinary General Meeting

No Extra-Ordinary General Meeting was held by the Company during the financial year ended 31st March 2016

BOARD DISCLOSURES

COMPLIANCE WITH GOVERNANCE FRAMEWORK

The Company is in compliance with all mandatory requirements of Clause 49 of Listing Agreement.

DISCLOSURE OF ACCOUNTING TREATMENT

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

RISK MANAGEMENT

The Company has a Risk Management Policy which has been adopted by the Board of Directors, currently, the Company's risk management approach comprises of the following:

- Governance of Risk
- Identification of Risk
- Assessment of Control of Risk

The risks have been prioritized through a companywide exercise. Members of Senior Management have undertaken the ownership and are working on mitigating the same through co-ordination among the various departments, insurance coverage, security policy and personal accident coverage for lives of all employees.

The Company has appointed a Risk Officer and also put in place the risk management framework, which helps to identify various risks cutting across its business lines. The risks are identified and are discussed by the representatives from various functions.

Risk Officer makes a presentation periodically on risk management to the Board of Directors and the Audit Committee. The Board and the Audit Committee provide oversight and review the risk management policy periodically.

SEBI / STOCK EXCHANGE COMPLIANCE

The Company has complied with all requirements of the Listing Agreement entered into with the Stock Exchange as well as the regulations and guidelines of SEBI. Consequently there were no strictures or penalties imposed either by SEBI or Stock Exchange or any Statutory Authority for non-compliance of any matter related to the Capital Markets during the last three years.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary & Head Compliance is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

DISCLOSURES

a) There are no transactions with related party i.e. with Promoters, Directors, Management, Subsidiaries or Relatives that may have potential conflict of interest with the Company at large.

b) There has been no instance of non-compliance by the Company on any matter related to Capital Markets and hence the question of penalties or strictures being imposed on the Company by the Stock Exchange or SEBI or any Statutory Authority does not arise.

c) In Compliance with the Securities & Exchange Board of India (Prohibition of Insider Trading Regulations, 1992) as amended till date, on Prohibition of Insider Trading, the Company has a comprehensive Code of Conduct and the same is being strictly adhered to by its management, staff and relevant business associates. The code expressly lays down the guidelines and the procedure to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences of non-compliance thereof. Further, we affirm that no personnel have been denied access to the Audit Committee.

d) Share Reconciliation Audit (Formerly Secretarial Audit): A qualified Practicing Company Secretary carried out Secretarial Audit on quarterly basis to reconcile the total admitted capital with Central Depository Services (India) Ltd. (CDSL) and National Securities Depository Ltd. (NSDL) and the total issued and listed capital. The secretarial audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

CODE OF BUSINESS CONDUCT & ETHICS

The Company has adopted Code of Business Conduct and Ethics (“the Code”) which is applicable to the Board of Directors and Senior Management Team (one level below the Board of Directors) of the Company. The Board of Directors and the members of Senior Management Team are required to affirm semi-annual compliance of this Code. The Code requires Directors and Employees to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the Company website.

CONFLICT OF INTEREST

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes during the year. Members of Board while discharging their duties, avoid conflict of interest in the decision making process. The members of Board restrict themselves from any discussions and voting in transactions that they have concern or interest.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the good governance companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

The Company has a Fraud Risk Management Policy (FRM) to deal with instances of fraud and mismanagement, if any. The FRM Policy ensures that strict confidentiality is maintained

whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

A high level Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and the Board.

COMMUNICATION WITH THE MEMBERS/SHAREHOLDERS

- The unaudited quarterly / half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the close of the financial year as per the requirements of the Listing Agreement with the Stock Exchanges. The aforesaid financial results are sent to BSE Limited (BSE) and Calcutta Stock Exchange Association Limited where the Company's securities are listed, immediately after these are approved by the Board. The results are thereafter published in leading English and Bengali daily newspapers. The audited financial statements form a part of the Annual Report which is sent to the Members well in advance of the Annual General Meeting.
- The Company also informs by way of intimation to BSE and CSE, all price sensitive matters or such other matters, which in its opinion are material and of relevance to the members.
- The Annual Report of the Company, the quarterly / half yearly and the annual results and the press releases of the Company are also placed on the Company's website: www.dynamicwealthservices.com and can be downloaded.
- In compliance with Clause 52 of the Listing Agreement, the quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE and CSE are filed electronically on BSE's on-line portal followed by physical submission to BSE. Likewise, the said information is also filed with CSE in physical. The Company has complied with filing submissions through BSE's BSE Online Portal.
- A separate dedicated section under 'Corporate Governance' on the Company's website gives information on unclaimed dividends, quarterly compliance reports / communications with the Stock Exchanges and other relevant information of interest to the investors / public.

DISCLOSURES ON NON-MANDATORY REQUIREMENTS

The Company has adopted/complied with the following non-mandatory requirements as prescribed in Clause 49 of Listing Agreement with the Stock Exchange :-

- a) None of the Independent Directors on the Board of the Company has served for the tenure of exceeding nine years. The Company has ensured that the person who is being appointed as an Independent Director has the requisite qualifications and experience which would be of use to the Company and which in the opinion of the Company would enable him to contribute effectively to the Company in his capacity as an Independent Director.
- b) There was no case of Non-Compliance during financial year 2015-2016 in term of provisions of Listing Agreement entered into with BSE and CSE by the Company. Further, no penalties have been levied or by CSE, BSE or SEBI during last three years.
- c) The Company has complied with all mandatory provisions of listing agreement.
- d) The financial statements of the Company are unqualified.

GENERAL SHAREHOLDER INFORMATION

Detailed information in this regard is provided in section "Shareholders Information" which forms part of this Annual Report.

SHAREHOLDERS' INFORMATION

a. Next Annual General Meeting

The information regarding 21st Annual General Meeting for the financial year ended on 31st March 2016 is as follows :-

Date: 30th September 2016

Time: 11.00 A.M.

Venue: 916, Pearl Omaxe Building, Tower-2, Netaji Subhash Place, Pitampura, New Delhi-110034

b. Financial Calendar: 1st April to 31st March.

c. Future Calendar for financial year ending 31st March 2017 :

Subject Matter	Tentative Dates
Financial Reporting of 1st Quarter ended on 30th June 2016	Mid of August, 2016
Financial Reporting of 2nd Quarter ended on 30th September 2016	Mid of November, 2016
Financial Reporting of 3rd Quarter ended on 31st December 2016	Mid of February 2017
Financial Reporting of 4th Quarter ended on 31st March 2017	During May 2017
Date of Annual General Meeting	During September 2017

d. Date of Book Closure: September 22 to September 30, 2016. (Both days inclusive)

e. Dividend Payment: No Dividend has been proposed for payment for the year

f. Dividend History for Last 10 Years

The Company has not declared any dividend during last ten financial years.

g. Unclaimed Dividend / Share Certificates

The unclaimed Dividend for a period of seven years is compulsorily deposited in Investor Education and Protection Fund (IEPF) Account in accordance with Section 205C of the Companies Act, 1956 administered by Central Government which cannot be claimed by the Shareholders / Investors. The details of unclaimed dividend are posted on the website of the Company.

Details of Unclaimed Dividend and Due Dates for transfer are as follows as on March 31, 2016:

Sr. No.	Year of Declaration of Dividend	Date of Declaration of Dividend	Unclaimed Amount	Due Date for transfer to IEPF Account
1.	N.A.	N.A.	Nil	N.A.

Further, as required to be disclosed under Clause 5A of Listing Agreement, Nil Shares are lying at the beginning or at the Close of Financial Year in the Suspense Account. Further the Company did not moved in/out any Equity Share in said Suspense Account during current financial year.

h. Listing of Shares : BSE Limited and Calcutta Stock Exchange Association Ltd.

i. Listing Fees : Annual Listing Fees for Financial year 2016-2017 have been paid to both BSE & CSE.

h. Stock Code & ISIN Code : 530779 on BSE & 14037 on CSE
: INE118C01018 on CDSL & NSDL

i. Registrar & Share Transfer Agent

M/s. Purva Shareregistry (India) Private Limited has been appointed as Registrar & Share Transfer Agent for all work relating to share registry in terms of both physical and electronic mode. All transfer, transmission, request related to correspondence/queries, intimation of change of address etc. should be addressed to our RTA directly at the following Address:

M/s. Purva Shareregistry (India) Pvt. Ltd.

9, Shiv Shakti Ind. Estate, Ground Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011
Tel : 022-23016761 / 8261, Website : www.purvashare.com, Email : purvashr@mtnl.net.in

j. Share Transfer Systems

The Share transfer is processed by the Registrar & Share Transfer Agent, Purva Shareregistry (India) Private Limited and approved by Stakeholders' Relationship Committee, if the documents are complete in all respects, within 15 days from the date of lodgement.

k. Shareholding Pattern as on 31st March 2016

Categories	No. of Shares	% of Shareholding
Promoters, Directors, Relatives & Person acting in concert	1167400	9.97%
Indian Bank / Mutual Funds	-	
NRI/OCBS	-	
Private Corporate Bodies	349600	2.99%
Indian Public	-	
Hindu Undivided Families (HUF)	-	
Clearing Members	-	
Total	1517000	12.97%

l. Dematerialization of Shares & Liquidity

The Company's Equity Shares are in Demat trading segment and the Company had established connectivity with both NSDL & CDSL by signing the necessary agreements.

Procedures for dematerialization / rematerialization of Equity Shares:-

Shareholders seeking demat / remat of their shares need to approach their Depository Participants (DP) with whom they maintain a demat account. The DP will generate an electronic request and will send the physical share certificates to Registrar and Share Transfer Agents of the Company. Upon receipt of the request and share certificates, the Registrar will verify the same. Upon verification, the Registrar will request NSDL/ CDSL to confirm the demat request. The demat account of the respective share holder will be credited with equivalent number of shares. In case of rejection of the request, the same shall be communicated to the shareholder.

In case of remat, upon receipt of the request from the shareholder, the DP generates a request and verification of the same is done by the Registrar. The Registrar then requests NSDL or CDSL to confirm the same. Approval of the Company is being sought and equivalent numbers of shares are issued in physical form to the shareholder. The share certificates are dispatched within 15 days from the date of issue of Shares.

The Shares of Company are under "B" category on BSE Ltd. Further, 72.77% of the Company's Equity Share Capital held under Public category has been dematerialized up to 31st March 2016.

m. Nomination

Individual Shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the depository participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination form SH-13 ([Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014] can be obtained from the Company's Registrar and Share Transfer Agent. It is also available on Public domain.

n. Details on use of Public Funds Obtained in the last three years:

No Fund has been raised by the Company by way of Public Issue or Right Issue or Preferential Issue during last three years.

o. Investors Correspondence

Shareholders can contact the following Officials for secretarial matters of the Company:-
Mr. Ravi Kr. Newatia - dpms.kolkata@gmail.com

p. Requirement of PAN Card in case of Transfer of Shares in Physical Form

Pursuant to SEBI Circular, the shareholders holding shares in physical form are requested to submit self certified copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.

q. Electronic Clearing Service

The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Depositories for depositing dividends. Dividend will be credited to the Members' bank account through NECS wherever complete core banking details are available with the Company. In case where the core banking details

are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrants and ensures safety for the investors. The Company complies with the SEBI requirement.

r. Service of Documents through Electronic Mode

As a part of Green Initiatives, the members who wish to receive the notice/documents through e-mail, may kindly intimate their e-mail address to the Company's Registrar and Share Transfer Agent, Purva Sharegistry (India) Pvt. Ltd. to their dedicated e-mail id i.e., purvashr@mtnl.net.in

s. Green initiatives in Corporate Governance to receive documents through email by registering your email address:

The Ministry of Corporate Affairs (MCA) has taken a "Green initiative in the Corporate Governance" by providing an opportunity to the shareholders to register their email address with Company and changes therein from time to time.

The Company is sending notices/documents such as Annual Reports and notices by email to the shareholders who have registered their email address with DP/RTA. To support this laudable move of the Government, the members who have not registered their email address, so far, are requested to do so at the earliest, in respect of demat holding, through the respective Depository Participant (DP) and in respect of physical holding, through the Registrar and Share Transfer Agent (RTA) M/s. Purva Sharegistry (India) Pvt. Ltd.

While every notice/document will be sent through email address registered with the Company/RTA/DP, in case you desire to receive any notice/document in physical form, please intimate by email and the same shall be sent to your address registered with the Company/DP.

We solicit your patronage and support in joining hands with the Company to implement the e-governance initiative.

t. Outstanding GDRs./ADRs/Warrants or any convertible instruments, conversion data likely impact on Equity:

Not Any.

u. Code of Conduct

The Board of Directors of the Company has laid down Code of Conduct for Directors and for Senior Management & Employees. All Board Members and Senior Management have affirmed compliance with the Code of Conduct for the year under review. Declaration to this effect signed by the Managing Director & Chief Executive Officer is annexed to this report.

v. Address for Correspondence

916, Pearl Omaxe Building, Tower-2, Netaji Subhash Place,
Pitampura, New Delhi-110034

Tel: +91 11-47012010, +91 11-45500295

Email: dpms.kolkata@gmail.com, Website: www.dynamicwealthservices.com

Chairman & Managing Director's Declaration on Code of Conduct

As required by Clause 49 of Listing Agreement, the Managing Director and CEO's Declaration for Code of Conduct is given below:

The Members of

Dynamic Portfolio Management & Services Limited

a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the auditors and the Audit committee

(i) significant changes in internal control over financial reporting during the year;

(ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

e) We further declare that all Board Members and Senior Managerial Personnel have affirmed compliance with the Code of Conduct for the current Financial Year.

For Dynamic Portfolio Management & Services Limited

Place: Kolkata

Date: August 31st, 2016

Sd/-

Ravi Kr. Newatia (DIN: 00214822)

Chairman & Managing Director

**ANNUAL CERTIFICATE UNDER CLAUSE 49(II)(E) OF THE LISTING AGREEMENT
WITH THE STOCK EXCHANGES**

I, Ravi Kr. Newatia, Chairman & Managing Director of the M/s. Dynamic Portfolio Management & Services Limited declare that all Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct during the year ended 31st March 2016.

For Dynamic Portfolio Management & Services Limited

Place: Kolkata
Date: August 31, 2016

Sd/-
Ravi Kr. Newatia(DIN: 00214822)
Chairman & Managing Director

Auditors' Certificate on Corporate Governance to the Members of Dynamic Portfolio Management & Services Limited

We have examined the compliance of conditions of Corporate Governance by M/s. Dynamic Portfolio Management & Services Limited ("the Company"), for the year ended on 31 March 2016, as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with stock exchanges for the period 1 April 2015 to 30 November 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulation, 2015 ('Listing Regulations'), as referred to in Regulation 15(2) of the Listing Regulation, for the period 1 December 2015 to 31 March 2016.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement/Listing Regulation, as applicable.

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

For M A N V & Associates
Chartered Accountants
Firm Registration No. 007351N

Vijay Kumar Jain
Partner
M. No.087502

Date : 31st August, 2016
Place: Kolkata

INDEPENDENT AUDITORS' REPORT

To
The Members of
Dynamic Portfolio Management & Services Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Dynamic Portfolio Management & Services Limited** (“the Company”), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit & Loss, Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of

the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- a. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2016;
- b. In the case of the Statement of Profit & Loss, of the profit for the year ended on that date; and
- c. In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- i. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure - A" a statement on the matters specified in paragraph 3 and 4 of the Order to the extent applicable.
- ii. As required by the Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company, so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of written representations received from the directors as on March 31, 2016 and taken on record by the Board of Directors, we report that none of the director is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) the Act;

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure - B”;
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014, in our opinion and to the best of our information and according to the explanations to us:
- i. the Company does not have any pending litigations which would impact its financial positions;
 - ii. the Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii. there has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund . The question of delay in transferring such sums does not arise.

For M A N V & Associates
Chartered Accountants
Firm Registration No. 007351N

Vijay Kumar Jain
Partner
M. No.087502

Date : 31st August, 2016
Place: Kolkata

“Anexure- A” referred to in our Independent Auditors’ Report to the Members of Dynamic Portfolio Management & Services Limited on the financial statement for the year ended on 31st March 2016, we report that :

i. a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.

b) The Fixed Assets have been physically verified by the management at reasonable intervals which in our opinion, is reasonable having regard to the size of the Company and nature of its assets. As informed to us no material discrepancies have been noticed on such verification.

c) According to information and explanation given to us and on the basis of our examination of books of account, the Company does not have immovable property during the year and as on 31.03.2016. Therefore, the provisions of paragraph 3(i)(c) of the Order, regarding the title deeds of the immovable properties, is not applicable.

ii. According to information and explanation given to us and on the basis of our examination of books of account, the quoted securities held as stock in trade have been confirmed with the statement of holding of depository at the end of the year. The unquoted securities held as stock in trade have been confirmed share certificates at the end of the year. In our opinion, the frequency of verification of securities is reasonable.

According to information and explanation given to us and on the basis of our examination of books of account, the procedure of verification of securities held as stock in trade followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.

According to information and explanation given to us and on the basis of our examination of books of account, the Company has maintained proper records of securities held as stock in trade and as informed to us, no discrepancies have been noticed on verification.

iii. According to information and explanation given to us and on the basis of our examination of books of account, the Company, being a NBFC Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of the paragraph 3 (iii) of the Order is not applicable to the Company.

iv. According to information and explanation given to us and on the basis of our examination of books of account, the Company, being a NBFC Company has not granted any loans, made any investments, given any guarantees and security where provisions of section 185 and 186 of the Act are required to be complied with. Therefore, the provisions of the paragraph 3 (iv) of the Order is not applicable to the Company.

- v. According to the information and explanations given to us and on the basis of our examination of books of accounts, the Company has not accepted any deposits from the public covered under section 73 to 76 or other relevant provisions of the Companies Act, 2013 and rules framed thereunder. Therefore, the provisions of the paragraph 3 (v) of the Order is not applicable to the Company.
- vi. As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- vii. According to information and explanations given to us, in respect of statutory dues:
 - a) According to the records of the company, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, to the extent applicable, have generally been regularly deposited with appropriate authorities. According to the information and explanations given to us there were no undisputed statutory dues were outstanding as at 31st March, 2016 for a period of more than six months from the date they became payable.
 - b) According to information and explanation given to us and on the basis of our examination of books of account, there are no disputed dues of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax.
- viii. According to information and explanation given to us and on the basis of our examination of books of account, the Company has not defaulted in the repayment of loans or borrowing to financial institution, bank or government. The Company has not issued any debentures.
- ix. According to information and explanation given to us and on the basis of our examination of books of account, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Therefore, the provisions of the paragraph 3 (ix) of the Order is not applicable to the Company.
- x. In our opinion and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.
- xi. According to information and explanation given to us and on the basis of our examination of books of account, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. According to the information and explanations given to us and in our opinion the Company is not a Nidhi Company. Therefore, the provisions of the paragraph 3 (xii) of the Order is not applicable to the Company.

- xiii. According the information and explanations given to us and on the basis of our examination of the records of the Company, all transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
- xiv. According the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, the provisions of the paragraph 3 (xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly the provisions of the paragraph 3 (xv) of the Order is not applicable to the Company.
- xvi. The Company holds a Certificate of Registration No. B-05.02311 issued by Reserve Bank of India to carry the business of non banking financial services (Non-Deposit Accepting or Holding) under section 45-IA of the Reserve Bank of India Act, 1934.

For M A N V & Associates
Chartered Accountants
Firm Registration No. 007351N

Vijay Kumar Jain
Partner
M. No.087502

Date : 31st August, 2016
Place: Kolkata

Annexure -B referred to the Independent Auditor's Report to the Members of Dynamic Portfolio Management & Services Limited being report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Dynamic Portfolio Management & Services Limited ("the Company") as at March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M A N V & Associates
Chartered Accountants
Firm Registration No. 007351N

Vijay Kumar Jain
Partner
M. No.087502

Date : 31st August, 2016
Place: Kolkata

DYNAMIC PORTFOLIO MANAGEMENT & SERVICES LIMITED

BALANCE SHEET AS AT 31ST MARCH 2016

Amount (Rs.)

	Particulars	Note No.	AS AT 31.03.2016	AS AT 31.03.2015
I	EQUITY AND LIABILITIES			
	(1) Shareholders' funds			
	(a) Share capital	1	116,129,450.00	116,129,450.00
	(b) Reserve and surplus	2	1,566,674.86	58,861.34
	(2) Non-current liabilities			
	(a) Long-term provisions	3	241,455.00	1,050,172.97
	(b) Deferred tax liability (net)	4	-	17,184.84
	(3) Current liabilities			
	(a) Short-term borrowings	5	78,083.00	253,557.00
	(b) Other current liabilities	6	75,000.00	7,000.00
	(c) Short-term provisions	7	311,731.00	297,570.00
	TOTAL		118,402,393.86	117,813,796.15
II	ASSETS			
	(1) Non-current assets			
	(a) Fixed assets			
	Tangible assets	8	586,220.68	580,715.51
	(b) Non current investment	9	2,000,000.00	7,000,000.00
	(c) Deferred tax assets (net)	10	30,523.00	-
	(d) Long term loans and advances	11	96,587,876.00	88,999,159.00
	(2) Current assets			
	(a) Inventories	12	10,716,220.00	10,808,070.15
	(b) Trade receivables	13	2,704,050.00	4,054,500.00
	(c) Cash and cash equivalents	14	2,726,985.55	3,755,538.86
	(d) Short-term loans and advances	15	3,050,518.63	2,615,812.63
	TOTAL		118,402,393.86	117,813,796.15

The accompanying notes from 1 to 23 are an integral part of the financial statements.

As per our report of even date
For M A N V & Associates
Firm Registration Number:007351N
Chartered Accountants

For and on behalf of Board of Directors of
Dynamic Portfolio Management & Services Limited

Vijay Kumar Jain
Partner
M. No.087502

Anil K Agarwal Ravi Kumar Newatia
Director Director
DIN:02297780 DIN:00214822

Shashi Kant Arya
CFO

Date: 31st August 2016
Place: Kolkata

DYNAMIC PORTFOLIO MANAGEMENT & SERVICES LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2016

Amount (Rs.)

	Particulars	Note No.	31.03.2016		31.03.2015	
I	Revenue from operations	16		8,080,756.00		8,215,023.00
II	Other income	17		810,917.97		3,020,594.00
III	Total revenue (I+II)			8,891,673.97		11,235,617.00
IV	Expenses:					
	Purchases of stock-in-trade	18		-		10,495,662.85
	Changes in inventories of stock-in-trade	19		91,850.15		(1,332,198.15)
	Employee benefits expense	20		578,761.00		414,667.00
	Finance costs	21		746.81		1,466.31
	Other expenses	22		6,286,058.50		1,136,492.32
	Depreciation and amortization expenses	8		108,270.83		85,355.83
	Total expenses			7,065,687.29		10,801,446.16
V	Profit before tax (III-IV)			1,825,986.68		434,170.84
VI	Tax expense					
	(1) Current tax		311,731.00		198,940.00	
	(2) Income tax for earlier year		54,150.00		-	
	(2) Deferred tax liabilities (assets)		(47,707.84)	318,173.16	7,021.31	205,961.31
VII	Profit (loss) for the period			1,507,813.52		228,209.53
VIII	Earnings per equity share:					
	(1) Basic			0.13		0.02
	(2) Diluted			0.13		0.02

The accompanying notes from 1 to 23 are an integral part of the financial statements.

As per our report of even date
For M A N V & Associates
Firm Registration Number:007351N
Chartered Accountants

For and on behalf of Board of Directors of
Dynamic Portfolio Management & Services Limited

Vijay Kumar Jain
Partner
M. No.087502

Anil K Agarwal
Director
DIN:02297780

Ravi Kumar Newatia
Director
DIN:00214822

Shashi Kant Arya
CFO

Date: 31st August 2016

Place: Kolkata

DYNAMIC PORTFOLIO MANAGEMENT & SERVICES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2016

	<u>31.03.2016</u>	<u>31.03.2015</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Profit before tax	1,825,986.68	434,170.84
Adjustments to reconcile profit before tax to cash used in operating activities		
Depreciation and amortization expenses	108,270.83	85,355.83
Provision for income tax	(365,881.00)	(198,940.00)
Changes in assets and liabilities		
Decrease/(increase) in trade receivables	1,350,450.00	(4,054,500.00)
Decrease/(increase) in inventories	91,850.15	(1,332,198.15)
Decrease/(increase) in short term loans & advances	(434,706.00)	(396,519.00)
Increase/(decrease) in long term provision	(808,717.97)	222,482.90
Decrease/(increase) In long term loans & advances	(7,588,717.00)	(1,546,589.00)
Increase /(decrease) in other current liabilities	68,000.00	(7,000.00)
Increase/(decrease) in short term provision	14,161.00	(3,446.00)
Net cash generated /(used) in operating activities	<u>(5,739,303.31)</u>	<u>(6,797,182.58)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Additions/(deletion) in fixed assets	(113,776.00)	-
Decrease/(increase) in non current investment	5,000,000.00	5,000,000.00
Net cash generated / (used) in investing activities	<u>4,886,224.00</u>	<u>5,000,000.00</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Net proceeds from short term borrowing	(175,474.00)	(159,852.00)
Net cash generated / (used) in financing activities	<u>(175,474.00)</u>	<u>(159,852.00)</u>
Net increase/(decrease) in cash and cash equivalents	(1,028,553.31)	(1,957,034.58)
Cash and cash equivalents at the beginning of the period	3,755,538.86	5,712,573.44
Cash and cash equivalents at the end of the period	2,726,985.55	3,755,538.86

The accompanying notes from 1 to 23 are an integral part of the financial statements.

As per our report of even date
For M A N V & Associates
Firm Registration Number:007351N
Chartered Accountants

For and on behalf of Board of Directors of
Dynamic Portfolio Management & Services Limited

Vijay Kumar Jain
Partner
M. No.087502

Anil K Agarwal Ravi Kumar Newatia Shashi Kant Arya
Director Director CFO
DIN:02297780 DIN:00214822

Date: 31st August 2016
Place: Kolkata

Note 1 SHARE CAPITAL**3 (i) Share capital authorised, issued, subscribed and paid up:**

Particulars	As at 31.03.2016		As at 31.03.2015	
	Number of Shares	Amount (in Rs.)	Number of Shares	Amount (in Rs.)
Authorised				
Equity Shares of Rs.10 each	12,110,000	121,100,000.00	12,110,000	121,100,000.00
Issued, Subscribed and fully paid up:				
Equity Shares of Rs.10 each	11,691,800	116,918,000.00	11,691,800	116,918,000.00
Less:- Calls in Aerears	-	788,550.00	-	788,550.00
	<u>11,691,800</u>	<u>116,129,450.00</u>	<u>11,691,800</u>	<u>116,129,450.00</u>

3 (ii) Reconciliation of the number of equity shares and share capital

Reconciliation of outstanding share not applicable as there is no movement during the year

3 (iii) Terms/rights attached to equity shares:

The Company has only one class of share capital, i.e. equity shares having face value of Rs.10 per share. Each holder of equity share is entitled to one vote per share.

3 (iv) Shareholders holding more than 5 % of equity shares as at the end of the year:

Name of the Shareholder	As at 31.03.2016		As at 31.03.2015	
	Number of Shares	Shareholding %	Number of Shares	Shareholding %
Vipul Goel	1447500	12.38%	1447500	12.38%
Pallavi Goel	1460000	12.49%	1460000	12.49%

3 (v) Shares reserved for issue under options and contracts/commitments outstanding as at the end of the year on un-issued share capital: NIL (Previous year: NIL)

3 (vi) The aggregate number of equity shares allotted as fully paid up by way of bonus shares/pursuant to contract, without payment being received in cash/shares bought back in immediately last 5 years ended on March 31, 2016: NIL (Previous period of 5 years ended March 31, 2015: NIL)

	31.03.2016	31.03.2015
Note 2 RESERVES AND SURPLUS		
Special Reserve u/s 451C of the RBI Act 1934		
Opening Balance	700,526.10	605,497.22
Add:- Transfer from Statement of Profit & Loss	<u>301,562.70</u>	<u>95,028.88</u>
	1,002,088.80	700,526.10
Surplus in Statement of Profit and Loss		
Opening Balance	(641,664.76)	(768,029.58)
Profit/(Loss) for the year	1,507,813.52	228,209.53
Adjustment in Opening WDV	-	(6,815.83)
	<u>866,148.76</u>	<u>(546,635.88)</u>
Less:- Transfer to Special Reserve u/s 45-IC of RBI Act, 1934	<u>301,562.70</u>	<u>95,028.88</u>
	564,586.06	(641,664.76)
	<u>1,566,674.86</u>	<u>58,861.34</u>
Note 3 LONG TERM PROVISIONS		
Provision for NPA	-	148,488.00
Provision on Standard Assets	<u>241,455.00</u>	<u>901,684.97</u>
	<u>241,455.00</u>	<u>1,050,172.97</u>
Note 4 DEFERRED TAX LIABILITY		
Opening Deferred Tax Liabilities \ (Assets)	-	13,211.42
Deferred Tax Liabilities \ (Assets) during the year	-	3,973.42
	-	<u>17,184.84</u>
Note 5 SHORT TERM BORROWINGS		
Term Loan - Secured		
Vehicle Loan - ICICI Bank	<u>78,083.00</u>	<u>253,557.00</u>
	<u>78,083.00</u>	<u>253,557.00</u>
Note 6 OTHER CURRENT LIABILITIES		
TDS Payable	5,000.00	-
Other Outstanding Expenses	-	7,000.00
Salary payable	25,000.00	-
Audit Fee payable	<u>45,000.00</u>	<u>-</u>
	<u>75,000.00</u>	<u>7,000.00</u>
Note 7 SHORT TERM PROVISIONS		
Provision for Income Tax	<u>311,731.00</u>	<u>297,570.00</u>
	<u>311,731.00</u>	<u>297,570.00</u>

DYNAMIC PORTFOLIO MANAGEMENT & SERVICES LIMITED

DETAILS OF TANGIBLE ASSETS AND DEPRECIATION AS ON 31/3/2016

NOTE 8

PARTICULARS	GROSS BLOCK				DEPRECIATION BLOCK			NET BLOCK		
	As on 01/04/2015	Addition during the year	Deletion during the year	As on 31/03/2016	Upto 31/03/2015	Depreciation for the Year	Adjustment	As on 31/03/2016	As on 31/03/2016	As on 31/03/2015
OFFICE EQUIPMENT										
Air Conditioner	21,000.00	78,000.00	-	99,000.00	19,949.99	12,952.00	-	32,901.99	66,098.01	1,050.01
VEHICLES										
Motor Car	706,364.00	-	-	706,364.00	128,744.00	85,355.83	-	214,099.83	492,264.17	577,620.00
COMPUTER										
Computer	40,910.00	35,776.00	-	76,686.00	38,864.50	9,963.00	-	48,827.50	27,858.50	2,045.50
TOTAL	768,274.00	113,776.00	-	882,050.00	187,558.49	108,270.83	-	295,829.32	586,220.68	580,715.51
PREVIOUS YEAR	768,274.00	-	-	768,274.00	92,338.94	85,355.83	9,863.72	187,558.49	580,715.51	675,935.05

Note 9	NON-CURRENT INVESTMENT		
	Share Application	2,000,000.00	7,000,000.00
		<u>2,000,000.00</u>	<u>7,000,000.00</u>
Note 10	DEFERRED TAX ASSETS (NET)		
	Opening Deferred Tax Assets \ (Liabilities)	(17,184.84)	-
	Deferred Tax Assets \ (Liabilities) during the year	47,707.84	-
		<u>30,523.00</u>	<u>-</u>
Note 11	LONG TERM LOANS & ADVANCES		
	Unsecured Considered Good		
	Loans Given	96,581,876.00	88,993,159.00
	Security Deposits - Sales Tax	6,000.00	6,000.00
		<u>96,587,876.00</u>	<u>88,999,159.00</u>
Note 12	INVENTORIES		
	Quoted Shares	1,660,098.00	1,751,948.15
	Un-Quoted Shares	9,056,122.00	9,056,122.00
		<u>10,716,220.00</u>	<u>10,808,070.15</u>
Note 13	TRADE RECEIVABLES		
	Unsecured - Considered Good		
	Outstanding for a period not exceeding six months from due date	-	4,054,500.00
	Outstanding for a period exceeding six months from due date	2,704,050.00	-
		<u>2,704,050.00</u>	<u>4,054,500.00</u>
Note 14	CASH AND CASH EQUIVALENTS		
	Cash in Hand	1,337,149.62	761,237.22
	Balances with Banks - In Current Account	1,389,835.93	2,994,301.64
		<u>2,726,985.55</u>	<u>3,755,538.86</u>
Note 15	SHORT TERM LOANS & ADVANCES		
	Other Advances		
	Tax Deducted at Source	3,050,518.63	2,615,812.63
		<u>3,050,518.63</u>	<u>2,615,812.63</u>

Note 16 REVENUE FROM OPERATIONS

Sales of Shares	-	463,555.00
Interest Received	8,080,756.00	7,751,468.00
	<u>8,080,756.00</u>	<u>8,215,023.00</u>

Note 17 OTHER INCOME

Provision for NPA written back	148,488.00	-
Provision on Standard Assets written back	660,229.97	-
Other Income	-	3,000,000.00
Interest on IT Refund	2,200.00	20,594.00
	<u>810,917.97</u>	<u>3,020,594.00</u>

Note 18 PURCHASES OF STOCK IN TRADE

Purchase of Shares	-	10,495,662.85
	<u>-</u>	<u>10,495,662.85</u>

Note 19 DECREASE/(INCREASE) IN STOCK IN TRADE

Opening Stock	10,808,070.15	9,475,872.00
Closing Stock	10,716,220.00	10,808,070.15
	<u>91,850.15</u>	<u>(1,332,198.15)</u>

Note 20 EMPLOYEE BENEFIT EXPENSES

Salaries, Wages and Bonus	554,591.00	390,000.00
Staff Welfare Expenses	24,170.00	24,667.00
	<u>578,761.00</u>	<u>414,667.00</u>

Note 21 FINANCE COSTS

Bank Charges and ancillary borrowing cost	746.81	1,466.31
	<u>746.81</u>	<u>1,466.31</u>

Note 22 OTHER EXPENSE

Advertisement	9,960.00	10,700.00
Filing Fees	42,800.00	34,800.00
General & Miscellaneous Expenses	64,304.86	87,884.08
Interest on Car Loan	16,334.00	31,956.00
Legal & Professional fees	132,100.00	88,047.00
Listing Fees	333,470.00	185,394.00
Motor Car Expenses	71,366.23	146,311.00
Meeting Expenses	137,700.00	41,420.00
Auditor's Fee		
- For Statutory Audit	50,000.00	35,500.00
- For Others		
Postage & Stamp	26,420.00	33,907.00
Printing & Stationery	54,235.00	86,984.00
Provision on Standard Assets(0.25% of Standard Assets)	-	222,482.90
Transfer Agent Fee	70,302.00	45,903.00
Travelling & Conveyance Expenses	59,705.00	77,495.00
Website Design Expenses	8,455.49	7,708.34
Trading loss in Shares	5,208,905.92	-
	<u>6,286,058.50</u>	<u>1,136,492.32</u>

NOTE NO. 23

A. SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of Financial Statements

The Financial Statements of the Company are prepared in accordance with the Generally Accepted Accounting Principles (GAAP) in India.

The Financial Statements have been prepared on an accrual basis and under the historical cost convention.

GAAP comprises applicable Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India, relevant applicable provisions of the Companies Act, 2013, to the extent applicable and the applicable guidelines issued by Securities and Exchange Board of India (SEBI).

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy hitherto in use.

All assets and liabilities have been classified as current or non-current as per the provisions of Schedule III to the Companies Act, 2013. The Company has assumed 12 months for the purpose of current and non-current classification of assets and liabilities.

2. Use of estimates

The preparation of the Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets, liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of revenue and expenses during the period. Actual results might differ from the estimates. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialise.

3. Fixed assets

Tangible fixed assets are stated at their original cost less accumulated depreciation. Cost comprises the purchase price and other attributable expenses.

4. Depreciation and amortization

Depreciation on tangible fixed assets is provided on straight line basis so as to charge the cost of the assets less its residual value over the useful life of the respective asset as prescribed under Part C of Schedule II to the Companies Act. Depreciation on assets added, sold or discarded during the year is provided on pro-rata basis.

Residual value has been considered as 5% of the cost of the respective asset.

Useful life and residual value of the assets are reviewed at each financial year end.

5. Revenue recognition

Interest income is recognized on time proportion basis taking into account the amount outstanding and the applicable interest rate.

Dividend Income is recognized when right to receive dividend is established. All other incomes are accounted for on accrual basis.

6. Expenses

All the expenses are accounted for on accrual basis.

7. Inventories

Inventories, Consisting of Share, are valued as under:

Quoted Share : Lower of Cost or Market Price

Unquoted Share : At Cost

8. Investment

Investments that are readily realizable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognize a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

9. Provisions, contingent liabilities and contingent assets

A provision is recognized in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered probable as a result of a past event, and the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured by best estimate of the outflow of economic benefits required to settle the obligation at the Balance Sheet date.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Re-imburement expected in respect of expenditure to settle a provision is recognised only when it is virtually certain that the re-imburement will be received.

A contingent asset is neither recognised nor disclosed in the Financial Statements.

10. Impairment of assets

An asset is treated as impaired when the carrying amount of asset exceeds its recoverable value.

The Company assesses at each Balance Sheet date whether there is an indication that an asset may be impaired.

Impairment loss, if any, is recognised to the extent, the carrying amount of assets exceed its recoverable value being higher of an asset's net selling price and its value in use. Value in use is computed at net present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

The Company also assesses at each Balance Sheet date whether there is an indication that the impairment losses recognised in earlier years no longer exist or have decreased. If such indication is there, then impairment losses recognised in prior years are reversed.

Such reversals are recognised as an increase in carrying amount of assets to the extent that it does not exceed the carrying amount that would have been determined (net of depreciation or amortization) had no impairment loss been recognised in previous years.

11. Employee benefits

Short-term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

Long-term employee benefits are recognised as an expense in the Statement of Profit and Loss for the year in which the employees have rendered services.

12. Taxes on income

Tax expense for the period comprises of current income tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Deferred tax is recognised, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in future. However, when there is a brought forward loss or unabsorbed depreciation under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date and written down or written up to reflect the amount that is reasonably/virtually certain to be realized.

The deferred tax for timing differences between the book and tax profit for the period is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet date.

13. Earnings per share

Basic earnings per share are computed by dividing the net profit/(loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are computed by dividing the net profit/(loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are determined as at the end of each period presented.

14. Cash flow statement

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

15. Cash and cash equivalents

Cash and cash equivalents include cash in hand, cheques in hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which carry insignificant risk of changes in value.

B. OTHER DISCLOSURES

1. Contingent liabilities and commitments (to the extent not provided for)

<u>Particulars</u>	<u>March 31, 2016</u>	<u>March 31, 2015</u>
a) Contingent liabilities		
Claims against the Company not acknowledged as debts	-	-
b) Commitments:		
Estimated amount of Contracts remaining to be executed on Capital Account and not provided for	-	-

2. Earnings per Share

Earnings per share - The numerators and denominators used to calculate Basic/ Diluted Earning per share :

<u>Particulars</u>	<u>March 31, 2016</u>	<u>March 31, 2015</u>
a) Amount used as the numerator		
Profit after tax and for the year- (A)	15,07,813.52	2,28,209.53
b) Weighted average number of Equity shares outstanding used as the denominator for computing Basic Earnings per share - (B)	1,16,91,800	1,16,91,800
c) Weighted average number of Equity shares outstanding used as the denominator for computing Diluted Earnings per share - (C)	1,16,91,800	1,16,91,800
d) Nominal value of equity shares (Rs.)	10	10
e) Basic earnings per share (A/B)	0.13	0.02
f) Diluted earnings per share (A/C)	0.13	0.02

3. Expenditure on Corporate Social Responsibilities (CSR) Activities

The provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company in view of the fact that the Company does not meet any of the financial criteria for applicability of CSR.

4. Disclosure regarding loans given, investment made and guarantee given pursuant to section 186 (4) of the Companies Act, 2013:

The Company, being a non-banking finance company registered with the Reserve Bank of India and engaged in the business of giving loans, is exempt from complying with the provisions of section 186(4) of the Companies Act, 2013. Accordingly, the disclosures of the loans given and investment made as required under the aforesaid section have not been given.

5. Segment Reporting

The company is in the business of NBFC. Considering the core activities of the company, the management is of the view that it is a single reportable business segment and hence, disclosure relating to primary segment is not applicable.

6. Trading loss in Shares

During the year Company has incurred net loss of Rs. 52,08,905.92 in trading derivatives (Future & Option). The management of the company is of the view that purchase and sales of share derivatives is not be part of turnover of the company, Therefore net loss incurred has been disclosed as other expense.

7. Non Current Investment of the Company includes share application money of Rs. 20,00,000/- given to M/s. Quadrant Infotech India Private Limited. However till date company has not received any information regarding allotment of shares.
8. During the year company has written off balance outstanding of Rs. 778 on account of closure of Vysya Bank, is subject to confirmation from the Bank.
9. Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary to make them comparable with those of the current year.
10. Based on the information / documents available with the Company, no amount (Previous year: Nil) is/was due to Micro, Small and Medium Enterprises as defined in the "Micro, Small and Medium Enterprises Development Act, 2006".

Hence, information as per the requirements of Section 22 of the aforesaid Act is not required to be disclosed.

11. Statement of activities applicable to Non Banking Finance Companies (Non-Deposit Accepting Holding):

The Company holds a Certificate of Registration No. B-05.02311 issued by Reserve Bank of India to carrying the business of non banking financial services (Non-Deposit Accepting or Holding) under section 45 IA of the RBI Act, 1934.

The Company is entitled to continue to hold the Certificate of Registration in terms of assets/income pattern as on 31st march 2016. In terms of paragraph 15 of Non Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 in respect of non deposit taking NBFCs.

The Company has not accepted any public deposit during the relevant year.

The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

12. The classification of loans under the RBI guidelines is as under:

	As at March 31, 2016 Amount (Rs.)	As at March 31, 2015 Amount(Rs.)
Standard assets	9,65,81,876.00	8,89,93,159.00
Sub-standard assets	-	-
Doubtful assets	-	-
Loss assets	-	-

13. Related Party Disclosure

Names of related parties and related party relationship

Key Management Person of company

- a) Ravi Kumar Newatia, Managing Director
- b) Sushil Kumar Mittal, Independent Director
- c) Anil Kumar Agarwal, Independent Director
- d) Sunil Kumar Gupta, Independent Director
- e) Anita Mittal, Independent Director
- f) Ashutosh Agarwal, CFO
- g) Rashmi Sethi, Company Secretary

Enterprises over which Key Management Personnel have their significant influence and substantial interest:

- a) Charishma Combines Private Limited
- b) Darshan Vyapar Private Limited
- c) OM Vincom Private Limited
- d) Ranisati Mercantile Private Limited
- e) Ritesh Construction Private Limited
- f) Ritesh Real Estates Private Limited
- g) Ritesh Stock Broking Private Limited
- h) Shiv Shankar Securities Private Limited
- i) Speed Business Private Limited
- j) VPL Oil Marketing Private Limited

Related Party transaction

The Compensation/Salary/Remuneration paid/provided to key Management person of the Company.

	March 31, 2016 Amount (Rs.)	March 31, 2015 Amount(Rs.)
Salary paid to Rashmi Sethi, Company Secretary	2,30,591.00	-

The accompanying notes from 1 to 23 are an integral part of the financial statements

As per our report of even date
For M A N V & Associates
Firm Registration Number:007351N
Chartered Accountants

For and on behalf of Board of Directors of
Dynamic Portfolio Management & Services Limited

Vijay Kumar Jain
Partner
M. No.087502

Anil K Agarwal
Director
DIN:02297780

Ravi Kumar Newatia
Director
DIN:00214822

Shashi Kant Arya
CFO

Date: 31st August 2016
Place: Kolkata

Dynamic Portfolio Management & Services Ltd.

CIN: L74140DL1994PLC304881

Regd. Office: 916, Pearl Omaxe Building, Tower-2, Netaji Subhash Place, Pitampura, New Delhi-110034

Tel: +91 11-47012010, Email: dpms.kolkata@gmail.com; Website: www.dynamicwealthservices.com

Form No. MGT – 11, PROXY FORM / BALLOT FORM

(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of Companies (Management and Administration), 2014)

Name of the Member _____

Registered Address _____

Folio No./DP/Client ID _____ Email ID _____

I/We being the members of _____ Shares of Dynamic Portfolio Management & Services Ltd., hereby appoint

1. _____ having email Id _____ Signature _____ or failing him

2. _____ having email Id _____ Signature _____ or failing him

3. _____ having email Id _____ Signature _____

As my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st Annual General Meeting of the Company, to be held on Friday, 30th September 2016 at 11.00 AM at the Registered Office of the Company and at any adjournment thereof in respect of such resolution(s) as are indicated below:

Ordinary Business :		For	Against
1.	Adoption of Financial Statements for the year ended March 31, 2016		
2.	Ratification of Appointment of M/s. MANV & Associates, Chartered Accountants, New Delhi as Auditors and to fix their remuneration.		
3.	Approval of Appointment of Chief Financial Officer		

Signed this _____ day of _____ 2016

Sign. of Shareholder _____ Sign. of Proxy _____

Affix
Revenue
Stamp
1/-

Dynamic Portfolio Management & Services Ltd.

CIN: L74140DL1994PLC304881

Regd. Office: 916, Pearl Omaxe Building, Tower-2, Netaji Subhash Place, Pitampura, New Delhi-110034

Tel: +91 11-47012010, Email: dpms.kolkata@gmail.com; Website: www.dynamicwealthservices.com

ATTENDANCE SLIP

Registered Folio No. /DP ID/Client Id _____

Name & Address of Share Holder _____

I/We hereby record my/our presence at the 21st Annual General Meeting of the Company on Friday, 30th September 2016 at 11.00 AM at the Registered Office of the Company

Members' Folio/DP ID/Client ID

Member/Proxy's Name in Block Letters

Member/Proxy's Sign

Please complete the Folio/DP ID/Client ID and Name, sign this Attendance Slip and hand it over at the Attendance Verification counter at the Entrance of the Meeting Place